



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

triglav

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Unaudited Interim Report of the Triglav Group and Zavarovalnica Triglav d.d. for the period from 1 January 2021 to 30 September 2021



MANAGEMENT BOARD:

President: Andrej Slapar

Members: Uroš Ivanc

Tadej Čoroli

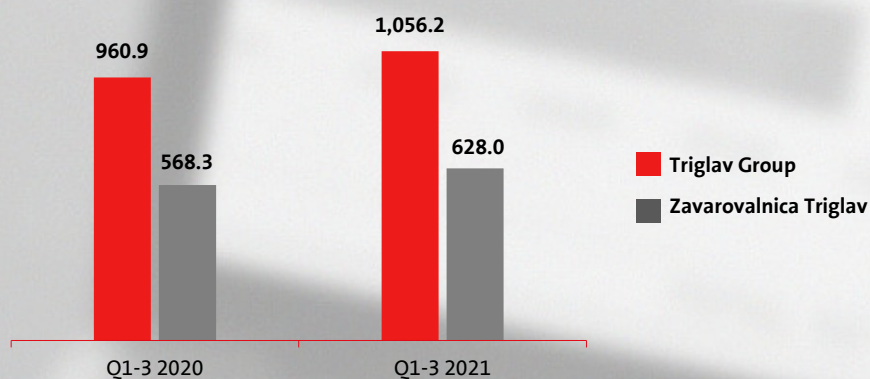
Barbara Smolnikar

David Benedek

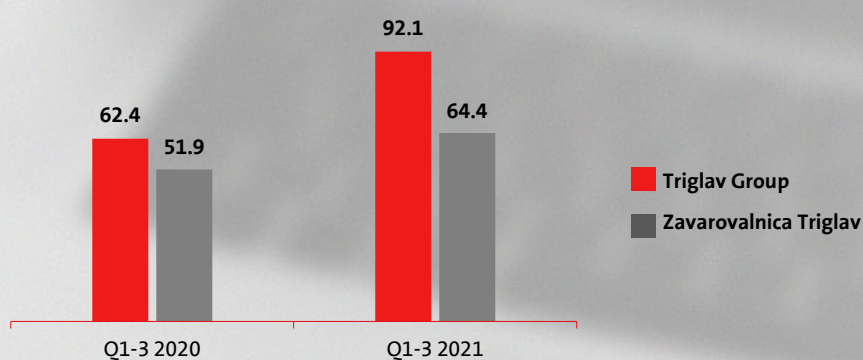
Marica Makoter

Ljubljana, November 2021

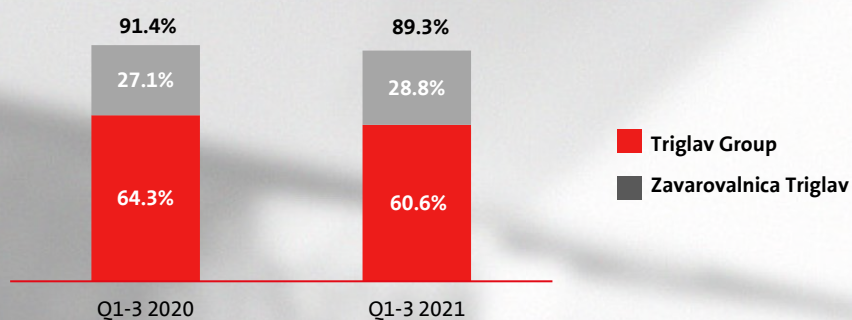
Gross written premium for insurance, coinsurance and reinsurance contracts in EUR million



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 1.7

Dividend per share

Dear shareholders, business partner and colleagues,



In the third quarter of 2021, we continued to achieve very good operating results, which confirm that we are effectively implementing our strategic guidelines. The planned and achieved performance and stability of our operations and capital strength are also reflected in the high “A” credit ratings with a stable medium-term outlook, which were assigned by the credit rating agencies S&P Global Ratings and AM Best.

Consolidated profit before tax for the first nine months amounted to EUR 92 million, up by 48% relative to the same period last year. Based on these nine-month results, we expect the annual profit before tax to exceed the profit initially planned, and we estimate that, taking into account the business conditions anticipated by the end of the year, it will range between EUR 115 and 125 million.

We are satisfied with the nine-month results of our insurance business. Backed by our underwriting discipline and a client-centred approach, we achieved a 10% increase in consolidated gross written premium compared to the same period last year, or a total of EUR 1.056 million. Premium growth was recorded in all three insurance segments and all our markets. In Slovenia it stood at 8%, which is 4 percentage points above the market, reaching 16% in markets outside Slovenia. The volume of claims did not deviate significantly from the comparative period of the previous two years. The claims were affected by the growth of the insurance portfolio over several years and major CAT events, which, however, did not reach extreme levels in the first nine months of 2021. The claims segment continued to be affected by the COVID-19 pandemic, resulting in a lower frequency of claims in some insurance classes and an increased volume of claims in others due to last year’s disruption in some services.

The combined ratio in non-life and health insurance reached a favourable 89.3% as a result of the improved claims ratio. As usual, we continued to employ a prudent approach to underwriting. Our insurance technical results were additionally positively influenced by the relatively lower frequency of claims and the favourable development of claims provisions formed in past years. Last year, claims provisions were formed with particular caution due to the increased uncertainty related to the onset of the pandemic.

As expected, low interest rates affected the Triglav Group’s return on its investment portfolio, which amounted to EUR 3,604 million. The investment portfolio’s composition was not significantly modified. The situation in the financial markets and net inflows had a positive effect on Triglav Skladi’s performance and on the volume of clients’ assets managed in mutual funds and discretionary mandate assets (EUR 1,400 million).

Commitment to sustainability is already integrated into the Triglav Group’ operations, it is a part of us. This year, we are systematically carrying out numerous activities aimed at implementing the Triglav Group’s commitment to sustainability (ESG) and the goal of the European Green Deal regarding the achievement of carbon neutrality.

We are operating in difficult times full of challenges. I firmly believe that our team of over five thousand employees will continue to rise to these challenges in the future, for which I sincerely thank everyone on behalf of the Management Board.

Andrej Slapar

President of the Management Board of Zavarovalnica Triglav

A handwritten signature in blue ink, consisting of a stylized 'A' followed by a series of loops and a long horizontal stroke.

Business Report



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Business Report

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1. Financial highlights in the first nine months of 2021

1.1 Financial highlights of the Triglav Group

	in EUR million		
	Q1-3 2021	Q1-3 2020	Index 2021/2020
Gross written premium from insurance, coinsurance and reinsurance contracts	1,056.2	960.9	110
Net premium income	827.5	791.1	105
Gross claims paid*	521.6	505.0	103
Net claims incurred	528.1	510.6	103
Gross operating expenses	245.4	222.3	110
Profit before tax	92.1	62.4	148
Net profit	75.2	50.8	148
Net profit attributable to the controlling company	75.0	50.5	149
	30 September 2021	31 December 2020	Index 2021/2020
Insurance technical provisions	3,235.7	3,033.2	107
Equity	900.4	870.2	103
Equity attributable to the controlling company	897.7	867.6	103
Number of employees	5,237	5,316	99

*Gross claims paid include gross claims paid from inward reinsurance

Key performance indicators of the Triglav Group

	Q1-3 2021	Q1-3 2020
ROE annualised	11.5%	8.4%
Loss ratio	60.6%	64.3%
Expense ratio	28.8%	27.1%
Combined ratio	89.3%	91.4%
Ratio of gross operating expenses to gross written premium	21.0%	20.7%

1.2 Financial highlights of Zavarovalnica Triglav

	in EUR million		
	Q1-3 2021	Q1-3 2020	Index 2021/2020
Gross written premium from insurance, coinsurance and reinsurance contracts	628.0	568.3	111
Net premium income	441.4	430.4	103
Gross claims paid*	287.9	294.9	98
Net claims incurred	274.3	281.0	98
Gross operating expenses	145.3	131.8	110
Profit before tax	64.4	51.9	124
Net profit	52.5	43.3	121
	30 September 2021	31 December 2020	Index 2021/2020
Insurance technical provisions	2,314.1	2,199.0	105
Equity	652.0	644.0	101
Number of employees	2,250	2,244	100

*Gross claims paid include gross claims paid from inward reinsurance

Key performance indicators of Zavarovalnica Triglav

	Q1-3 2021	Q1-3 2020
ROE annualised	11.0%	9.6%
Loss ratio	52.8%	55.9%
Expense ratio	31.1%	30.5%
Combined ratio	83.9%	86.4%
Ratio of gross operating expenses to gross written premium	23.1%	23.2%

1.3 Activities, markets and position of the Triglav Group

The Triglav Group is the leading insurance/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.o.o. and Triglav d.o.o., includes saving via the Group's insurance services and investing in the Group's mutual funds, 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
Slovenia	<ul style="list-style-type: none"> ▪ Zavarovalnica Triglav d.d. ▪ Pozavarovalnica Triglav Re d.d. ▪ Triglav, Zdravstvena zavarovalnica d.d. ▪ Triglav, pokojninska družba d.d. 	<ul style="list-style-type: none"> ▪ Triglav Skladi d.o.o. ▪ Triglav, Upravljanje nepremičnin d.o.o. ▪ Triglav d.o.o. 	<ul style="list-style-type: none"> ▪ Triglav INT d.d. ▪ Triglav Svetovanje d.o.o. ▪ Triglav Avtoservis d.o.o. ▪ Triglavko d.o.o. ▪ Diagnostični center Vila Bogatin d.o.o. ▪ Alifenet d.o.o.
Croatia	<ul style="list-style-type: none"> ▪ Triglav Osiguranje d.d., Zagreb 		<ul style="list-style-type: none"> ▪ Triglav Savjetovanje d.o.o.
Serbia	<ul style="list-style-type: none"> ▪ Triglav Osiguranje a.d.o., Belgrade 		<ul style="list-style-type: none"> ▪ Triglav Savetovanje d.o.o.
Montenegro	<ul style="list-style-type: none"> ▪ Lovćen Osiguranje a.d., Podgorica ▪ Lovćen životna osiguranja a.d., Podgorica 		<ul style="list-style-type: none"> ▪ Lovćen auto d.o.o.
Bosnia and Herzegovina	<ul style="list-style-type: none"> ▪ Triglav Osiguranje d.d., Sarajevo ▪ Triglav Osiguranje a.d., Banja Luka 	<ul style="list-style-type: none"> ▪ PROF-IN d.o.o. ▪ Društvo za upravljanje Evropskim dobrovoljnim penzijskim fondom a.d, Banja Luka 	<ul style="list-style-type: none"> ▪ Triglav Savjetovanje d.o.o. ▪ Autocentar BH d.o.o.
North Macedonia	<ul style="list-style-type: none"> ▪ Triglav Osiguruvanje a.d., Skopje ▪ Triglav Osiguruvanje Život a.d., Skopje 	<ul style="list-style-type: none"> ▪ Triglav penzisko društvo a.d., Skopje 	

1.4 Composition of the Triglav Group

As at the reporting date, the Triglav Group comprises 43 companies; in addition to the parent company, 28 subsidiaries and 14 associates.

The Triglav Group as at 30 September 2021

Parent company: ▪ Zavarovalnica Triglav d.d.

Subsidiaries:

- Pozavarovalnica Triglav Re d.d., Ljubljana
- Triglav, Zdravstvena zavarovalnica d.d., Koper
- Triglav, pokojninska družba d.d., Ljubljana
- Triglav INT, holdinška družba d.d., Ljubljana
 - Triglav Osiguranje d.d., Zagreb
 - Triglav Osiguranje a.d.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 Osiguranje a.d., Banja Luka
 - Triglav Osiguruvanje a.d., Skopje
 - Triglav Osiguruvanje Život a.d., Skopje
- Triglav Skladi, družba za upravljanje d.o.o., Ljubljana
 - PROF-IN d.o.o., Sarajevo

- Triglav Svetovanje, zavarovalno zastopanje d.o.o., Domžale
 - Triglav Savjetovanje d.o.o., Zagreb
 - Triglav Savetovanje d.o.o., Belgrade
- Triglav Avtoservis, družba za storitve in trgovino 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
 - HGP Rest, investicije d.o.o., Ljubljana
- Triglav penzisko društvo a.d., Skopje
- Vse bo v redu, Zavod Zavarovalnice Triglav za družbeno odgovorne aktivnosti

Associates:

- Triglavko, zavarovalno zastopniška družba d.o.o., Ljubljana
- TRIGAL, upravljanje naložb in svetovalne storitve d.o.o., Ljubljana
 - Salinera, upravljanje naložb d.o.o., Ljubljana
- Nama, trgovsko podjetje d.d., Ljubljana
- Društvo za upravljanje Evropskim dobrovoljnim penzijskim fondom a.d., Banja Luka
- Diagnostični center Bled Vila Bogatin 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
- Alifenet d.o.o., Ljubljana

Changes in the Triglav Group in the first nine months of 2021:

- Through in cash contribution of EUR 3.3 million, Zavarovalnica Triglav increased the capital of jointly controlled ZTSR d.o.o., thereby maintaining its 50% participating interest in said company. In July 2021, ZTSR d.o.o. was merged with its subsidiary Diagnostični center Vila Bogatin d.o.o., Bled. As a result, ZTSR d.o.o. was stricken off the Companies Register, and Zavarovalnica Triglav acquired a 50% participating interest in Diagnostični center Vila Bogatin d.o.o.
- Diagnostični center Vila Bogatin d.o.o. increased its strategic investment portfolio by acquiring a 100% participating interest in Kirurški sanatorij Rožna dolina d.o.o. in the first quarter of 2021.
- In the first quarter of 2021, Triglav Svetovanje d.o.o. and Triglav Osiguranje a.d.o, Belgrade increased the capital of their subsidiary Triglav Savetovanje d.o.o., Belgrade proportional to their participating interests. The capital increase was raised by in cash contributions of RSD 7.9 million or EUR 67 thousand. As a result, the two companies retained their participating interests in said company of 51% and 49% respectively.
- In the first quarter of 2021, Triglav Svetovanje d.o.o. and Triglav Osiguranje d.d., Zagreb increased the capital of their subsidiary Triglav Savjetovanje d.o.o., Zagreb proportional to their participating interests. The capital increase was raised by in cash contributions of HRK 1.1 million or EUR 145 thousand. As a result, the two companies retained their participating interests in said company of 51% and 49% respectively.
- Triglav's subsidiary Ljubljanica d.o.o. was renamed Salinera, upravljanje naložb d.o.o.

- In the first nine months of 2021, Triglav INT d.d. acquired a 0.50% participating interest from non-controlling interest holders of Triglav Osiguranje a.d., Skopje in the amount of MAK 3.2 million or EUR 52 thousand, thereby increasing its participating interest to 81.32%.
- Lovćen Osiguranje a.d., Podgorica increased the capital of its subsidiary Lovćen Auto d.o.o., Podgorica through in cash contributions totalling EUR 700,000 in the first nine months of 2021, thus remaining its 100% owner.
- Zavarovalnica Triglav made a subsequent capital contribution of EUR 798 thousand to its associate Triglav d.o.o. in the first nine months of 2021, thus remaining a 49.9% owner of said company.
- Zavarovalnica Triglav made a subsequent capital contribution of EUR 194 thousand to its subsidiary Triglav Avtoservis d.o.o. in the first nine months of 2021, thus remaining a 100% owner of said company.
- Triglav Svetovanje d.o.o., Domžale sold a 51% participating interest in Triglav Savjetovanje d.o.o., Sarajevo to Triglav Osiguranje d.d., Sarajevo. As a result, Triglav Osiguranje, Sarajevo became a 100% owner of said company. Due to the transfer of the participating interest, the Triglav Group's participating interest in said company decreased by 1.13 percentage points.

The changes in the Triglav Group are discussed in greater detail in *Section 2.7 of the Accounting Report*.

1.5 Significant events in the reporting period




Significant events in the first nine months of 2021 included:

- On 2 March 2021, the Supervisory Board reappointed Marica Makoter as the Management Board member – Worker Director at the proposal of the Works Council. Her new five-year term will begin on 23 December 2021.
- On 5 March 2021 and amended on 1 April 2021, the Insurance Supervision Agency (ISA) sent a letter to insurance, reinsurance and pension companies in Slovenia with the expectation that, due to the uncertain situation regarding the spread of the COVID-19 pandemic and the consequent uncertain consequences for the economy and the insurance sector, they suspend dividend payments and undertake no irrevocable commitments to pay out dividends by 30 September 2021 unless they demonstrate guaranteed solvency, sufficient liquidity and profitability in compliance with the precautionary principle. Both recommendations are published at www.triglav.eu/en/investors/actual/announcements. Zavarovalnica Triglav met this year's ISA requirements regarding the pandemic situation and paid out dividends. At the General Meeting of Shareholders held in May, the shareholders passed the resolution proposed by the Management Board and the Supervisory Board that part of accumulated profit in the amount of EUR 38,649,751.60 be used for dividend payment. This represents 53% of the Company's consolidated net profit for 2020 and a 5% dividend yield. The dividend amounted to EUR 1.70 per share. See sections 2.1 *General Meeting of Shareholders* and 5.3 *Dividend policy* for more details.
- Andrej Andoljšek, Tomaž Benčina, Branko Bračko, Jure Valjavec and Peter Kavčič were appointed new Supervisory Board members, shareholder representatives, by the General Meeting of Shareholders. At the first session of the new Supervisory Board, Andrej Andoljšek was appointed Chairman of the Supervisory Board and Branko Bračko Vice Chairman. See Section 2.3 *Composition of the Supervisory Board* for more information.
- The Triglav Group was assigned the “A” credit rating with a stable medium-term outlook, which was reaffirmed by both credit rating agencies this year; first by S&P Global Ratings

on 13 September 2021, followed by AM Best after the end of the reporting period, i.e. on 13 October 2021.

2. Governance of the Triglav Group

The Company uses a two-tier governance system. The 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 their own rules of procedure. Zavarovalnica Triglav's Articles of Association are published on its official website (www.triglav.eu).

<i>Two-tier governance of Zavarovalnica Triglav</i>		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 2020.
 General Meeting of Shareholders 12,252 Shareholders (30 September 2021)		1.1 General Meeting of Shareholders <p>Zavarovalnica Triglav's shareholders met once, i.e. on 25 May 2021, at the 46th General Meeting of Shareholders. The total number of shares and voting rights represented at the General Meeting of Shareholders was 18,198,597 or 80.05% of all shares to which the voting rights are attached. The General Meeting of Shareholders was briefed on:</p> <ul style="list-style-type: none">▪ Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2020,▪ the opinion given by the audit firm,▪ Annual Internal Audit Report of the Internal Audit Department of Zavarovalnica Triglav d.d. for 2020,▪ 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 2020,▪ Opinion of the Supervisory Board on the Annual Internal Audit Report of the Internal Audit Department of Zavarovalnica Triglav d.d. for 2020.
 Supervisory Board 9 members 4-year term of office		<p>The shareholders adopted a resolution on the following distribution of the accumulated profit of EUR 89,624,175.26 as at 31 December 2020:</p> <ul style="list-style-type: none">▪ A part of accumulated profit in the amount of EUR 38,649,751.60 shall be allocated for dividend payments. The dividend in the amount of EUR 1.70 gross per share shall be paid to the shareholders appearing in the share register as at 9 June 2021. As at 10 June 2021, the Company provided funds for the payment of all dividends to the account of KDD – Centralno klirinška depotna družba d.d.▪ The distribution of the remaining accumulated profit of EUR 50,974,423.66 shall be decided in the next few years.
 Management Board 6 members 5-year term of office		

The shareholders granted a discharge for the 2020 business year to both the Management Board and the Supervisory Board of Zavarovalnica Triglav and adopted amendments to the Articles of Association of Zavarovalnica Triglav d.d.

The General Meeting of Shareholders took note of the resignation of the Supervisory Board member Nataša Damjanovič, dated 18 June 2020, and of the expiry of the term of office as of 13 June 2021 of four Supervisory Board members, shareholder representatives, i.e. Andrej Andoljšek, Milan Tomažević, Žiga Škerjanec and Mario Gobbo.

Andrej Andoljšek, Tomaž Benčina, Branko Bračko, Peter Kavčič and Jure Valjavec were appointed new Supervisory Board members, shareholder representatives, for the four-year term of office, starting as of 14 June 2021.

Detailed information on the General Meeting of Shareholders' resolutions are available at the Company's website <https://www.triglav.eu/en/investors/actual/announcements>. Zavarovalnica Triglav did not receive any lawsuit by 30 September 2021.

1.2 Composition of the Management Board

As at 30 September 2021 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.

1.3 Composition of the Supervisory Board

As at 30 September 2021, 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.

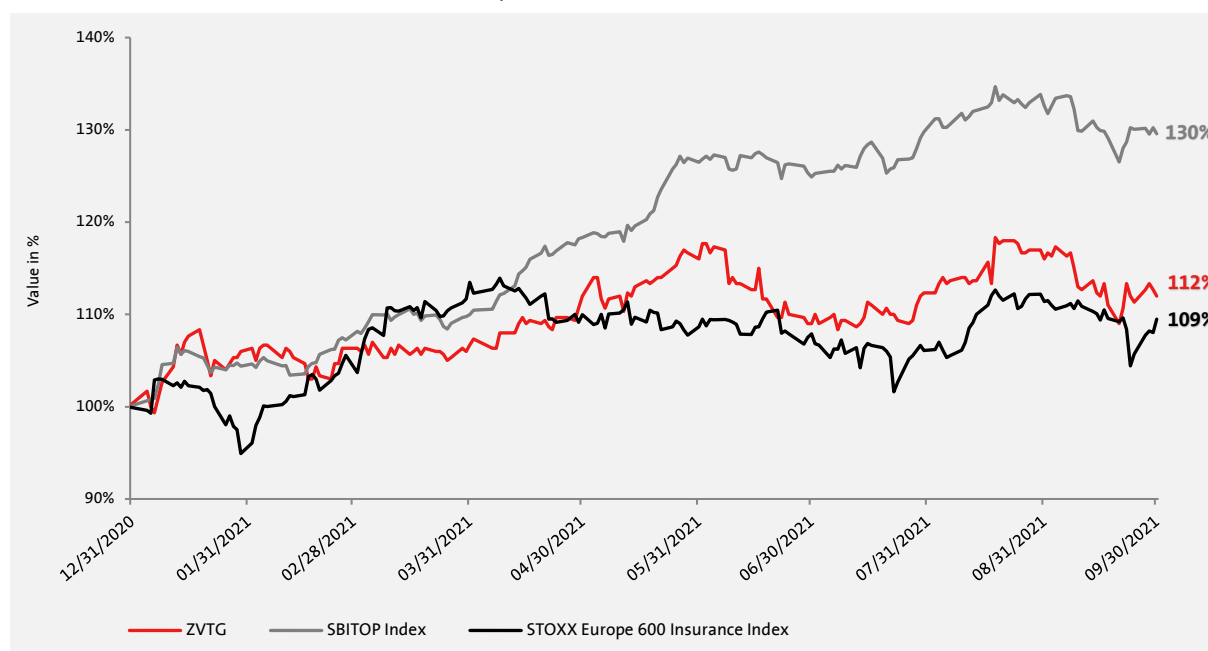
3. The share and the shareholders of Zavarovalnica Triglav

3.1 The share of Zavarovalnica Triglav

The total return on the ZVTG share was 17.1% and the dividend yield was 5.1% as at the reporting date. The price-to-book ratio was 0.9. With EUR 763.9 million in market capitalisation, Zavarovalnica Triglav is the fourth largest Slovenian listed company.

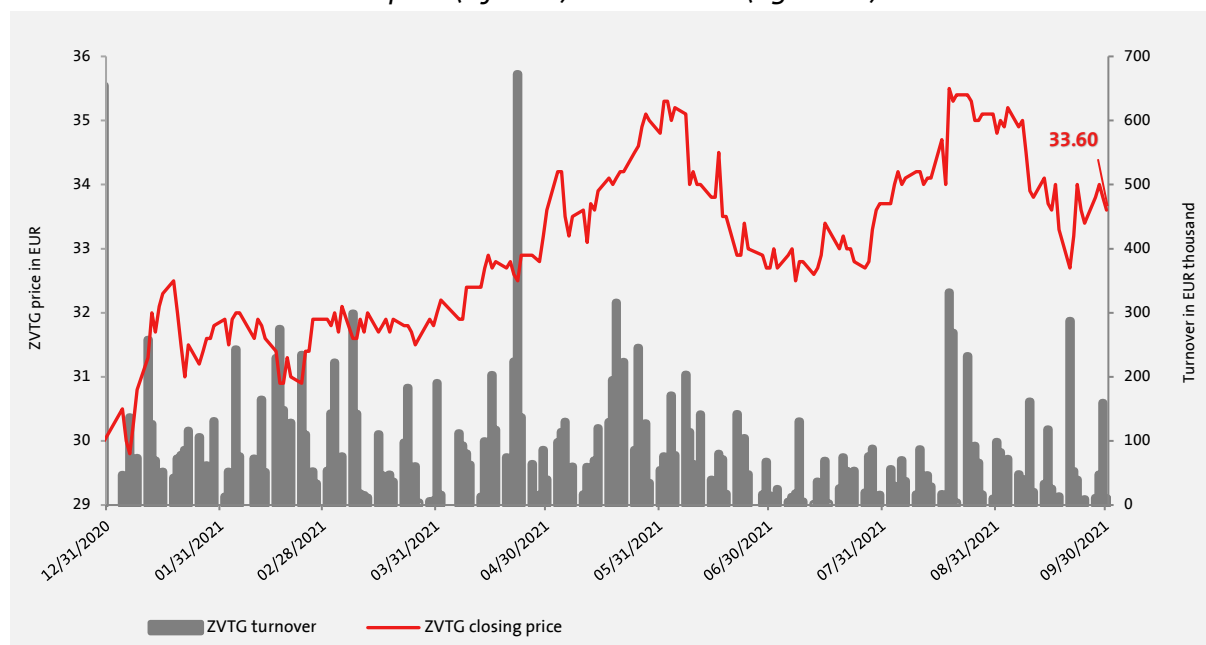
The trading volume and ZVTG share price movements were influenced by several factors in the first nine months of 2021. Most important were this year's implementation of Zavarovalnica Triglav's dividend policy and the impact of the general performance of the insurance sector's stocks in the stock markets. In the first quarter, there was some uncertainty regarding the payment of Zavarovalnica Triglav's dividend due to the sector-wide positions of the Slovenian insurance sector regulator (see section 1.5 *Significant events in the reporting period for more information*). In the months that followed, the share price was influenced by the proposal of the Management Board and the Supervisory Board regarding the dividend payment and its adoption by the regular General Meeting of Shareholders held in May. The dividend payment cut-off date was 8 June 2021. As seen in the figure, the share outperformed the STOXX Europe 600 Insurance sectoral index of 35 shares of European insurance companies by 3 percentage points on a nine-month basis. In the same period, the Ljubljana Stock Exchange SBITOP index, in which the ZVTG share holds an 11.5% share, grew by 30%.

Movement in the ZVTG share price in Q1-3 2021 compared to the Ljubljana Stock Exchange SBITOP index and the sectoral index of European insurance companies STOXX Europe 600 Insurance (the baseline date: 31 December 2020 = 100)



In the first nine months of 2021, the ZVTG share generated a turnover of EUR 19.3 million (of which EUR 3.9 million in block trades), which ranks it among the five most liquid shares on the Ljubljana Stock Exchange. A total of 24% of its stock exchange turnover (excluding block trades) was performed by the liquidity provider.

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



Key figures for Zavarovalnica Triglav's share in Q1-3 2021 (in EUR)

Items	30 September 2021
Maximum closing price	35.50
Minimum closing price	29.80
Closing price	33.60
Book value per share (parent company)*	28.68
Book value per share (consolidated data)*	39.48
Net earnings per share (consolidated data)**	3.31
Market capitalisation	763,900,973
Average daily trading volume (excluding block trades)	81,480
Number of shares	22,735,148
The percentage of floating stock***	30.7%
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, ensures the transparency of its operations and keeps open lines of communications with its shareholders, investors and analysts. All key information is regularly published in Slovenian and English on its website www.triglav.eu. Communication with institutional investors follows the calendar of activities. This year, communication was again adapted to the situation resulting from the COVID-19 pandemic, which means it was mainly carried out as videoconferencing meetings, calls and by email. The Company participated in investor conferences organised by stock exchange members and the stock exchange as well as held its own regular meetings with institutional investors immediately following the publication of its annual and interim results. In addition, the

Company pays special attention to shareholders – natural persons and is available to them via the call centre, direct lines and email.

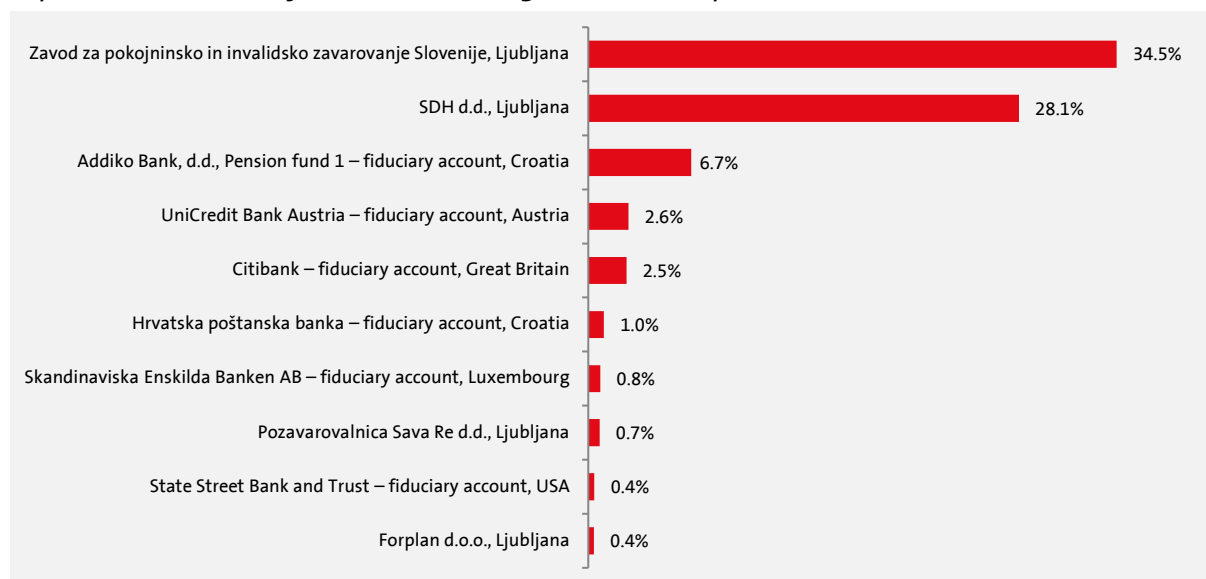
3.2 Equity

Zavarovalnica Triglav's share capital remained unchanged and amounted to EUR 73,701,391.79 as at 30 September 2021. 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, a proportionate share of profit allocated for dividend payment and a proportionate share of residual bankruptcy or liquidation estate after the payoff of preference shareholders.

3.3 Shareholder structure

In the first nine months of 2021, there were no significant changes in the shareholder structure of Zavarovalnica Triglav. Total ownership stake of the Company's top ten largest shareholders stood at 77.7%, and the stakes of the two largest shareholders remained unchanged.

Top ten shareholders of Zavarovalnica Triglav as at 30 September 2021 (share in %)



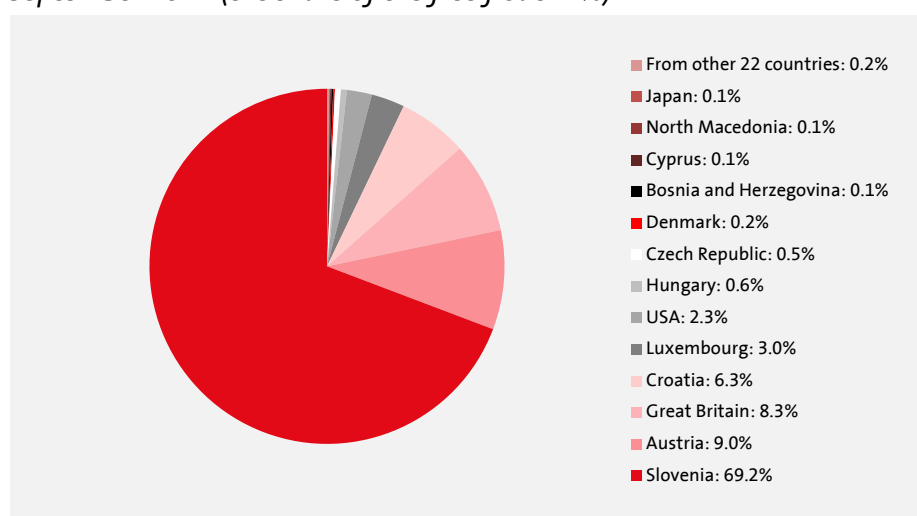
According to the share register data, Zavarovalnica Triglav had 12,252 shareholders/subscribers (index 94) as at 30 September 2021, among them around 30 international banks with fiduciary accounts held by their clients. In recent years, international shareholders have maintained a stable ownership stake between 16% and 17%, while Slovenian citizens have gradually increased their, which stood at 12.2% as at 30 September 2021, up by 0.8 percentage point relative to 31 December 2020.

Shareholder structure of Zavarovalnica Triglav as at 30 September 2021

	Total	Domestic	International	Legal entities	Individuals
Number of shares	22,735,148	19,059,885	3,675,263	19,959,685	2,775,463
Number of shareholders	12,252	11,924	328	487	11,765
Number of shares - percentage	100.0%	83.8%	16.2%	87.8%	12.2%
Number of shareholders - percentage	100.0%	97.3%	2.7%	4.0%	96.0%

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 globally dispersed among shareholders from 35 countries.

The minority shareholder structure of Zavarovalnica Triglav by the country of origin as at 30 September 2021 (the share of the free float in %)



The members of Zavarovalnica Triglav's Management Board and Supervisory Board held a total of 3,889 ZVTG shares as at 30 September 2021, or 0.02% 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 “A” credit rating assigned by S&P exclusively reflects the Triglav Group's standalone credit profile.

This year both credit rating agencies rated all individual elements of the overall credit rating as high as the year before and substantiated them in a similar way. In its 2021 report, S&P assessed the business risk profile of the Triglav Group as strong and its financial risk profile as very strong. The Group's risk profile was assessed as stable and linked to a conservative investment policy and effective reinsurance protection, which proved to be more than adequate in 2020 in the face of more intense major CAT events. Furthermore, the Group's investment portfolio is of high quality and well-diversified, with most assets invested across the eurozone. The risks related to life insurance products with a guaranteed return are limited and mitigated by proper management of life provisions.

The dominant position in the Slovenian market enables the Group to implement economies of scale, complemented by its strong brand, diversified product range and extensive sales network in the region. By maintaining its client-centric approach, the Group ensures stable and profitable

operations in both activities, insurance and asset management, backed by its underwriting discipline that is key for its successful performance in the challenging situation caused by the pandemic.

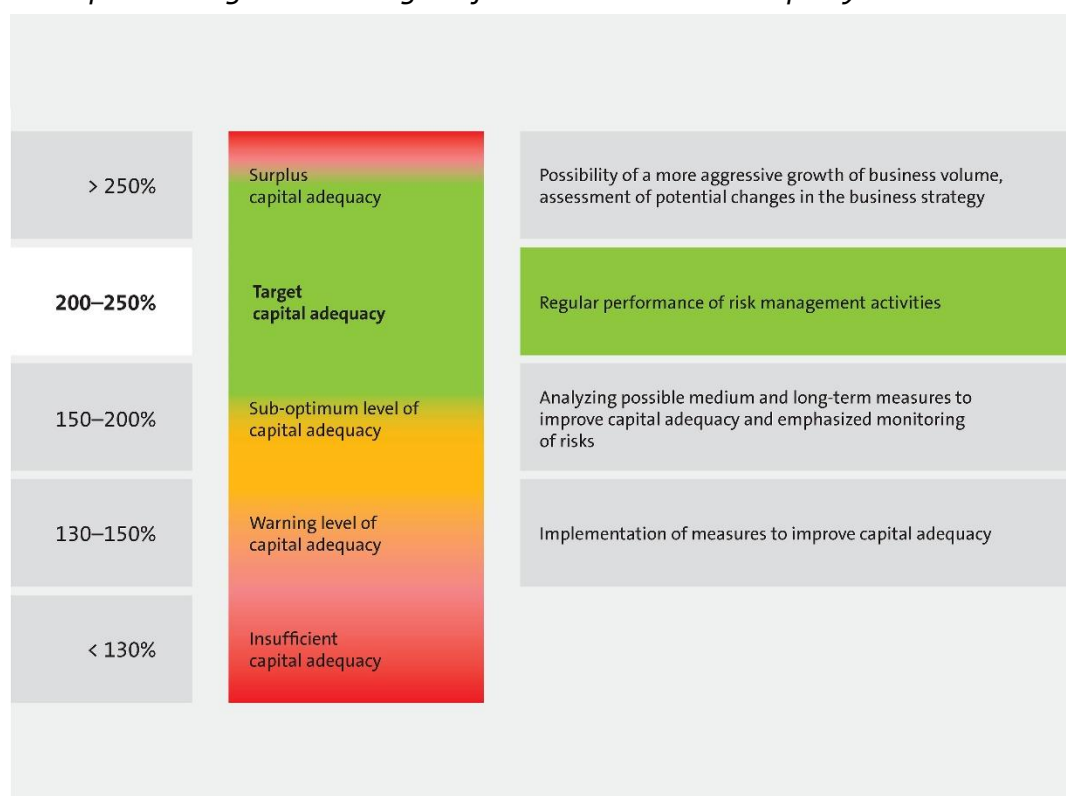
The medium-term outlook reflects S&P’s expectations that the Group will continue to effectively implement its business strategy at least over the next two years, focusing on growth and further diversifying its operations. The agency expects that, despite the pandemic and the change of the economic cycle, the Group will sustain strong, stable earnings and very strong capitalisation at least in the “AA” range over the next two to three years.

The credit rating report, i.e. the announcement of the credit rating agency from 2021, is available on the website 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 capital management strategic objectives and the dividend policy criteria

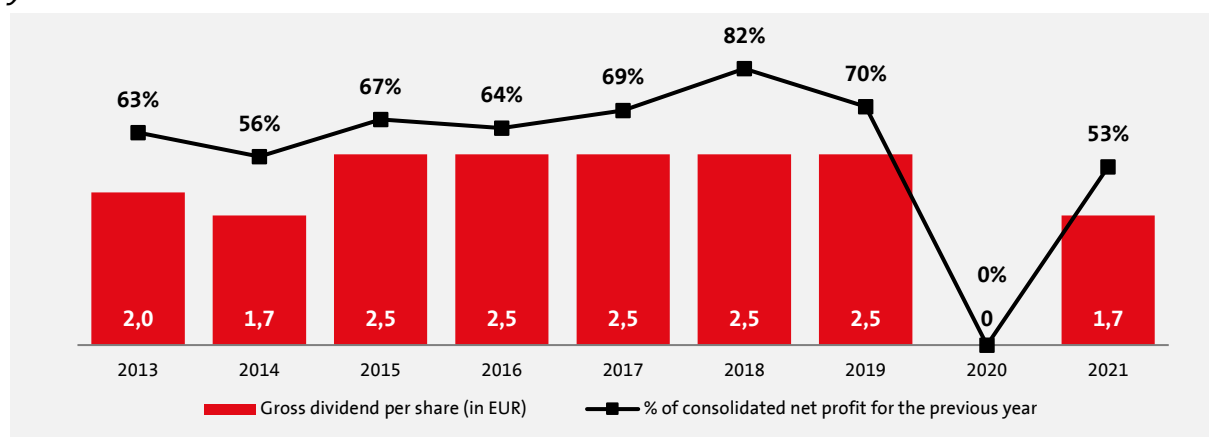


Zavarovalnica Triglav’s dividend policy, which was revised in March 2018, sets out as follows: “The Company pursues an attractive and sustainable dividend policy. A part of consolidated net profit of the preceding year, which is to be allocated to dividend payment, accounts for at least 50%. The Company 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 the shareholders.”

The Company considers its dividend policy to be a firm commitment to its shareholders and implements it as it is defined. This year and last year, it was impacted by **the COVID-19 pandemic and related positions of the Slovenian insurance sector regulator**. The Management Board and the Supervisory Board had to take this into account in their proposal for the distribution of the Company’s accumulated profit. The General Meeting of Shareholders supported their proposals in both years. See Section 2.1 *General Meeting of Shareholders* for more information about this year’s General Meeting of Shareholders.

Gross dividend per share by year (EUR) and its share of consolidated net profit for the preceding year in 2013–2021



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

ISIN	XS1980276858
Type	Subordinated bond (Tier 2 pursuant to the Solvency II regulations)
Issue size in EUR	50,000,000
Currency	EUR
Coupon rate and payment	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
First call date	22 October 2029
Maturity date	22 October 2049
Maturity in years	30.5
Regulated market	Luxembourg Stock Exchange
Issue Rating	BBB+ (S&P)

4. Operations in the period from 1 January to 30 September 2021

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

In 2021, the global economy began noticeably, albeit unevenly, emerging from the grip of the COVID-19 pandemic. The speed of recovery is largely determined by the strength of epidemic waves and the adaptability of economies to the new situation. The more responsive US economy recovered rapidly in the first quarter, followed by the economies of the rest of the developed world. Their growth accelerated markedly in the second quarter, also due to the general recovery of the service sector. The labour market situation improved, while private consumption and international trade increased. According to economic sentiment indicators in the service sector and manufacturing, economic activity began to slow down in the summer, but remained at a significantly higher level than before the pandemic in both the US and the euro area. The slowdown in growth was due to the general normalisation of the economic situation and increasingly persistent disruptions in global supply chains with lower supplies of some energy products. With strong aggregate demand, producer prices rose, which soon spilled over into consumer prices. Inflation in the euro area and in Slovenia rose considerably year on year in September, to 3.4% and 2.7% respectively. International institutions have improved this year's GDP growth forecasts for both the euro area and Slovenia throughout the year, to around 5% for the former and around 6% for the latter. Given the situation at hand, their year-on-year inflation forecasts were revised slightly upwards; however, the inflation rate will not deviate significantly from 2% at the end of the year.

The epidemiological and health situation is once again decisively shaping the sentiment in the capital markets this year. At the beginning of the year, the positive sentiment was reinforced by the new US administration and the improved economic outlook around the world. The required yields on government bonds began to rise relatively quickly due to speculation that the US Federal Reserve (FED) would start reducing bond purchases. The adverse effect of rising interest rates was repeatedly highlighted by the European Central Bank (ECB), which committed itself to accelerated bond purchase in February. In July, it announced a new monetary strategy with a symmetrical 2% inflation target and consolidated its commitment to meeting it. At the same time, the economic growth trend began to reverse, thus the required yields on government bonds began to fall rapidly. The yield of Germany's 10-year bond (Bund) fell from this year's high of -0.10%, reached in May, to -0.50% in August and ending the third quarter at -0.20%. As energy prices rose, fears of higher and more persistent inflation once again intensified, and the two central banks finally officially announced that they would soon start reducing bond purchases.

Spreads on government and corporate bonds remained virtually unchanged throughout the year, even declining slightly to reach historically low levels. Some stock indices of the developed world reached new highs, but began to fall towards the end of the third quarter due to growing uncertainty about the economic situation and major problems faced by the Chinese real estate and construction company Evergrande. The American S&P and the European Stoxx 50 recorded 14.7% and 13.9% growth respectively in the first three quarters of 2021, while the MSCI EM index, which measures the growth of share prices in emerging markets, recorded a loss of 3.0% over the same period. By the end of the third quarter, the Slovenian SBI TOP achieved a high growth of 29.6%.

The unfavourable situation continued in the financial markets, as low interest rates resulted in lower rates of return on investment.

The Group's business results were impacted by major CAT events in the total estimated amount of EUR 25.0 million. In Slovenia, the April frost and storm as well as hail and flood storms in August and September caused EUR 17.2 million in claims. It is estimated that through reinsurance the Triglav Group incurred around EUR 7.6 million in claims due to frost, hail storms and floods in individual European countries and in China.

4.2 The insurance market and the position of the Group members in the first nine months of 2021

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). As of 1 January 2021, SOP insurer is no longer a member of the SZZ, while AVRIO zavarovalnica obrtnikov in podjetje d.d. has become its new member.

In the first nine months of 2020, insurance companies collected **4.2% more** gross written insurance, coinsurance and reinsurance premiums (not taking into account internal transfers of assets for the payment of pension annuities) than in the same period last year, or EUR 2,083.5 million. **Non-life insurance premium** recorded a 3.9% growth and reached a 74.1% share. Other damage to property insurance, comprehensive car insurance and fire and natural disaster insurance contributed the most to the increase in non-life insurance premium. **Life insurance premium** rose by 5.0% due to higher growth of unit-linked life insurance premium (18% growth). Health insurance premium remained at approximately the same level as the year before (index 100.8).

The Slovenian insurance market continues to be highly concentrated, with the four largest insurers holding a 75.5% market share. With a 30.1% market share (compared to 28.4% in the corresponding period last year), **Zavarovalnica Triglav** remained the market leader, followed by Zavarovalnica Sava (a 16.7% market share).

The Triglav Group's insurance subsidiaries held a 38.5% market share in the Slovenian insurance market at the end of the third quarter of 2021.

The Triglav Group (the parent company, Triglav, Zdravstvena zavarovalnica and Triglav, pokojninska družba) increased its market share by 1.5 percentage points to 38.5%.

The market shares of **the Triglav Group** by segment:

- non-life insurance (excluding health insurance): 46.3% (an increase of 2.4 percentage points);
- life insurance: 30.9% (an increase of 0.9 percentage point);
- health insurance: 30.3% (an increase of 0.1 percentage point).

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

- non-life insurance: 31.5% (an increase of 2.0 percentage points);
- life insurance: 26.2% (an increase of 0.8 percentage point).

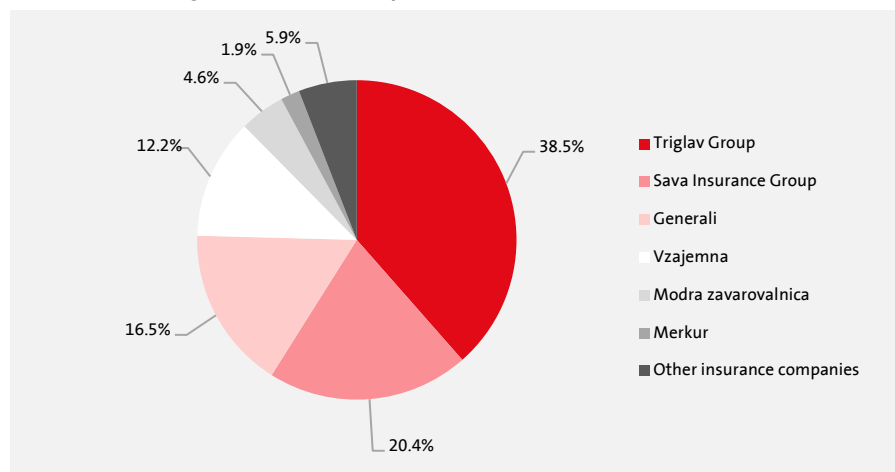
The market share of **Triglav, Zdravstvena zavarovalnica**:

- health insurance: 30.1% (an increase of 0.1 percentage point).

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

- supplemental voluntary pension insurance (SVPI): 20.0% (calculation based on the assessment of the company's data).

Market share of insurance companies in Slovenia in Q1-3 2021



Source: Slovenian Insurance Association

Market share and market position of the Triglav Group insurance companies in Q1-3 2021

Market	Market share	Market share trend	Ranked in 2021	Ranked in 2020
Slovenia	38.5%	↑ + 1.5-percentage point	1	1
Croatia	5.9%	↑ + 0.5-percentage point	7	7
Sebia*	7.4%	↑ + 0.2-percentage point	5	5
Montenegro	40.1%	↑ + 0.8-percentage point	1	1
Bosnia and Herzegovina	8.9%	↑ + 0.1-percentage point	3	4
- Federation of BiH	9.8%	↓ - 0.1-percentage point	5	5
- Republic of Srpska**	6.7%	↑ + 0.5-percentage point	6	7
North Macedonia	13.2%	↓ - 0.1-percentage point	1	1

* Data for January–June 2021

** The market shares of Triglav Osiguranje, Banja Luka and the branch of Triglav Osiguranje, Sarajevo in Banja Luka are included.

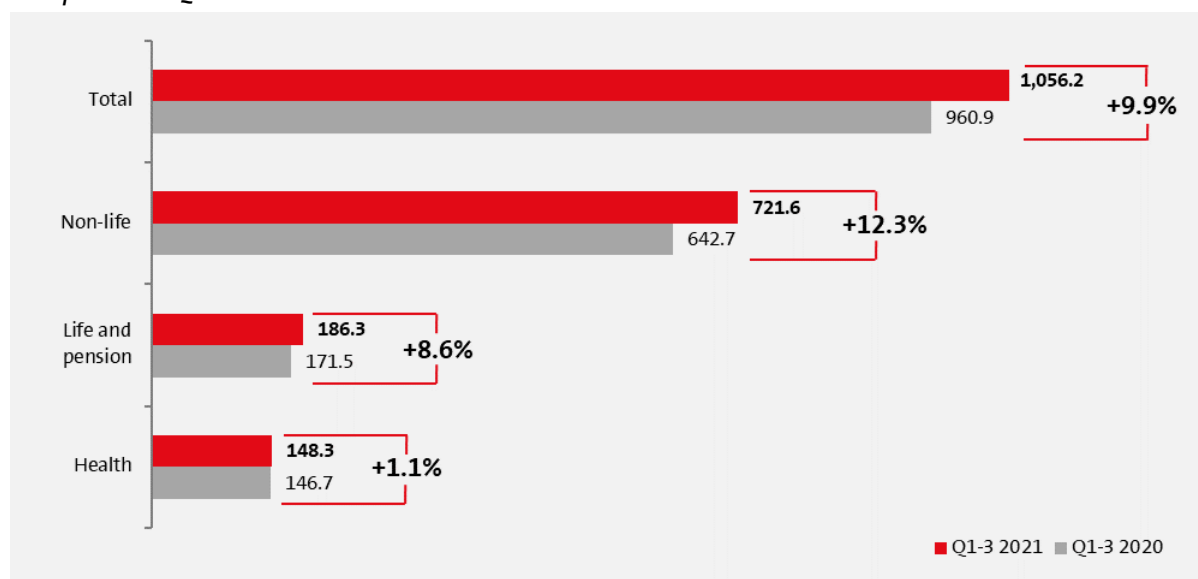
4.3 Gross written insurance, coinsurance and reinsurance premiums

The Triglav Group posted a total of EUR 1.056,2 million in consolidated gross written insurance, coinsurance and reinsurance premiums, an increase of 10% relative to the corresponding period last year. Total written premium increased in all insurance segments:

- **non-life insurance:** EUR 721.6 million (index 112),
- **life and pension insurance:** EUR 186.3 million (index 109),
- **health insurance:** EUR 148.3 million (index 101).

The Triglav Group recorded a 10% growth in gross written insurance, coinsurance and reinsurance premiums.

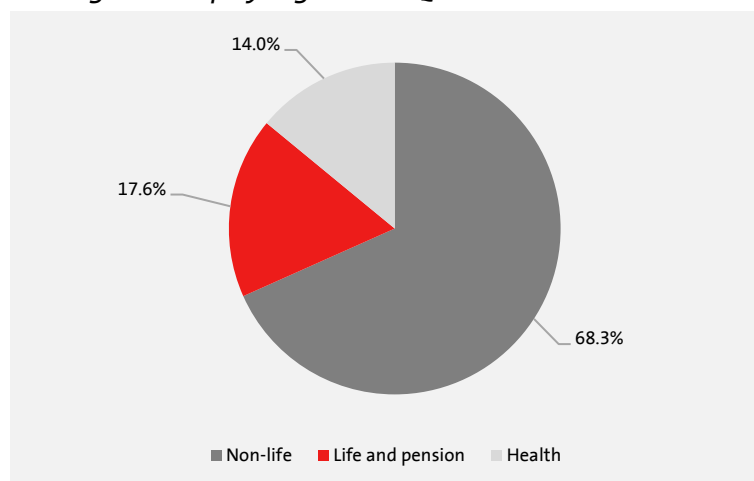
Consolidated gross written insurance, coinsurance and reinsurance premiums in Q1-3 2021 compared to Q1-3 2020



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

- non-life insurance: 68.3% (Q1-3 2020: 66.9%);
- life and pension insurance: 17.6% (Q1-3 2020: 17.8%); and
- health insurance: 14.0% (Q1-3 2020: 15.3%).

The structure of consolidated gross written insurance, coinsurance and reinsurance premiums of the Triglav Group by segment in Q1-3 2021



The Group continues to gradually increase **the share of insurance premium written by companies outside Slovenia**, which grew by 1.0 percentage point compared to the same period last year. A total of 73.9% of consolidated gross written premium was generated in the Slovenian insurance market, 19.2% of the premium was charged in markets outside Slovenia, while international reinsurance premium represented 7.0%.

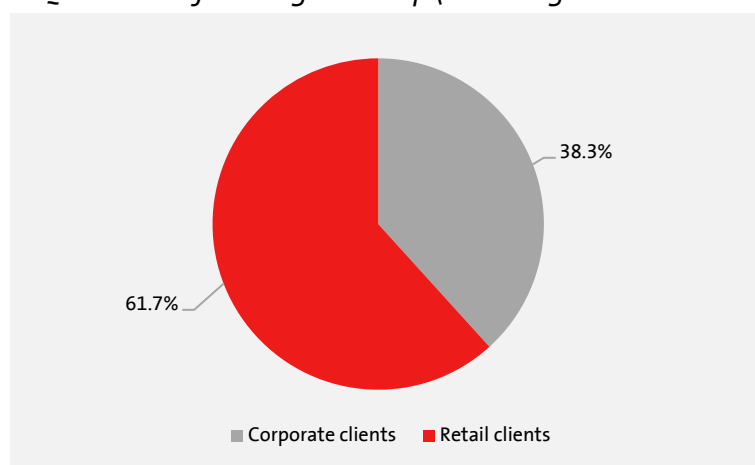
Consolidated gross written insurance, coinsurance and reinsurance premiums of the Triglav Group by market

Country	Gross written premium		Index	Share	
	Q1-3 2021	Q1-3 2020	Q1-3 2021/ Q1-3 2020	Q1-3 2021	Q1-3 2020
Slovenia	780,094,392	719,461,859	108	73.9%	74.9%
Croatia	70,651,623	57,857,214	122	6.7%	6.0%
Serbia	54,952,418	46,986,884	117	5.2%	4.9%
Montenegro	29,875,301	28,199,036	106	2.8%	2.9%
Bosnia and Herzegovina	28,320,158	25,757,917	110	2.7%	2.7%
North Macedonia	18,851,689	16,146,809	117	1.8%	1.7%
International reinsurance	73,452,195	66,510,152	110	7.0%	6.9%
Total	1,056,197,776	960,919,871	110	100.0%	100.0%

Premium growth was recorded in all insurance markets; in the Slovenian market it stood at 8%, while on markets outside Slovenia it reached 16%.

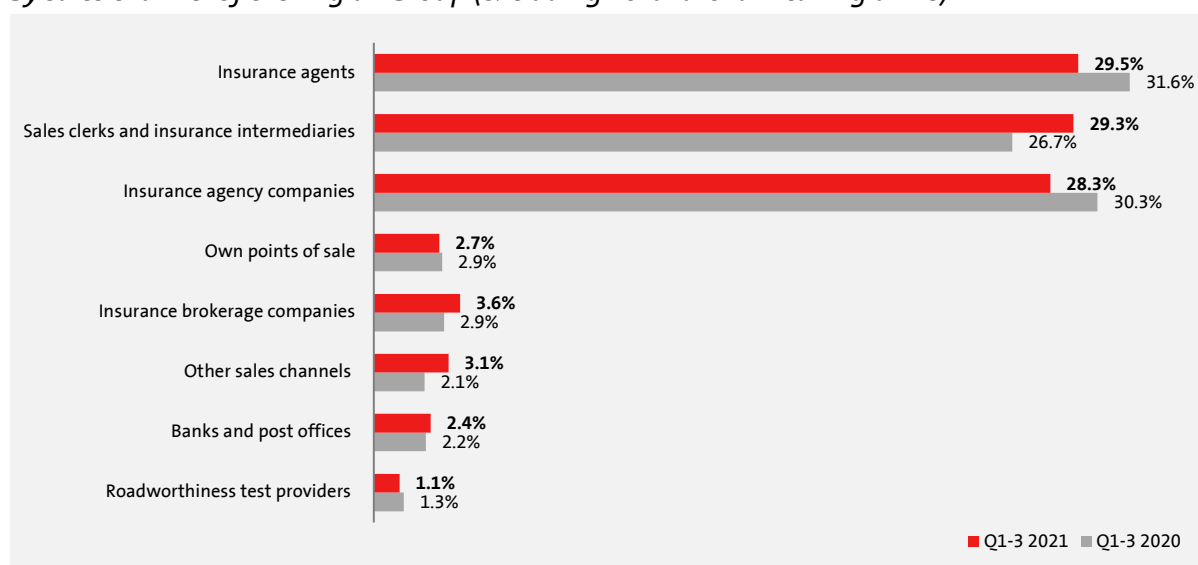
The share of non-consolidated gross insurance premium of **retail clients**, amounting to EUR 620.4 million (index 105), accounted for 61.7% of total written premium and decreased by 3.1 percentage points. The **corporate clients'** premium grew by 20% and reached EUR 384.8 million.

The structure of non-consolidated gross written insurance, coinsurance and reinsurance premiums in Q1-3 2021 of the Triglav Group (excluding Pozavarovalnica Triglav Re) by policyholder type



In terms of **sales channels**, the share of non-consolidated gross written premium of the Group, which was collected via own sales channels (agents, sales clerks, own points of sale, online and other own sales channels), reached 64.6% of total written premium, up by 1.3 percentage points to EUR 649.6 million. The remaining gross written premium of EUR 355.6 million was collected via the external sales channels (insurance agency and brokerage companies, banks, post offices and roadworthiness test providers).

Non-consolidated gross written insurance, coinsurance and reinsurance premiums in Q1-3 2021 by sales channel of the Triglav Group (excluding Pozavarovalnica Triglav Re)



The Triglav Group insurance companies (excluding Pozavarovalnica Triglav Re) booked EUR 1,005.2 million in non-consolidated gross written premium, up by 10% relative to the same period last year.

Pozavarovalnica Triglav Re posted a total of EUR 167.1 million in gross written reinsurance premium, up by 11% relative to 2020. Pozavarovalnica Triglav Re recorded the highest growth in fire and natural disaster insurance and goods in transit insurance in transactions outside the Group and general liability and credit insurance in transactions within the Group. Transactions within and outside the Group experienced a 11% and 10% premium growth, respectively. The highest premium growth was recorded by Pozavarovalnica Triglav Re in the markets of Southeast Asia (Thailand), Central Europe (Austria, Switzerland and Germany), Spain and Portugal.

Gross written insurance, coinsurance and reinsurance premiums in Q1-3 2021 by Triglav Group insurance company

Insurance company	Gross written premium			Index			Share
	Non-life	Life and pension	Total	Non-life	Life and pension	Total	Q1-3 2021
Zavarovalnica Triglav*	486,955,546	141,055,627	628,011,173	111	109	111	62.5%
Triglav, Zdravstvena zavarovalnica	149,103,441		149,103,441	101	0	101	14.8%
Triglav, pokojninska družba		25,351,080	25,351,080	0	106	106	2.5%
Triglav Osiguranje, Zagreb	64,572,108	6,086,240	70,658,348	124	103	122	7.0%
Triglav Osiguranje, Belgrade	49,946,952	5,005,896	54,952,848	118	108	117	5.5%
Lovćen Osiguranje, Podgorica	26,432,937		26,432,937	106	0	106	2.6%
Triglav Osiguranje, Sarajevo	13,327,090	10,436,575	23,763,665	102	126	111	2.4%
Triglav Osiguranje, Banja Luka	4,602,784		4,602,784	104	0	104	0.5%
Triglav Osiguruvanje, Skopje	16,943,082		16,943,082	109	0	109	1.7%
Lovćen životna osiguranja, Podgorica		3,442,364	3,442,364	0	108	108	0.3%
Triglav Osiguruvanje Život, Skopje		1,915,273	1,915,273	0	351	351	0.2%
Total	811,883,940	193,293,055	1,005,176,995	110	110	110	100.0%
Pozavarovalnica Triglav Re	167,113,729		167,113,729	111	0	111	
Consolidation eliminations	-109,110,058	-6,982,890	-116,092,948	109	140	111	
Total consolidated	869,887,611	186,310,165	1,056,197,776	110	109	110	

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

In the **non-life insurance** group, the Triglav Group's insurance companies charged EUR 811.9 million in non-consolidated written premium, a 10% increase compared to the same period last year. Premium growth was recorded in most non-life insurance groups, with the exception of accident and motor vehicle liability insurance, where the premium remained at approximately the same level as the year before (index 100). Other non-life insurance and real property insurance achieved the highest growth. The highest growth in real property insurance was achieved by Triglav Osiguranje, Belgrade, Triglav Osiguranje, Zagreb and the parent company by attracting new policyholders and increasing the scope of insurance coverage with existing policyholders. With regard to other non-life insurance, most insurance subsidiaries of the Group recorded high premium growth.

The Triglav Group insurance companies collected a total of EUR 193.3 million in non-consolidated gross written premium from the **life and pension insurance** group, an increase of 10% relative to the corresponding period in 2020. Life and pension insurance represented 19.2% of total non-consolidated gross written premium, down by 0.1 percentage point compared to the preceding year. High, 13% growth was seen in capital redemption insurance (supplemental voluntary pension insurance) due to transfers of assets from other insurance companies and higher regular payments of supplemental voluntary pension insurance premium at the parent company. Moreover, unit-linked life insurance also recorded a high growth of 11%, where all three insurance subsidiaries selling these insurance products achieved premium growth: Zavarovalnica Triglav (higher premium payments made through its own sales network and banks), Triglav Osiguranje, Zagreb (increased sales via the agency and capitalised policies) and Triglav, pokojninska družba (higher premium payments into life cycle guarantee funds).

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

Insurance class	Gross written premium		Index	Share
	Q1-3 2021	Q1-3 2020	Q1-3 2021/ Q1-3 2020	Q1-3 2021
Accident insurance	29,286,604	29,343,449	100	2.9%
Health insurance	156,356,097	153,712,628	102	15.6%
Comprehensive car insurance	123,517,136	121,184,696	102	12.3%
Real property insurance	239,970,329	194,140,482	124	23.9%
Motor liability insurance	138,789,256	138,605,156	100	13.8%
General liability insurance	45,899,363	40,625,249	113	4.6%
Credit insurance	21,658,157	18,598,080	116	2.2%
Other non-life insurance	56,406,998	42,076,888	134	5.6%
Non-life insurance	811,883,940	738,286,628	110	80.8%
Life insurance	85,541,684	79,876,082	107	8.5%
Unit-linked life insurance*	93,532,520	84,033,496	111	9.3%
Capital redemption insurance	14,218,851	12,565,180	113	1.4%
Life and pension insurance	193,293,055	176,474,758	110	19.2%
Total	1,005,176,995	914,761,386	110	100.0%

*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

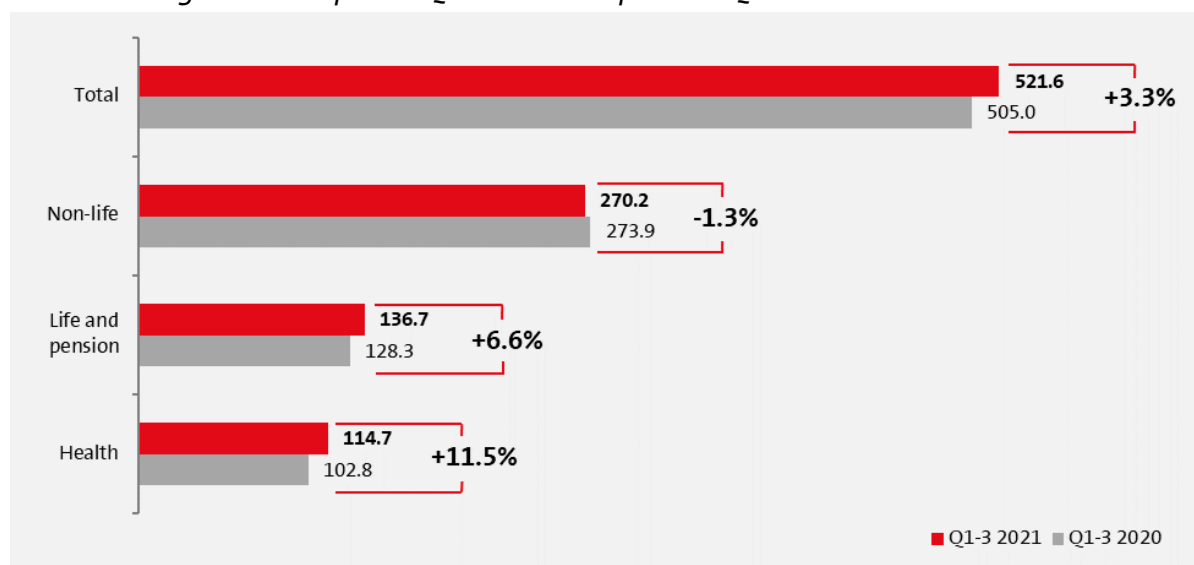
Insurance class	Gross written premium		Index	Share
	Q1-3 2021	Q1-3 2020	Q1-3 2021/ Q1-3 2020	Q1-3 2021
Accident insurance	19,808,423	20,125,321	98	3.2%
Health insurance	703,033	815,557	86	0.1%
Comprehensive car insurance	103,851,604	102,192,243	102	16.5%
Real property insurance	181,987,427	153,068,075	119	29.0%
Motor liability insurance	87,373,537	86,311,809	101	13.9%
General liability insurance	36,206,660	32,143,897	113	5.8%
Credit insurance	15,870,842	13,928,143	114	2.5%
Other non-life insurance	41,151,414	29,668,420	139	6.6%
Non-life insurance	486,952,940	438,253,465	111	77.5%
Life insurance	61,327,726	59,692,362	103	9.8%
Unit-linked life insurance	65,509,050	57,741,365	113	10.4%
Capital redemption insurance	14,218,851	12,565,180	113	2.3%
Life and pension insurance	141,055,627	129,998,907	109	22.5%
Total	628,008,567	568,252,372	111	100.0%

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 521.6 million, an increase of 3% relative to the corresponding period last year. In the largest group, i.e. **non-life insurance**, gross claims paid amounted to EUR 270.2 million, down by 1%. Gross claims paid increased in the **life and pension insurance group** by 7% (EUR 136.7 million) and in the **health insurance group** by 12% (EUR 114.7 million).

Gross claims paid were 3% higher than in the same period last year.

Consolidated gross claims paid in Q1-3 2021 compared to Q1-3 2020



The Triglav Group insurance companies (excluding Pozavarovalnica Triglav Re) posted a total of EUR 501.0 million in non-consolidated gross claims paid, up by 4%. High growth in gross claims paid was recorded by most insurance subsidiaries, with the highest seen in Triglav, pokojninska

družba, Triglav Osiguranje, Banja Luka and Lovćen životna osiguranja. The movement of gross claims paid in the remaining insurance subsidiaries is shown in the table below.

Gross claims paid by Pozavarovalnica Triglav Re totalled EUR 53.9 million, an increase of 5% compared to the preceding year. A 21% growth in gross claims paid was seen in transactions within the Group, whereas a decrease of 6% in gross claims paid was recorded in transactions outside the Group. The decline in gross claims paid in transactions outside the Group was predominantly due to lower payouts of other damage to property insurance (last year's payments of large claims related to Japanese typhoons) and marine insurance (payments of large claims in the South Korean market in 2020). The increase in gross claims paid within the Group was mainly due to settled claims in fire and natural disaster insurance and other damage to property insurance based on a contract with the parent company, which covers the annual claims aggregate.

Gross claims paid in Q1-3 2021 by insurance company of the Triglav Group

Insurance company	Gross claims paid			Index		Share	
	Non-life	Life and pension	Total	Non-life	Life and pension	Total	Q1-3 2021
Zavarovalnica Triglav*	173,542,008	114,402,658	287,944,666	95	102	98	57.5%
Triglav, Zdravstvena zavarovalnica	114,673,240		114,673,240	112	0	112	22.9%
Triglav, pokojninska družba		13,327,295	13,327,295	0	139	139	2.7%
Triglav Osiguranje, Zagreb	29,180,246	5,330,061	34,510,307	124	143	127	6.9%
Triglav Osiguranje, Belgrade	16,202,200	3,909,932	20,112,132	104	137	109	4.0%
Lovćen Osiguranje, Podgorica	11,094,459		11,094,459	109	0	109	2.2%
Triglav Osiguranje, Sarajevo	5,048,156	3,053,117	8,101,273	80	137	95	1.6%
Triglav Osiguranje, Banja Luka	1,594,789		1,594,789	136	0	136	0.3%
Triglav Osiguruvanje, Skopje	6,589,803		6,589,803	106	0	106	1.3%
Lovćen životna osiguranja, Podgorica		2,753,366	2,753,366	0	135	135	0.5%
Triglav Osiguruvanje Život, Skopje		274,078	274,078	0	128	128	0.1%
Total	357,924,901	143,050,507	500,975,408	103	108	104	100.0%
Pozavarovalnica Triglav Re	53,909,444		53,909,444	105	0	105	
Consolidation eliminations	-26,967,303	-6,316,903	-33,284,206	116	142	120	
Total - consolidated	384,867,042	136,733,604	521,600,646	102	107	103	

* The data already include the pre-consolidation adjustments.

Non-consolidated gross claims paid in the **non-life insurance** group amounted to EUR 357.9 million, up by 3% relative to the preceding year. The profit level in the reporting period was also affected by some major loss events, which is described in greater detail in *Section 4.1 The macroeconomic environment and environmental impact on the operations*. The highest growth rates in gross claims paid were recorded by health insurance (index 112) and accident insurance (index 111). The majority of gross claims paid in health insurance is accounted for by Triglav, Zdravstvena zavarovalnica, which increased by 12% primarily due to last year's pandemic-related shortfall in healthcare services. The majority of the remaining insurance subsidiaries selling these insurance products also recorded a high growth in gross claims paid. Higher payments of gross claims paid in **accident insurance** was primarily a result of higher gross claims paid at Zavarovalnica Triglav (higher payouts in group and individual accident insurance mainly due to higher disability payments, as the implementation of reviewer inspections in the previous year was postponed to this year due to the pandemic) and Lovćen Osiguranje (higher growth in payouts of accident insurance claims).

Non-consolidated gross claims paid in the **life and pension insurance** group grew by 8% to EUR 143.1 million. Their share in total non-consolidated claims paid increased by 1.0 percentage point to 28.6%. An 8% growth was recorded in life insurance (traditional life, annuity, pension annuity and voluntary pension insurance products) by most insurance subsidiaries selling life insurance products. Among them, the highest growth was seen at Triglav Osiguranje, Zagreb

(surrender of capitalised policies), Triglav Osiguranje, Belgrade and Triglav Osiguranje, Sarajevo (higher payouts due to policyholders' death). Gross claims paid by the parent company were higher by 4% predominantly due to higher payouts due to maturity. High growth of 8% was recorded by unit-linked life insurance mainly as a result of high growth at Triglav, pokojninska družba (an increase in the number of retirements and thus transfers to annuity funds and an increase in transfers of assets to other pension insurance providers) and Triglav Osiguranje, Zagreb (higher payouts due to maturity).

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

Insurance class	Gross claims paid		Index	Share
	Q1-3 2021	Q1-3 2020	Q1-3 2021/ Q1-3 2020	Q1-3 2021
Accident insurance	16,111,819	14,470,447	111	3.2%
Health insurance	118,377,176	105,723,369	112	23.6%
Comprehensive car insurance	65,087,171	66,275,538	98	13.0%
Real property insurance	61,612,197	61,709,731	100	12.3%
Motor liability insurance	65,888,709	66,361,360	99	13.2%
General liability insurance	9,770,423	12,942,565	75	2.0%
Credit insurance	3,715,373	4,953,541	75	0.7%
Other non-life insurance	17,362,034	16,017,664	108	3.5%
Non-life insurance	357,924,902	348,454,215	103	71.4%
Life insurance	86,931,112	80,538,703	108	17.4%
Unit-linked life insurance*	52,540,919	48,455,284	108	10.5%
Capital redemption insurance	3,578,475	3,767,451	95	0.7%
Life and pension insurance	143,050,506	132,761,438	108	28.6%
Total	500,975,408	481,215,653	104	100.0%

* 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
	Q1-3 2021	Q1-3 2020	Q1-3 2021/ Q1-3 2020	Q1-3 2021
Accident insurance	8,987,449	7,993,796	112	3.1%
Health insurance	30,768	261,936	12	0.0%
Comprehensive car insurance	53,517,436	55,163,785	97	18.6%
Real property insurance	43,095,759	47,004,711	92	15.0%
Motor liability insurance	42,933,741	44,822,797	96	14.9%
General liability insurance	7,897,930	11,584,020	68	2.7%
Credit insurance	2,997,755	3,855,022	78	1.0%
Other non-life insurance	14,081,170	12,110,598	116	4.9%
Non-life insurance	173,542,008	182,796,665	95	60.3%
Life insurance	72,965,418	70,331,446	104	25.3%
Unit-linked life insurance	37,858,765	37,978,651	100	13.1%
Capital redemption insurance	3,578,475	3,767,451	95	1.2%
Life and pension insurance	114,402,658	112,077,548	102	39.7%
Total	287,944,666	294,874,213	98	100.0%

4.5 Gross operating expenses

Total consolidated gross operating expenses of the Triglav Group amounted to EUR 245.4 million, an increase of 10% relative to the same period last year. **Insurance business expenses** grew by 11% to EUR 222.1 million. Due to the impact of the pandemic in the same period last year, high growth was recorded mainly in acquisition costs, labour costs and costs of representation, advertising and trade shows, while the changed structure of investment in information technology led to higher growth in rent and lease costs. Compared to last year, the share of insurance business operating expenses in gross written premium increased by 0.3 percentage point to 21.0%. Operating expenses by insurance segment increased by 18% in the **life and pension insurance segment** (EUR 33.9 million), by 11% in the **non-life insurance segment** (EUR 177.2 million) and by 3% in the **health insurance segment** (EUR 11.0 million).

The share of insurance business operating expenses in written premium was 21.0%.

Non-insurance business expenses were 2% higher and amounted to EUR 23.3 million, primarily as a result of higher costs of transaction fees (costs of payment transactions and banking services) at Triglav Skladi, which are proportional to income.

Acquisition costs (fees and commissions) rose by 18% to EUR 48.0 million, predominantly as a result of their increase at Zavarovalnica Triglav, Triglav Osiguranje, Zagreb, Triglav Osiguranje, Belgrade and Triglav Osiguranje, Sarajevo. Increased acquisition costs mainly 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). In contrast, a large decline in acquisition costs was recorded at Triglav, Zdravstvena zavarovalnica mainly due to a change in the rewarding scheme.

The 5% increase in depreciation costs in the amount of EUR 16.5 million was predominantly the consequence of higher depreciation costs of intangible fixed assets at the parent company and higher depreciation growth due to investments in hardware and software at Triglav, Zdravstvena zavarovalnica.

At 48.3%, labour costs accounted for the largest portion of total expenses and amounted to EUR 125.1 million, up by 7% compared to the year before. This increase is mainly a result of the higher number of employees at Triglav, Zdravstvena zavarovalnica and Triglav Osiguruvanje Život, Skopje compared with the same period last year, as well as higher labour costs at Triglav Osiguruvanje, Zagreb, Triglav Osiguruvanje, Belgrade and Zavarovalnica Triglav. At the parent company, they were mainly influenced by an increase in employees' basic salaries and higher payments to insurance agents due to increased sale of insurance products as well as additional rewarding due to the taking out insurance remotely. Costs of services provided by natural persons other than sole proprietors rose by 35%. They amounted to EUR 1.2 million and represented only 0.4% of total expenses. Other operating expenses increased by 14% to EUR 68.0 million. Among them, due to the impact of the pandemic in the same period last year, the highest growth was achieved by the costs of representation, advertising and trade shows (higher costs of advertising, sponsorships and promotional products at the parent company and Triglav Osiguranje, Belgrade), rent and lease costs (especially higher costs of leasing computer equipment and services at the parent company) and costs of payment transactions and banking services (Triglav Skladi).

Acquisition costs represented 62.0% (the largest share) of total gross operating expenses of the insurance business broken down by functional group. Other operating expenses represented 27.0%, claim handling expenses 9.5% and asset management costs 1.5% of total gross operating expenses of the insurance business.

Gross operating expenses of the Triglav Group in Q1-3 2021 by nature

Operating expenses by nature	Gross operating expenses		Index	Share
	Q1-3 2021	Q1-3 2020	Q1-3 2021/ Q1-3 2020	Q1-3 2021
Acquisition costs (fees and commissions)	47,958,981	40,543,341	118	18.5%
Costs of goods sold	119,407	6,955	1.717	0.0%
Depreciation of operating assets	16,541,337	15,789,363	105	6.4%
Labour costs	125,114,736	117,433,054	107	48.3%
- wages and salaries	86,806,219	81,922,090	106	33.5%
- social securities and pension insurance costs	19,576,969	18,326,556	107	7.6%
- other labour costs	18,731,548	17,184,408	109	7.2%
Costs of services provided by natural persons other than SPs together with pertaining taxes	1,151,655	855,683	135	0.4%
Other operating expenses	67,985,896	59,633,000	114	26.3%
- costs of entertainment, advertising, trade shows	14,562,248	11,001,072	132	5.6%
- costs of material and energy	5,725,950	6,027,277	95	2.2%
- maintenance costs	11,344,925	10,949,567	104	4.4%
- travel expenses	2,535,460	2,501,205	101	1.0%
- costs of intellectual and personal services	4,193,187	3,462,738	121	1.6%
- non-income-related costs, excluding insurance	2,481,183	2,121,664	117	1.0%
- costs of transport and communication services	4,136,025	3,897,215	106	1.6%
- costs of insurance premiums	929,739	906,675	103	0.4%
- payment transaction costs and banking services	8,244,862	6,798,588	121	3.2%
- rents	4,631,775	3,276,189	141	1.8%
- costs of services of professional training	871,303	669,686	130	0.3%
- other costs of services	8,322,740	8,020,662	104	3.2%
- long-term employee benefits	6,499	462	1.407	0.0%
Total	258,872,012	234,261,396	111	100.0%
Consolidation eliminations	-13,470,322	-11,957,574	113	
Total consolidated	245,401,690	222,303,822	110	

Gross operating expenses of Zavarovalnica Triglav in Q1-3 2021 by nature

Operating expenses by nature	Gross operating expenses		Index	Share
	Q1-3 2021	Q1-3 2020	Q1-3 2021/ Q1-3 2020	Q1-3 2021
Acquisition cost (fees and commissions)	24,351,240	21,171,368	115	16.8%
Depreciation of operating assets	9,628,894	8,944,169	108	6.6%
Labour costs	81,243,525	76,202,690	107	55.9%
- wages and salaries	57,162,307	53,989,002	106	39.3%
- social securities and pension insurance costs	9,691,073	8,997,780	108	6.7%
- other labour costs	14,390,145	13,215,908	109	9.9%
Costs of services provided by natural persons other than SPs, including related taxes	219,825	204,150	108	0.2%
Other operating costs	29,867,135	25,239,159	118	20.6%
- costs of entertainment, advertising, trade shows	6,304,495	4,184,922	151	4.3%
- costs of material and energy	2,541,184	2,638,281	96	1.7%
- maintenance costs	6,695,072	6,391,659	105	4.6%
- reimbursement of labour-related costs	1,817,641	1,707,938	106	1.3%
- costs of intellectual and personal services	1,619,321	1,198,859	135	1.1%
- non-income related costs, excluding insurance	1,035,782	813,422	127	0.7%
- costs of transport and communication services	2,308,723	2,181,586	106	1.6%
- costs for insurance premiums	274,586	261,810	105	0.2%
- payment transaction costs and banking services	886,259	902,051	98	0.6%
- rents	3,046,569	2,069,154	147	2.1%
- costs of professional training services	627,830	415,332	151	0.4%
- other costs of services	2,709,673	2,474,145	110	1.9%
Total	145,310,619	131,761,536	110	100.0%

4.6 Reinsurance

In the first nine months of 2019, the **Triglav Group** allocated EUR 182.2 million of reinsurance and coinsurance premiums to external equalisation, up by 39% relative to the corresponding period last year. Reinsurance premium growth was mainly the result of the increased volume of non-life insurance premium, primarily through effective sales based on the principle of freedom of movement of services (FOS), and inward reinsurance. Reinsurance premium accounted for 17.3% of total gross written insurance and coinsurance premiums. The reinsurers' share in gross claims settled of EUR 30.2 million (index 120) was received from reinsurance.

In the reporting period, **Zavarovalnica Triglav** allocated EUR 153.5 million of reinsurance and coinsurance premiums to external equalisation, an increase of 36% compared to the same period in 2020. Reinsurance premium accounted for 24.4% of total gross written premium. The reinsurers' and coinsurers' share in gross claims settled of EUR 26.6 million (index 107) 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 September 2021, the **Triglav Group** had gross insurance technical provisions of EUR 3,235.7 million, an increase of 7% relative to 31 December 2020. The amount of gross insurance technical provisions increased in **non-life insurance** (index 114), **health insurance** (index 119), and in **life and pension insurance** (index 103). As at the reporting date, **Zavarovalnica Triglav** allocated EUR 2,314.1 million to gross insurance technical provisions, up by 5% compared to the 2020 year-end.

Total gross insurance technical provisions of the Triglav Group amounted to EUR 3,235.7 million, an increase of 7%.

Provisions of the **Triglav Group** by type as at 30 September 2021 relative to 31 December 2020:

- **Gross unearned premium** was 25% higher and amounted to EUR 429.6 million. Unearned premium from non-life insurance increased by 25% to EUR 425.6 million and unearned premium from health insurance rose by 8% to EUR 3.6 million, whereas unearned premium from life and pension insurance declined by 12% to EUR 401 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 9% to EUR 703.5 million. They are formed for covering claims incurred but not settled by the end of the accounting period. Claims provisions from non-life insurance totalled EUR 666.5 million (index 109), those from life and pension insurance equalled EUR 22.9 million (index 107), and those from health insurance amounted to EUR 14.1 million (index 97).
- **Mathematical provisions** were 3% higher and amounted to EUR 2,022.0 million. Mathematical provisions for the guarantee fund backing life insurance totalled EUR 1,442.9 million (index 99), while insurance technical provisions for unit-linked life insurance contracts amounted to EUR 579.2 million (index 114). They increased due to the growth in the price of fund units. Zavarovalnica Triglav's mathematical provisions of EUR 1,518.6 million accounted for the bulk (index 102), of which mathematical provisions for the guarantee fund backing life insurance amounted to EUR 1,015.6 million (index 98) and insurance technical provisions for unit-linked life insurance contracts equalled EUR 503.0 million (index 112).

- **Provisions for bonuses and discounts** grew by 31% to EUR 37.0 million, mainly as a result of additional insurance technical provisions created at Triglav, Zdravstvena zavarovalnica due to the COVID-19 pandemic.
- **Other insurance technical provisions** totalled EUR 43.5 million, down by 9% primarily due to their reduction at Zavarovalnica Triglav. The main reason was the decrease in provisions as a result of the liability adequacy test for life insurance.

Gross insurance technical provisions of the Triglav Group as at 30 September 2021

	Gross insurance technical provisions		Index
	30 September 2021	31 December 2020	2021/2020
Unearned premium	429,633,362	344,760,927	125
Mathematical provisions	2,022,044,632	1,967,008,673	103
Claims provisions	703,536,312	645,331,168	109
Provisions for bonuses and discounts	37,039,739	28,195,354	131
Other insurance technical provisions	43,452,471	47,917,732	91
Total	3,235,706,516	3,033,213,854	107

Gross insurance technical provisions of Zavarovalnica Triglav as at 30 September 2021

	Gross insurance technical provisions		Index
	30 September 2021	31 December 2020	2021/2020
Unearned premium	292,601,036	235,190,816	124
Mathematical provisions	1,518,590,560	1,490,283,181	102
Claims provisions	462,650,787	430,259,621	108
Provisions for bonuses and discounts	23,837,107	23,837,107	100
Other insurance technical provisions	16,403,976	19,470,754	84
Total	2,314,083,466	2,199,041,479	105

4.8 Structure of financial investments

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 its investments. In its investment, the Group pursues the goal of achieving a high credit rating of the entire portfolio. In the first nine months, the portfolio structure was not significantly changed, but adjustments were made to some shares of individual asset classes.

The Group's financial investments including investment property and investments in associates totalled EUR 3,604.2 million as at 30 September 2021, up by 3% relative to 31 December 2020. Their share in the Group's total assets declined by 2.1 percentage points to 82.4%.

Financial investments (including investment properties and investments in associates) of the Triglav Group as at 30 September 2021 and 31 December 2020

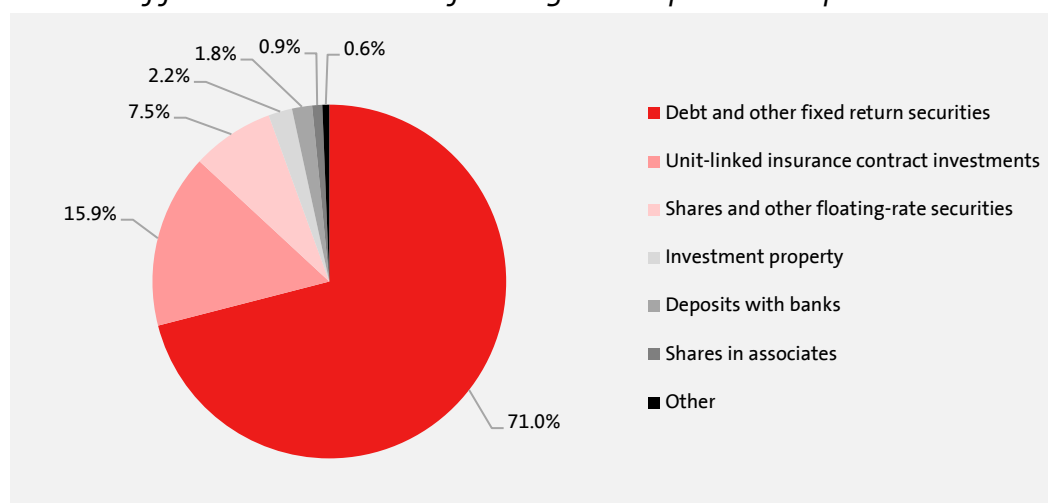
	Financial investments		Index	Share	
	30 September 2021	31 December 2020	2021/2020	30 September 2021	31 December 2020
Investment property	78,537,441	78,977,800	99	2.2%	2.3%
Shares in associates	33,233,794	28,237,714	118	0.9%	0.8%
Shares and other floating-rate securities	271,713,531	220,367,991	123	7.5%	6.3%
Debt and other fixed return securities	2,558,569,887	2,572,533,950	99	71.0%	73.6%
Loans given	4,476,703	4,218,279	106	0.1%	0.1%
Deposits with banks	66,178,272	72,474,217	91	1.8%	2.1%
Other financial investments	5,900,427	6,462,139	91	0.2%	0.2%
Financial investments of reinsurance companies in reinsurance contracts with cedents	12,474,682	11,210,682	111	0.3%	0.3%
Derivatives	0	113,301	0	0.0%	0.0%
Unit-linked insurance contract investments	573,094,838	501,808,980	114	15.9%	14.4%
Total	3,604,179,575	3,496,405,053	103	100.0%	100.0%

The largest share of the investment portfolio, 71.0%, is represented by bonds invested in developed markets, most of which have a high credit rating. Compared to the 2020 year-end, the value of the bond portfolio decreased by 1% to EUR 2,558.6 million, which is primarily a result of the negative bond yield in this period due to rising interest rates. The share of bonds in the whole portfolio decreased by 2.6 percentage points.

The growth of share prices in the first nine months affected both the value of the Group's equity investments and the value of unit-linked life insurance contract investments. The volume of equity investments grew by 23% to EUR 271.7 million, and their share in the total portfolio increased by 1.2 percentage points to 7.5%. The value of unit-linked life insurance contract investments rose by 14% to EUR 571.3 million, and their share in the total portfolio grew by 1.5 percentage points to 15.9%. The majority is accounted for by assets invested in mutual funds of the policyholders' choice and mostly in funds managed by Triglav Skladi.

In other asset classes, the volume of deposits with banks and investment property decreased slightly, whereas the volume of investments in associates somewhat increased; there were no other significant changes in the reporting period.

Structure of financial investments of the Triglav Group as at 30 September 2021



The structure of debt and equity portfolios is presented in detail below.

The shares of bonds in the Group's bond portfolio did not change significantly in terms of **issuer sector** compared to the 2020 year-end. Government bonds represent the bulk (65.6%), while the rest of the portfolio is represented by financial and corporate bonds in a balanced way.

Debt securities of the Triglav Group by issuer sector

Issuer sector	Debt securities		Index	Share	
	30 September 2021	31 December 2020	2021/2020	30 Sept. 2021	31 Dec. 2020
Government	1,677,721,097	1,682,830,112	100	65.6%	65.4%
Financial	448,107,709	461,605,954	97	17.5%	17.9%
Corporate	431,711,388	427,038,594	101	16.9%	16.6%
Structured	1,029,692	1,059,291	97	0 %	0 %
Total	2,558,569,887	2,572,533,951	99	100.0%	100.0%

Note: Unit-linked insurance contract investments data excluded.

The bond portfolio's investments are of high quality and globally diversified. A total of 90.8% of bond investments have an investment grade credit rating of at least "BBB" (compared to 89.6% as at 31 December 2020) and 59.7% have at least the "A" credit rating (compared to 61.3% as at 31 December 2020).

Debt securities of the Triglav Group by credit rating

Credit rating	Debt securities		Index	Share	
	30 September 2021	31 December 2020	2021/2020	30 Sept. 2021	31 Dec. 2020
AAA	404,211,222	463,012,284	87	15.8%	18.0%
AA	389,046,181	383,681,511	101	15.2%	14.9%
A	735,416,229	729,748,691	101	28.7%	28.4%
BBB	795,223,044	728,788,550	109	31.1%	28.3%
Below BBB	191,874,786	200,940,476	95	7.5%	7.8%
Not rated	42,798,424	66,362,438	64	1.7%	2.6%
Total	2,558,569,887	2,572,533,951	99	100.0%	100.0%

Note: 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 countries with a high credit rating, which ensures the Group appropriate security and liquidity. Certain changes in exposure to individual countries are 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 September 2021	31 December 2020	2021/2020	30 Sept. 2021	31 Dec. 2020
Slovenia	398,532,647	394,525,822	101	15.6%	15.3%
Germany	334,898,542	399,195,893	84	13.1%	15.5%
France	220,710,582	191,067,434	116	8.6%	7.4%
International financial institutions	155,361,148	106,856,495	145	6.1%	4.2%
Spain	149,852,695	139,353,731	108	5.9%	5.4%
USA	134,515,111	123,650,851	109	5.3%	4.8%
Italy	132,343,144	123,487,125	107	5.2%	4.8%
Croatia	105,897,655	106,124,399	100	4.1%	4.1%
Netherlands	98,296,979	117,712,265	84	3.8%	4.6%
Austria	64,027,709	85,172,491	75	2.5%	3.3%
Other	764,133,675	785,387,446	97	29.9%	30.5%
Total	2,558,569,887	2,572,533,951	99	100.0%	100.0%

Note: Unit-linked insurance contract investments data excluded.

Equity investments include shares and other variable-return securities and investments in associates. They represent 8.5% of the Group's total portfolio, up by 1.4 percentage points relative to 31 December 2020; their value increased by 23% to EUR 304.9 million predominantly due to share price growth in the first nine months of 2021.

Equity investments also include the category *other funds*, which comprises mostly alternative funds, among which alternative funds managed by the associate Triglav hold a significant share. The share of *other funds* represents 25.9% of equity investments.

Equity investments of the Triglav Group by investment type

Equity investment type	Equity investments		Index	Share	
	30 September 2021	31 December 2020	2021/2020	30 Sept. 2021	31 Dec. 2020
Shares	119,289,135	91,531,483	130	39.1%	36.8%
Equity funds	64,180,762	58,121,022	110	21.0%	23.4%
Bond funds	38,613,046	30,288,801	127	12.7%	12.2%
Money market funds	3,832,034	3,436,410	112	1.3%	1.4%
Other funds	79,032,346	65,227,991	121	25.9%	26.2%
Total	304,947,324	248,605,707	123	100.0%	100.0%

Equity investments of the Triglav Group by geographic area

Geographic area	Equity investments		Index	Share	
	30 September 2021	31 December 2020	2021/2020	30 Sept. 2021	31 Dec. 2020
Slovenia	96,575,097	80,365,862	120	31.7%	32.3%
Developed markets	190,916,407	150,493,047	127	62.6%	60.5%
Developing markets	12,632,806	13,244,477	95	4.1%	5.3%
Balkans	4,823,013	4,502,320	107	1.6%	1.8%
Total	304,947,324	248,605,707	123	100.0%	100.0%

In **Zavarovalnica Triglav**, financial investments, including investment property, amounted to EUR 2,679.4 million, up by 2% compared with the 2020 year-end.

Financial investments (including investment properties and investments in subsidiaries and associates) of Zavarovalnica Triglav as at 30 September 2021 and 31 December 2020

	Financial investments		Index	Share	
	30 September 2021	31 December 2020	2021/2020	30 September 2021	31 December 2020
Investment property	44,073,995	44,451,276	99	1.6%	1.7%
Investments in subsidiaries and associates	167,944,724	163,675,415	103	6.3%	6.2%
Shares and other floating rate securities	155,439,856	113,586,570	137	5.8%	4.3%
Debt and other fixed return securities	1,784,112,865	1,837,372,253	97	66.6%	69.8%
Loans given	5,301,137	9,294,087	57	0.2%	0.4%
Deposits with banks	19,636,876	19,567,302	100	0.7%	0.7%
Other financial investments	3,673,387	3,654,860	101	0.1%	0.1%
Derivatives	0	113,301	0	0.0%	0.0%
Unit-linked insurance contract investments	499,190,806	442,292,488	113	18.6%	16.8%
Total	2,679,373,646	2,634,007,552	102	100.0%	100.0%

4.9 Asset management

Asset management is one of the two strategic activities of the Triglav Group. It comprises the management of the parent company's own insurance portfolios (assets backing liabilities and guarantee funds), saving of clients through the Group's life and pension insurance companies, investment 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 September 2021 compared to 31 December 2020:

- own insurance portfolio: EUR 3,031.1 million (index 101),
- mutual funds and discretionary mandate assets at Triglav Skladi: EUR 1,400.1 million (index 121),
- investment management at Triglav: EUR 85.6 million (index 162).

Asset and investment fund management market

As at 30 September 2021, five management companies operated **in Slovenia**, which managed the net asset value of EUR 4.0 billion in **mutual funds**, which is 22% more than at the 2020 year-end. Asset growth was driven by net inflows into funds and growth in capital markets.

Triglav Skladi managed EUR 1.3 billion in **mutual funds** as at 30 September 2021, up by 18% relative to 31 December 2020. The value of net assets under management increased by EUR 87.2 million due to net inflows and by EUR 104.4 million due to the situation in capital markets. Triglav Skladi held a 31.7% market share as at the reporting date and is thus one of the leading managers of assets in investment funds in Slovenia.

A total of seven companies provided **discretionary mandate services**, of which three were asset management companies. The value of discretionary mandate assets managed by said companies amounted to EUR 1.7 billion as at 30 September 2020, an increase of 30% relative to the end of 2020. Triglav Skladi increased the value of assets in this segment by 55%; net inflows amounted to EUR 39.0 million, while the effect of capital markets increased the value of net assets under management by EUR 13.3 million. The company's market share increased by 1.4 percentage points to 8.9%.

5. Financial result and financial position

5.1 Financial result

In the first nine months of 2021, the Triglav Group performed well, recording a **profit before tax of EUR 92.1 million**, an increase of 48% relative to the same period last year. The higher profit is primarily a result of higher growth in net premium income than growth in net claims incurred from non-life insurance, lower additional insurance technical provisions for health insurance and lower additional insurance technical provisions on account of the liability adequacy test and the reduction of the internally set maximum interest rate for life insurance compared to the same period last year. Furthermore, profit was higher due to the growth of income from the Group's non-insurance business. **Net profit** amounted to **EUR 75.2 million**, up by 48% compared to the preceding year. **Annualised net return on equity** increased by 3.2 percentage points to 11.5%.

In the first nine months, the Triglav Group posted profit before tax of EUR 92.1 million.

Zavarovalnica Triglav posted **profit before tax** of EUR 64.4 million, an increase of 24% relative to the corresponding period of 2020. **Net profit** grew by 21% to EUR 52.5 million.

The **combined ratio of the Triglav Group** was 89.3%, down by 2.0 percentage points compared to the preceding year.

Combined ratio in non-life insurance of the Triglav Group by insurance company

Insurance Group	Q1-3 2021	Q1-3 2020	Change
Zavarovalnica Triglav	83.9%	86.4%	-2.5 p.p.
Triglav, Zdravstvena zavarovalnica	94.3%	95.8%	-1.5 p.p.
Pozavarovalnica Triglav Re	91.4%	95.2%	-3.8 p.p.
Triglav Osiguranje, Zagreb	98.7%	114.2%	-15.4 p.p.
Triglav Osiguranje, Belgrade	94.9%	88.9%	6.0 p.p.
Lovćen Osiguranje, Podgorica	94.2%	84.9%	9.3 p.p.
Triglav Osiguranje, Sarajevo	96.2%	94.0%	2.2 p.p.
Triglav Osiguranje, Banja Luka	108.9%	101.2%	7.7 p.p.
Triglav Osiguruvanje, Skopje	101.4%	96.9%	4.5 p.p.
The Triglav Group	89.3%	91.4%	-2.0 p.p.

Net premium income rose by 5% to EUR 827.5 million. Net premium income from non-life insurance grew by 5%, from life and pension insurance by 8% and from health insurance by 1%. Net premium income comprises gross written premium in the amount of EUR 1,056.2 million (index 110), less written premium ceded to reinsurance and coinsurance in the amount of EUR 182.2 million (index 139) and adjusted by the change in net unearned premium of EUR -46.5 million (index 120).

Net claims incurred increased by 3% to EUR 528.1 million. Net claims incurred in non-life insurance remained at approximately the same level as the year before (index 100), whereas in health insurance they grew by 8% and in life and pension insurance by 6%. Net claims incurred are composed of gross claims paid in the amount of EUR 521.6 million (index 103), reduced by the reinsurers' and coinsurers' shares in gross claims in the amount of EUR 30.2 million (index 120), adjusted by the change in net claims provisions of EUR 31.6 million (index 128) and increased by equalisation scheme expenses for supplemental health insurance in the amount of EUR 5.1 million (index 85).

Income from investments, including income from investments in associates, increased by 35% and reached EUR 98.8 million. Income from investments in associates amounted to EUR 1.2 million, up by 99%, and income from investments totalled EUR 97.6 million, up by 35%. Interest income was down by 20% and reached EUR 26.0 million, while gains on disposal of investments declined by 65% to EUR 6.6 million primarily as a result of lower activity in trading in financial instruments. Other income from investments increased to EUR 65.1 million (vs. EUR 21.0 million in the same period in 2020). Other income from investments comprises changes in the fair value of EUR 9.3 million (index 110), dividends of EUR 4.9 million (index 127), other financial income of EUR 5.7 million (index 172) and net unrealised gains on unit-linked life insurance assets, which totalled EUR 45.1 million (vs. EUR 5.4 million in 2020). The latter rose predominantly due to the growth of share prices, to which the majority of policyholders' investments under these insurance contracts are tied.

Expenses from investments, including expenses from investments in associates, fell to EUR 21.2 million (vs. EUR 46.9 million in the corresponding period last year). Expenses from investments in associates amounted to EUR 90 thousand (index 149), while expenses from investments totalled EUR 21.1 million (vs. EUR 46.8 million in 2020). Losses on disposals amounted to EUR 3.8 million (index 65) and other expenses from investments totalled EUR 17.3 million (vs. EUR 39.9 million in 2020). Other expenses from investments comprise net unrealised losses on unit-linked life insurance assets totalling EUR 1.6 million (vs. EUR 19.6 million in 2020), changes in the fair value of EUR 9.3 million (index 99) and other financial expenses in the amount of EUR 6.4 million (index 58).

The Group's **return on investment** (excluding unit-linked insurance contract investments) totalled EUR 27.4 million, down by 34% relative to the same period last year. The main reasons for the lower return on investment are primarily lower interest income due to low interest rates and lower realised capital gains.

Return on investment was lower predominantly due to lower net interest income and lower realised capital gains.

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 73 thousand and was lower than the year before (EUR 49.5 million), mainly due to the decline in other insurance technical provisions for health insurance. **Change in insurance technical provisions for unit-linked insurance contracts** equalled EUR 69.5 million (vs. EUR –5.8 million in the same period last year) due to the increase in the value of investments to which the assets of these insurance contracts are tied. **Expenses for bonuses and discounts** rose by 49% to EUR 16.7 million predominantly as a result of additional provisions created for bonuses and discounts at Triglav, Zdravstvena zavarovalnica due to the impact of the COVID-19 pandemic.

Operating expenses (acquisition costs and other operating expenses) totalled EUR 197.6 million, up by 12%. Acquisition costs rose by 14% and other operating expenses by 8%. The share of operating expenses of the insurance business (all functional cost groups) in gross written premium was 21.0%, up by 0.3 percentage point relative to 2020.

Other insurance income, excluding fees and commissions, amounted to EUR 7.0 million, down by 51% primarily due to lower offset foreign exchange gains from the repayment and revaluation of operating receivables and/or liabilities of Pozavarovalnica Triglav Re, which are disclosed offset as of this year. **Other insurance expenses**, excluding fees and commissions, amounted to EUR 13.1 million. Compared to the preceding year, they were lower by 45% predominantly due to lower other insurance expenses at Pozavarovalnica Triglav Re (see note

at other insurance income) and lower expenses due to the impairment of receivables from insurance operations at the parent company (premiums and subrogations). **Net fee and commission income** amounted to EUR 4.3 million (vs. EUR 1.3 million in the same period last year) and increased mainly due to the high growth of written premium ceded to reinsurance.

Other income increased by 14%, totalling EUR 35.2 million, primarily due to the growth in management fee income resulting from a higher volume of assets under management at Triglav Skladi. The 5% drop in **other expenses** (EUR 34.4 million) was mainly a result of lower other expenses at the parent company.

Individual items in the consolidated income statement of the Triglav Group for Q1-3 2021

	Q1-3 2021	Q1-3 2020	Index
Net premium income	827,539,307	791,086,311	105
Income from investments including income in subsidiaries and associates	98,805,926	73,079,364	135
Other income from insurance operations	38,179,316	38,964,405	98
Other income	35,154,023	30,827,389	114
Net claims incurred	528,141,477	510,557,065	103
Change in other insurance technical provisions (excluding ULI)	73,053	49,458,367	0
Change in insurance technical provisions for unit-linked insurance contracts	69,522,224	-5,762,359	
Expenses for bonuses and discounts	16,728,995	11,257,438	149
Operating expenses	197,564,203	175,775,143	112
Expenses from investments including expenses in subsidiaries and associates	21,195,295	46,868,938	45
Other insurance expenses	39,930,382	47,184,771	85
Other expenses	34,422,277	36,210,240	95
Profit before tax	92,100,666	62,407,867	148
Income tax expense	16,915,741	11,649,641	145
Net profit for the accounting period	75,184,925	50,758,226	148

*Structure of profit before tax of the Triglav Group**

	Q1-3 2021				Q1-3 2020			
	Non-life	Life and pension	Health	Total	Non-life	Life and pension	Health	Total
Profit before tax from underwriting activities	55,151,043	10,581,992	9,243,561	74,976,596	40,626,002	12,583,899	7,187,941	60,397,842
Profit before tax from investment activities	10,806,635	-596,425	378,367	10,588,577	12,229,547	-12,983,540	506,672	-247,321
Profit before tax from insurance operations	65,957,678	9,985,567	9,621,928	85,565,173	52,855,549	-399,641	7,694,613	60,150,521
Profit before tax from non-insurance operations				6,535,493				2,257,344
Total profit before tax				92,100,666				62,407,867

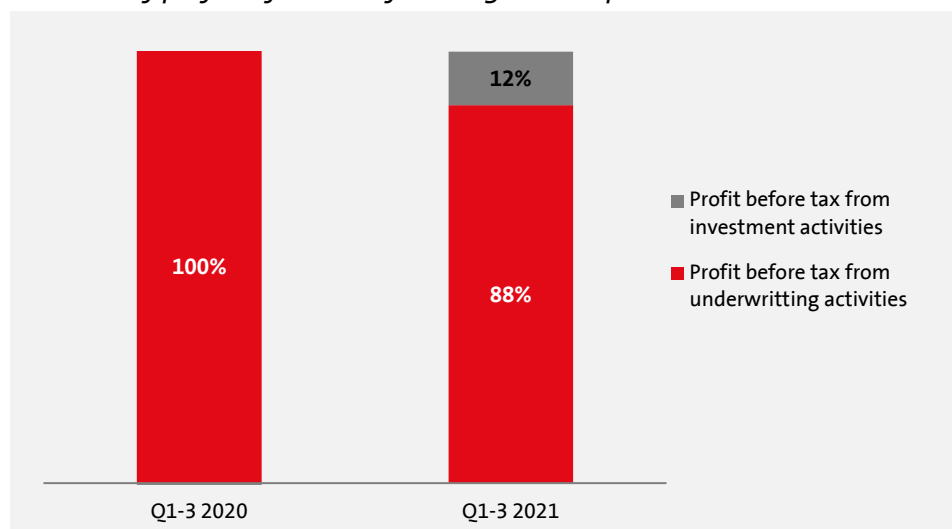
*Profit from return on investment is reduced by the return guaranteed by the Group's insurance subsidiaries to life insurance policyholders in the form of a guaranteed return determined in insurance contracts. In addition, return on investment is reduced by the increase in mathematical provisions due 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 75.6 million in the first nine months of 2021, up by EUR 15.0 million compared to the same period in the preceding year. The improved result was due to higher profit before tax from underwriting activities, predominantly as a result of more favourable current claims experience and favourable development of claims incurred in previous periods and during the pandemic period, as well as higher net premium income in non-life insurance. In addition, lower other insurance technical provisions for health insurance were formed. Profit from investments was lower than in the same period last year due to lower interest income and lower realised capital gains.

Profit before tax of the Group's **life and pension insurance** segment amounted to EUR 10.0 million in the first nine months of 2021, up by EUR 10.4 million compared to the same period in 2020. The main difference compared to the preceding year is the formation of provisions as a result of the liability adequacy test for Triglav, pokojninska družba, which increased by EUR 10.5 million in the same period last year. Zavarovalnica Triglav had a EUR 0.7 million higher profit before tax, but due to EUR 8.7 million lower return on investment it created EUR 12.0 million

lower additional provisions on account of the liability adequacy test and the reduction of the internally set maximum interest rate compared to the same period last year. Profit before tax from underwriting activities of the life and pension insurance segment was EUR 0.9 million lower, while other sources contributed to a EUR 2.0 million lower profit before tax mainly at the expense of higher acquisition costs. Profit before tax of other Group members is lower by EUR 0.9 million primarily due to lower return on investments.

Structure of profit before tax of the Triglav Group



Individual items in the income statement of Zavarovalnica Triglav for Q1-3 2021

	Q1-3 2021	Q1-3 2020	Index
Net premium income	441,404,774	430,430,384	103
Income from investments including income in subsidiaries and associates	77,647,163	49,274,525	158
Other income from insurance operations	35,439,003	29,937,393	118
Other income	6,294,209	5,803,253	108
Net claims incurred	274,288,026	280,994,469	98
Change in other insurance technical provisions	-7,616,825	9,789,545	
Change in insurance technical provisions for unit-linked insurance contracts	54,771,596	-12,800,015	
Expenses for bonuses and discounts	6,684,658	9,903,462	67
Operating expenses	126,787,907	113,823,200	111
Expenses from investments including expenses in subsidiaries and associates	11,570,306	30,363,719	38
Other insurance expenses	19,527,100	19,500,384	100
Other expense	10,400,697	12,006,032	87
Profit/loss before tax	64,371,683	51,864,761	124
Income tax expense	11,837,951	8,578,431	138
Net profit/loss for the accounting period	52,533,732	43,286,330	121

5.2 Financial position

Balance sheet total of the Triglav Group as at 30 September 2021 stood at EUR 4.4 billion, an increase of 6% relative to 31 December 2020.

Total equity as at 30 September 2021 amounted to EUR 900.4 million, up by 3% relative to the 2020 year-end. Total equity in total balance sheet liabilities fell by 0.4 percentage point to 20.6%. Equity attributable to the controlling company increased by 3% to EUR 897.7 million, while non-controlling interests grew to EUR 2.7 million (index 107) primarily due to the corresponding share of comprehensive income. 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** declined by 7% to EUR 82.7 million. **Share premium** amounted to EUR 50.3 million and remained unchanged compared to the 2020 year-end (index 100).

As at the reporting date, total equity amounted to EUR 900.4 million.

Reserves from profit amounted to EUR 384.3 million and remained approximately at the same level as at the 2020 year-end (index 100). They comprise other reserves from profit of EUR 364.0 million, legal and statutory reserves in the amount of EUR 19.7 million and contingency reserves of EUR 640 thousand. **Accumulated profit** reached EUR 309.6 million, up by 13%. In addition to EUR 75.0 million (index 170) in net profit for the year, it includes EUR 234.6 million of net profit brought forward (index 102). Net profit brought forward increased by EUR 44.1 million due to the transfer of net profit for the previous year and decreased by EUR 38.6 million due to the payment of dividends and by EUR 205 thousand due to the transfer to reserves.

Subordinated liabilities amounted to EUR 49.5 million and were at a level approximately equal to the 2020 year-end (index 100).

Gross insurance technical provisions were 7% higher and amounted to EUR 3,235.7 million. They represented 74.0% of total balance sheet liabilities, up by 0.7 percentage point relative to the 2020 year-end. Mathematical provisions rose by 3% to EUR 2,022.0 million. An increase was also seen in gross claims provisions (index 109), provisions for gross unearned premium (index 125) and other insurance technical provisions (index 106). Insurance technical provisions are discussed in greater detail in *Section 4.7*.

Other financial liabilities rose to EUR 6.9 million (vs. EUR 2.9 million in 2020) mainly due to an increase in financing liabilities from transactions after the reporting period at Zavarovalnica Triglav. Their share accounted for only 0.2% of total liabilities.

Operating liabilities grew by 3% over the 2020 year-end and amounted to EUR 72.7 million, thus representing 1.7% of balance sheet total. They increased mostly on account of liabilities from direct insurance business, which rose to EUR 20.3 million (index 121), and current tax liabilities, which increased to EUR 6.4 million (index 140).

Lease liabilities amounted to EUR 9.6 million, a decrease of 5% relative to the 2020 year-end. Lease liabilities comprise long-term lease liabilities of EUR 9.4 million (index 97) and short-term lease liabilities of EUR 161 thousand (index 41).

Other provisions declined by 1% to EUR 20.4 million. Compared to 31 December 2020, **deferred tax liabilities** fell by 42% to EUR 8.4 million primarily due to the lower fair value reserve for which deferred tax is calculated. **Other liabilities** increased by 4% and amounted to EUR 70.7 million, mainly due to changing the method of recording operating expenses from current data to those calculated at the parent company.

Financial assets increased to EUR 2,919.3 million (index 101) and represented 66.8% of total balance sheet assets. Available-for-sale financial assets, which totalled EUR 2,132.4 million, accounted for the bulk. Furthermore, EUR 538.0 million was accounted for by financial assets measured at fair value through profit or loss, EUR 156.1 million by held-to-maturity financial assets and EUR 92.9 million by deposits and loans. **Unit-linked insurance assets** amounted to EUR 573.1 million, up by 14%. The structure of financial assets is discussed in greater detail in *Section 4.8*.

The Triglav Group's financial investments in associates rose by 18% to EUR 33.2 million predominantly due to the capital increase of ZTSR in the amount of EUR 3.3 million (in July 2021, ZTSR was merged with Diagnostični center Vila Bogatin) and attributed profit of Diagnostični center Vila Bogatin (EUR 756 thousand) and Nama (EUR 228 thousand). **Investment property** was down by 1% to EUR 78.5 million compared to the 2020 year-end.

Receivables and deferred tax assets increased by 25% to EUR 254.2 million over the 2020 year-end and accounted for 5.8% of total assets, of which receivables from direct insurance business accounted for the bulk at EUR 149.9 million (index 142), an increase of 9% relative to 30 September 2020. Receivables from coinsurance and reinsurance operations reached EUR 74.2 million (index 102), other receivables stood at EUR 25.5 million (index 109) and current tax receivables at EUR 3.6 million (index 182). Deferred tax assets amounted to EUR 1.0 million (index 135).

Insurance technical provisions transferred to reinsurance contracts totalled EUR 184.9 million, having increased by 47%. Assets from reinsurance contracts from claims provisions were 32% higher and totalled EUR 109.4 million, while assets from unearned premium rose by 74% to EUR 70.8 million.

Property, plant and equipment totalled EUR 109.0 million, a decrease of 4% relative to 31 December 2020. **Intangible assets** amounted to EUR 107.1 million, up by 6%, primarily due to the growth of long-term deferred acquisition costs.

Non-current assets held for sale of EUR 0.5 million declined by 44% mainly due to the sale of real property of Triglav, Upravljanje nepremičnin and Triglav upravljanje nekretninama, Zagreb.

Right-of-use assets amounted to EUR 9.2 million, down by 7% relative to the 2020 year-end. They comprise the right to use land and buildings of EUR 6.8 million (index 84), the right to use vehicles of EUR 2.2 million (index 136) and the right to use other assets of EUR 112 thousand (index 123).

Cash and cash equivalents amounted to EUR 98.7 million (index 120), whilst **other assets** totalled EUR 6.5 million (index 103).

Individual items in the consolidated balance sheet of the Triglav Group as at 30 September 2021

	30 September 2021	31 December 2020	Index	Share 2021	Share 2020
ASSETS	4,374,146,900	4,139,441,072	106	100.0%	100.0%
Intangible assets	107,053,850	100,975,475	106	2.4%	2.4%
Property, plant and equipment	108,994,594	113,291,036	96	2.5%	2.7%
Non-current assets held for sale	510,707	915,851	56	0.0%	0.0%
Investment property	78,537,441	78,977,800	99	1.8%	1.9%
Right-of-use assets	9,155,316	9,821,211	93	0.2%	0.2%
Investments in associates	33,233,793	28,237,714	118	0.8%	0.7%
Financial investments	2,919,313,502	2,887,380,559	101	66.7%	69.8%
Unit-linked insurance assets	573,094,838	501,808,980	114	13.1%	12.1%
Reinsurers' share of insurance technical provisions	184,904,618	125,873,637	147	4.2%	3.0%
Receivables and deferred tax assets	254,214,671	203,962,440	125	5.8%	4.9%
Other assets	6,459,616	6,296,705	103	0.1%	0.2%
Cash and cash equivalents	98,673,955	81,899,664	120	2.3%	2.0%
EQUITY AND LIABILITIES	4,374,146,900	4,139,441,072	106	100.0%	100.0%
Equity	900,358,550	870,151,947	103	20.6%	21.0%
Subordinated liabilities	49,464,199	49,423,693	100	1.1%	1.2%
Insurance technical provisions	2,656,528,745	2,523,229,144	105	60.7%	61.0%
Insurance technical provisions for unit-linked insurance contracts	579,177,771	509,984,710	114	13.2%	12.3%
Other provisions	20,427,766	20,590,254	99	0.5%	0.5%
Deferred tax liabilities	8,377,724	14,539,515	58	0.2%	0.4%
Other financial liabilities	6,855,330	2,895,834	237	0.2%	0.1%
Operating liabilities	72,683,283	70,313,038	103	1.7%	1.7%
Lease liabilities	9,551,214	10,025,532	95	0.2%	0.2%
Other liabilities	70,722,318	68,287,405	104	1.6%	1.6%

Individual items in the balance sheet of Zavarovalnica Triglav as at 30 September 2021

	30 September 2021	31 December 2020	Index	Share 2021	Share 2020
ASSETS	3,122,847,607	2,995,518,165	104	100.0%	100.0%
Intangible assets	65,688,458	62,397,579	105	2.1%	2.1%
Property, plant and equipment	65,224,532	67,775,451	96	2.1%	2.3%
Investment property	44,073,995	44,451,276	99	1.4%	1.5%
Right-of-use assets	3,590,006	3,587,916	100	0.1%	0.1%
Investments in subsidiaries and associates	167,944,724	163,675,415	103	5.4%	5.5%
Financial investments	1,968,171,534	1,983,588,373	99	63.0%	66.2%
Unit-linked insurance assets	499,190,806	442,292,488	113	16.0%	14.8%
Reinsurers' share of insurance technical provisions	145,870,596	105,903,438	138	4.7%	3.5%
Receivables and deferred tax assets	134,745,892	95,800,206	141	4.3%	3.2%
Other assets	2,991,817	3,741,799	80	0.1%	0.1%
Cash and cash equivalents	25,355,245	22,304,222	114	0.8%	0.7%
EQUITY AND LIABILITIES	3,122,847,607	2,995,518,165	104	100.0%	100.0%
Equity	651,987,019	644,003,173	101	20.9%	21.5%
Subordinated liabilities	49,464,199	49,423,693	100	1.6%	1.6%
Insurance technical provisions	1,811,112,546	1,750,315,382	103	58.0%	58.4%
Insurance technical provisions for unit-linked insurance contracts	502,970,921	448,726,097	112	16.1%	15.0%
Other provisions	13,950,068	13,843,321	101	0.4%	0.5%
Deferred tax liabilities	3,067,574	9,531,162	32	0.1%	0.3%
Other financial liabilities	4,610,026	1,633,896	282	0.1%	0.1%
Operating liabilities	38,143,837	33,977,772	112	1.2%	1.1%
Lease liabilities	3,729,605	3,675,805	101	0.1%	0.1%
Other liabilities	43,811,813	40,387,864	108	1.4%	1.3%

6. Risk management

6.1 Risk Management

In addition to a sharp rise in energy prices, the third quarter was marked by uncertainties in the automotive industry due to the shortage of semiconductors and other disruptions in supply chains. The consequent effects on the rise in the inflation rate could have an adverse effect on business performance, especially if they are long-lasting.

The Triglav Group maintains a good capital position within the target level of 200–250% after the end of the third quarter of 2021. The Triglav Group's overall risk assessment increased in the third quarter, primarily due to higher market risks, but also due to an increase in underwriting risks, which increased in relation to the growth in the volume of non-life insurance business. The increase in market risks is mainly a result of a higher exposure to equity investments in some life (pension) insurance segments.

Credit risks decreased due to the year-on-year dynamics of receivables, which are generally lower in the third quarter than in the first half of the year.

6.2 Internal audit

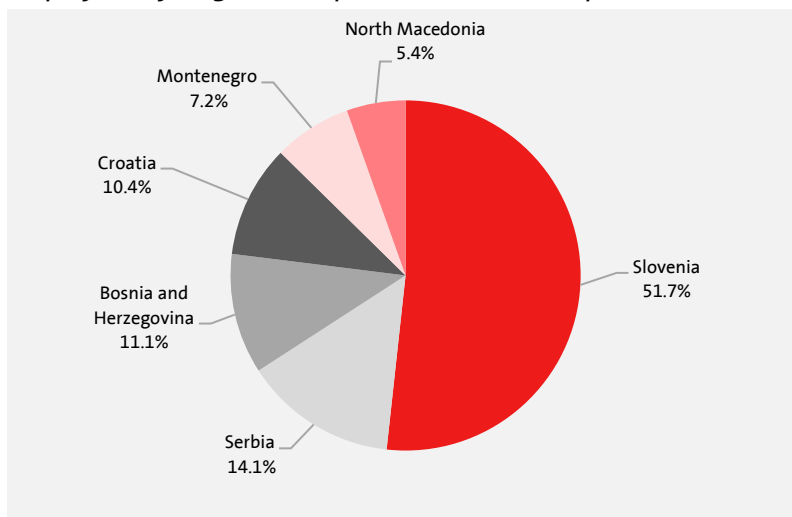
In the first nine months of 2021, the Internal Audit Department complied with its annual work plan. It conducted internal audits of various areas in Zavarovalnica Triglav and audits in some subsidiaries. The findings were reported to both the management of the audited areas and the Management Board.

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.

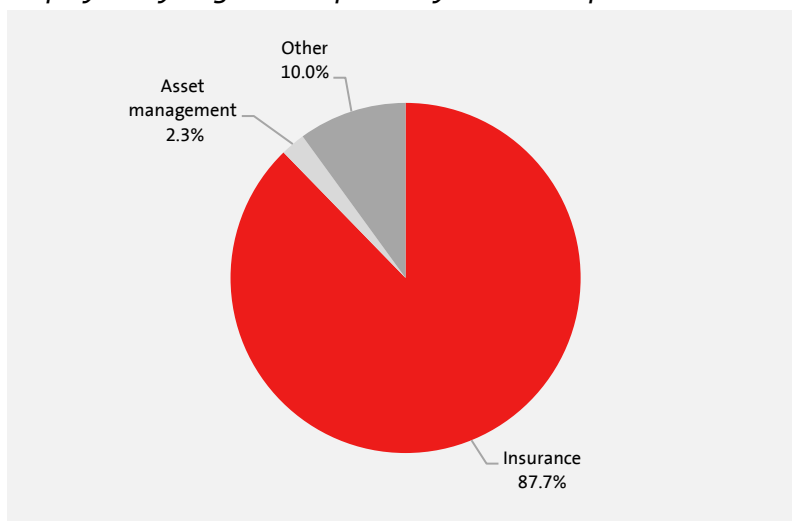
7. Employees of the Triglav Group

The Triglav Group had 5,237 employees as at 30 September 2021, down by 79 employees relative to 31 December 2020. The number of employees decreased the most at Triglav Osiguranje, Belgrade as a result of the decline in the number of fixed-term employees due to the COVID-19 pandemic.

Employees by Triglav Group market as at 30 September 2021



Employees by Triglav Group activity as at 30 September 2021



Accounting Report

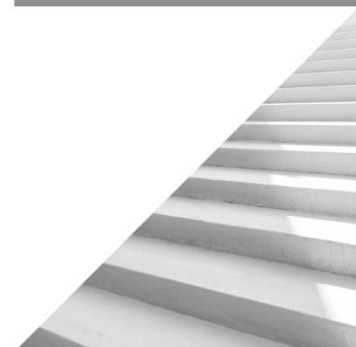
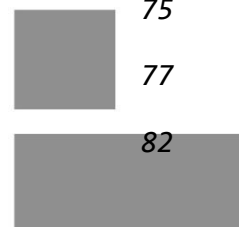




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Accounting Report

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Statement of management's responsibility

The Management Board herewith confirms the financial statements for the period from 1 January 2021 to 30 September 2021 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 2021 to 30 September 2021 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 2021 to 30 September 2021 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 November 2021

1. Financial statements

STATEMENT OF FINANCIAL POSITION	Triglav Group		Zavarovalnica Triglav	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	in EUR			
ASSETS	4,374,146,900	4,139,441,072	3,122,847,607	2,995,518,165
Intangible assets	107,053,850	100,975,475	65,688,458	62,397,579
Property, plant and equipment	108,994,594	113,291,036	65,224,532	67,775,451
Non-current assets held for sale	510,707	915,851	0	0
Deferred tax assets	1,049,992	778,589	0	0
Investment property	78,537,441	78,977,800	44,073,995	44,451,276
Right of use assets	9,155,316	9,821,211	3,590,006	3,587,916
Investments in subsidiaries	0	0	132,531,683	132,337,466
Investments in associates	33,233,793	28,237,714	35,413,043	31,337,951
- accounted for using the equity method	33,233,793	28,237,714	0	0
- measured at fair value	0	0	35,413,043	31,337,951
Financial investments	2,919,313,502	2,887,380,559	1,968,171,534	1,983,588,373
- loans and deposits	92,922,226	97,971,079	32,671,524	36,951,085
- held to maturity	156,071,903	162,824,686	139,543,902	143,908,512
- available for sale	2,132,361,421	2,101,914,068	1,589,964,457	1,595,002,429
- recognised at fair value through profit and loss	537,957,952	524,670,726	205,991,651	207,726,347
Unit-linked insurance assets	573,094,838	501,808,980	499,190,806	442,292,488
Reinsurers' share of technical provisions	184,904,618	125,873,637	145,870,596	105,903,438
Receivables	253,164,679	203,183,851	134,745,892	95,800,206
- receivables from direct insurance operations	149,924,693	105,484,939	95,139,102	67,632,214
- receivables from reinsurance and co-insurance operations	74,162,663	72,355,133	30,444,509	19,797,094
- current tax receivables	3,553,954	1,950,631	0	0
- other receivables	25,523,369	23,393,148	9,162,281	8,370,898
Other assets	6,459,615	6,296,705	2,991,817	3,741,799
Cash and cash equivalents	98,673,955	81,899,664	25,355,245	22,304,222
EQUITY AND LIABILITIES	4,374,146,900	4,139,441,072	3,122,847,607	2,995,518,165
Equity	900,358,550	870,151,947	651,987,019	644,003,173
Controlling interests	897,669,154	867,648,574	651,987,019	644,003,173
- share capital	73,701,392	73,701,392	73,701,392	73,701,392
- share premium	50,291,395	50,271,107	53,412,884	53,412,884
- reserves from profit	384,311,990	384,106,692	367,862,643	367,862,643
- treasury share reserves	364,680	364,680	0	0
- treasury shares	-364,680	-364,680	0	0
- fair value reserve	82,726,267	89,293,484	53,501,944	59,402,079
- net profit brought forward	234,618,566	229,284,048	50,974,424	60,526,536
- net profit for the year	74,981,002	44,131,955	52,533,732	29,097,639
- currency translation differences	-2,961,458	-3,140,104	0	0
Non-controlling interests	2,689,396	2,503,373	0	0
Subordinated liabilities	49,464,199	49,423,693	49,464,199	49,423,693
Insurance technical provisions	2,656,528,745	2,523,229,144	1,811,112,546	1,750,315,382
- unearned premiums	429,633,362	344,760,927	292,601,036	235,190,816
- mathematical provisions	1,442,866,861	1,457,023,963	1,015,619,639	1,041,557,084
- claims provisions	703,536,312	645,331,168	462,650,788	430,259,621
- other insurance technical provisions	80,492,210	76,113,086	40,241,083	43,307,861
Insurance technical provisions for unit-linked insurance contracts	579,177,771	509,984,710	502,970,921	448,726,097
Employee benefits	17,833,425	17,781,153	13,122,487	13,073,364
Other provisions	2,594,341	2,809,101	827,580	769,957
Deferred tax liabilities	8,377,724	14,539,515	3,067,574	9,531,162
Other financial liabilities	6,855,330	2,895,834	4,610,026	1,633,896
Operating liabilities	72,683,283	70,313,038	38,143,837	33,977,772
- liabilities from direct insurance operations	20,273,383	16,801,856	11,057,708	10,636,904
- liabilities from reinsurance and co-insurance operations	46,027,805	48,940,738	23,830,417	19,824,185
- current tax liabilities	6,382,095	4,570,444	3,255,712	3,516,683
Lease liabilities	9,551,214	10,025,532	3,729,605	3,675,805
Other liabilities	70,722,318	68,287,405	43,811,813	40,387,864

INCOME STATEMENT	Triglav Group		Zavarovalnica Triglav	
	Q1-3 2021	Q1-3 2020	Q1-3 2021	Q1-3 2020
NET PREMIUM INCOME	827,539,307	791,086,311	441,404,774	430,430,384
- gross written premium	1,056,197,776	960,919,871	628,008,567	568,252,371
- ceded written premium	-182,194,501	-131,251,732	-153,486,750	-113,027,412
- change in unearned premium reserve	-46,463,968	-38,581,828	-33,117,043	-24,794,575
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	1,217,522	613,188	8,159,633	231,398
- profit on equity investments accounted for using the equity method	1,217,522	613,188	0	0
- other income from investments in subsidiaries and associates	0	0	8,159,633	231,398
INCOME FROM INVESTMENTS	97,588,404	72,466,176	69,487,528	49,043,128
- interest income calculated using the effective interest method	25,976,404	32,523,819	14,895,500	20,323,145
- gains on disposals	6,561,374	18,937,303	5,856,846	16,622,033
- other income from investments	65,050,626	21,005,054	48,735,182	12,097,950
OTHER INCOME FROM INSURANCE OPERATIONS	38,179,316	38,964,405	35,439,003	29,937,393
- fees and commission income	31,154,362	24,573,524	30,087,363	23,938,677
- other income from insurance operations	7,024,954	14,390,881	5,351,640	5,998,716
OTHER INCOME	35,154,023	30,827,389	6,294,209	5,803,253
NET CLAIMS INCURRED	528,141,477	510,557,065	274,288,026	280,994,469
- gross claims settled	521,600,646	505,021,317	287,944,665	294,874,213
- reinsurers' share	-30,192,479	-25,162,398	-26,558,758	-24,713,832
- changes in claims provisions	31,617,640	24,705,240	12,902,119	10,834,088
- equalisation scheme expenses for supplementary health insurance	5,115,670	5,992,906	0	0
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	73,053	49,458,367	-7,616,825	9,789,545
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	69,522,224	-5,762,359	54,771,596	-12,800,015
EXPENSES FOR BONUSES AND DISCOUNTS	16,728,995	11,257,438	6,684,658	9,903,462
OPERATING EXPENSES	197,564,203	175,775,143	126,787,907	113,823,200
- acquisition costs	137,580,966	120,473,153	93,042,164	83,706,981
- other operating costs	59,983,237	55,301,990	33,745,743	30,116,219
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	89,605	60,238	9,518	12,028
- loss on investments accounted for using the equity method	89,605	60,238	0	0
- other expenses from financial assets and liabilities	0	0	9,518	12,028
EXPENSES FROM INVESTMENTS	21,105,690	46,808,699	11,560,787	30,351,690
- loss on impairment of investments	0	1,070,913	0	1,054,318
- loss on disposal of investments	3,770,913	5,790,202	3,571,093	4,656,115
- other expenses from investments	17,334,777	39,947,584	7,989,694	24,641,257
OTHER INSURANCE EXPENSES	39,930,382	47,184,771	19,527,100	19,500,384
OTHER EXPENSES	34,422,277	36,210,240	10,400,697	12,006,032
- expenses from financing	2,065,119	2,255,110	1,709,175	1,984,048
- other expenses	32,357,158	33,955,130	8,691,522	10,021,984
PROFIT BEFORE TAX	92,100,666	62,407,867	64,371,683	51,864,761
Income tax expense	16,915,741	11,649,641	11,837,951	8,578,431
NET PROFIT FOR THE PERIOD	75,184,925	50,758,226	52,533,732	43,286,330
Earning per share	3.31	2.23	-	-
Net profit/loss attributable to the controlling company	74,981,002	50,456,033	-	-
Net profit/loss attributable to the non-controlling interest holders	203,923	302,193	-	-

STATEMENT OF OTHER COMPREHENSIVE INCOME	Triglav Group		Zavarovalnica Triglav	
	Q1-3 2021	Q1-3 2020	Q1-3 2021	Q1-3 2020
Net profit for the period after tax	75,184,925	50,758,226	52,533,732	43,286,330
Other comprehensive income after tax	-6,304,144	804,066	-5,900,135	6,096,563
Items which will not be transferred in P&L in future periods	-28,045	0	-28,045	0
Actuarial gains/losses for pension plans	-28,045	0	-28,045	0
Items which could be transferred into P&L in future periods	-6,276,099	804,066	-5,872,090	6,096,563
Fair value gains/losses on available-for-sale financial assets	-34,136,706	13,783,857	-33,629,419	18,641,839
– net gains/losses recognized directly in fair value reserve	-20,524,343	24,600,935	-20,397,045	27,756,245
– transfers from fair value reserve to income statement	-13,612,363	-10,817,078	-13,232,374	-9,114,406
Liabilities from insurance contracts with DPF	21,796,526	-9,175,813	21,796,525	-9,175,814
Currency translation differences	177,193	-721,708	0	0
Tax on other comprehensive income	5,886,888	-3,082,270	5,960,804	-3,369,462
COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAX	68,880,781	51,562,292	46,633,597	49,382,893
Controlling interest	68,608,715	51,364,755	-	-
Non-controlling interest	272,066	197,537	-	-

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 from profit							
As at 1 January 2021	73,701,392	50,271,107	640,340	20,266,352	364,680	-364,680	363,200,000	89,293,484	229,284,048	44,131,955	-3,140,104	867,648,574	2,503,373	870,151,947
Comprehensive income for the period from 1 January 2021 to 30 September 2021	0	0	0	0	0	0	0	-6,567,217	16,283	74,981,002	178,646	68,608,714	272,067	68,880,781
a) Net profit	0	0	0	0	0	0	0	0	0	74,981,002	0	74,981,002	203,923	75,184,925
b) Other comprehensive income	0	0	0	0	0	0	0	-6,567,217	16,283	0	178,646	-6,372,288	68,144	-6,304,144
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 other reserves from profit	0	0	0	-580,887	0	0	786,185	0	-205,298	0	0	0	0	0
Changes in consolidation area	0	20,288	0	0	0	0	0	0	0	0	0	20,288	-86,044	-65,756
As at 30 September 2021	73,701,392	50,291,395	640,340	19,685,465	364,680	-364,680	363,986,185	82,726,267	234,618,566	74,981,002	-2,961,458	897,669,154	2,689,396	900,358,550
As at 1 January 2020	73,701,392	50,276,637	640,340	19,793,935	364,680	-364,680	334,300,000	84,099,924	165,896,170	63,404,824	-2,587,098	789,526,123	2,425,665	791,951,788
Comprehensive income for the period from 1 January 2020 to 30 September 2020	0	0	0	0	0	0	0	1,620,913	0	50,456,033	-712,191	51,364,755	197,537	51,562,292
a) Net profit	0	0	0	0	0	0	0	0	0	50,456,033	0	50,456,033	302,193	50,758,226
b) Other comprehensive income	0	0	0	0	0	0	0	1,620,913	0	0	-712,191	908,722	-104,656	804,066
Allocation of net profit to net profit brought forward	0	0	0	0	0	0	0	0	63,404,824	-63,404,824	0	0	0	0
Allocation of retained earnings to reserves from profit	0	0	0	40,641	0	0	0	0	-40,641	0	0	0	0	0
Changes in consolidation area	0	204	0	0	0	0	0	0	0	0	0	204	-32,458	-32,254
As at 30 September 2020	73,701,392	50,276,841	640,340	19,834,576	364,680	-364,680	334,300,000	85,720,837	229,260,351	50,456,033	-3,299,289	840,891,080	2,590,744	843,481,824

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				
As at 1 January 2021	73,701,392	53,412,884	4,662,643	363,200,000	59,402,079	60,526,536	29,097,639	644,003,173
Comprehensive income for the period from 1 January 2021 to 30 September 2021	0	0	0	0	-5,900,135	0	52,533,732	46,633,597
a) Net profit	0	0	0	0	0	0	52,533,732	52,533,732
b) Other comprehensive income	0	0	0	0	-5,900,135	0	0	-5,900,135
Payment of dividends	0	0	0	0	0	-38,649,750	0	-38,649,750
Allocation of net profit to net profit brought forward	0	0	0	0	0	29,097,638	-29,097,638	0
As at 30 September 2021	73,701,392	53,412,884	4,662,643	363,200,000	53,501,944	50,974,424	52,533,732	651,987,019
As at 1 January 2020	73,701,392	53,412,884	4,662,643	334,300,000	53,859,881	9,929,059	50,614,416	580,480,275
Comprehensive income for the period from 1 January 2020 to 30 September 2020	0	0	0	0	6,096,563	0	43,286,330	49,382,893
a) Net profit	0	0	0	0	0	0	43,286,330	43,286,330
b) Other comprehensive income	0	0	0	0	6,096,563	0	0	6,096,563
Allocation of net profit to net profit brought forward	0	0	0	0	0	50,614,416	-50,614,416	0
As at 30 September 2020	73,701,392	53,412,884	4,662,643	334,300,000	59,956,444	60,543,475	43,286,330	629,863,168

CASH FLOW STATEMENT		Triglav Group		Zavarovalnica Triglav	
		Q1-3 2021	Q1-3 2020	Q1-3 2021	Q1-3 2020
A.	OPERATING CASH FLOW				
	Income statement items	189,084,534	148,373,342	100,122,791	71,770,889
	Net written premium for the period	920,721,419	869,710,361	474,521,815	455,224,958
	Investment income (excluding financial income)	18,428,248	21,316,314	8,262,647	7,501,340
	Other operating income (excluding revaluation and provisions reductions) operating revenues and financial income from operating receivables	25,993,054	25,032,181	8,517,785	7,190,577
	Net claims paid	-493,652,683	-494,962,258	-251,677,311	-270,160,381
	Bonuses and rebates paid	-7,813,341	-6,926,345	-6,684,658	-5,753,378
	Net operating expenses excluding depreciation charge and changes in the accrued acquisition expenses	-209,085,686	-185,015,575	-102,494,721	-92,442,448
	Investment expenses (excluding depreciation charge and financial expenses)	-6,515,718	-17,005,130	-5,162,977	-6,068,876
	Other operating expenses excluding depreciation charge (except for revaluations and without increasing provisions)	-42,096,280	-51,621,459	-12,558,081	-14,616,165
	Corporate income tax and other taxes excluded from operating expenses	-16,894,479	-12,154,747	-12,601,708	-9,104,738
	Changes in net current assets-operating balance sheet items	-62,825,047	-51,757,298	-42,622,041	-39,395,252
	Movements in receivables from direct insurance operations	-45,384,882	-25,506,574	-27,862,830	-24,305,242
	Movements in receivables from reinsurance operations	-24,301,802	-27,978,815	-10,647,415	-6,765,192
	Movements in other receivables from (re)insurance operations	-8,215,013	-13,603,394	-698,426	-2,264,124
	Movements in other receivables and assets	-1,044,436	-4,030,922	99,802	988,970
	Movements in deferred tax assets	-585,699	-1,084,009	0	0
	Movements in inventories	-173,965	863,139	-27,118	-68,814
	Movements in debts from direct insurance operations	2,493,926	-1,352,002	420,804	-2,006,558
	Movements in debts from reinsurance operations	18,243,827	13,258,164	4,006,232	2,728,886
	Movements in operating debts	-14,989,373	-2,596,657	-9,892,773	-271,583
	Movements in other liabilities (excluding unearned premiums)	10,769,980	11,195,830	1,979,683	-7,431,595
	Movements in deferred tax liabilities	362,390	-922,058	0	0
	Net cash from/ (used in) operating activities	126,259,487	96,616,044	57,500,750	32,375,637
B.	CASH FLOWS FROM INVESTING ACTIVITIES				0
	Cash inflows from investing activities	811,116,212	1,049,870,046	711,417,631	849,673,029
	Cash inflows from interest from investing activities	30,557,020	35,873,864	19,408,130	24,454,758
	Cash inflows from dividends received and profit sharing	12,282,208	4,272,137	11,270,342	3,114,414
	Cash inflows from the disposal of intangible assets	0	0	0	0
	Cash inflows from the disposal of property, plant and equipment	1,422,816	3,988,568	315,981	287,122
	Cash inflows from the disposal of financial investments	766,854,168	1,005,735,477	680,423,178	821,816,735
	- Cash inflows from the disposal of investments in subsidiaries and associates	0	0	0	0
	- Other cash inflows from disposal of financial investments	766,854,168	1,005,735,477	680,423,178	821,816,735
	Cash outflows from investing activities	-879,076,350	-1,101,838,862	-726,348,547	-854,264,772
	Cash outflows for the purchase of intangible assets	-5,223,012	-6,526,413	-4,478,490	-4,871,597
	Cash outflows for the purchase of property, plant and equipment	-5,087,242	-7,371,990	-1,936,887	-2,480,475
	Cash outflows for the purchase of financial investments	-868,766,096	-1,087,940,459	-719,933,170	-846,912,700
	- Cash outflows for the purchase of investments in subsidiaries and associates	-4,242,381	-13,532,729	-4,292,617	-13,500,000
	- Other cash outflows to acquire financial investments	-864,523,715	-1,074,407,730	-715,640,553	-833,412,700
	Net cash from/ (used in) investing activities	-67,960,138	-51,968,816	-14,930,916	-4,591,743
C.	CASH FLOWS FROM FINANCING ACTIVITIES				
	Cash inflows from financing activities	0	0	0	0
	Cash outflows from financing activities	-41,554,841	-24,841,004	-39,518,811	-22,672,150
	Cash outflows for paid interest	-369,387	-1,627,325	-46,287	-1,275,355
	Cash outflows for payments of long-term financial liabilities	0	-20,628,000	0	-20,628,000
	Cash outflows for payments of short-term financial liabilities	-2,577,032	-2,585,679	-822,772	-768,795
	Cash outflows from dividends paid and profit sharing	-38,608,422	0	-38,649,752	0
	Net cash from/ (used in) financing activities	-41,554,841	-24,841,004	-39,518,811	-22,672,150
D.	Closing balance of cash and cash equivalents	98,673,955	95,616,632	25,355,245	31,223,856
E1.	Net cash flow for the period	16,744,508	19,806,224	3,051,023	5,111,744
E2.	Foreign exchange differences	29,783	-59,367	0	0
F.	Opening balance of cash and cash equivalents	81,899,664	75,869,775	22,304,222	26,112,112

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 September 2021 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 September 2021 have not been audited.

2.2 Significant accounting policies and going concern assumptions

The same accounting policies and calculation methods as for the preparation of the annual financial statements for 2020 were used for the preparation of the financial statements for the period from 1 January to 30 September 2021. With respect to the calculation of tax expenses, the adequacy of the effective tax rate of the preceding year was verified. As there were no significant deviations, the same rate was used in the reporting period.

Due to the changes in the economic and financial markets caused by the COVID-19 pandemic, 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. Based on regular monitoring of operations, the going concern assumption can be confirmed.

2.3 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).

2.4 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). 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 September 2021

	Non-life	Life	Health	Other	TOTAL NON-CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
ASSETS	2,192,356,255	2,241,932,691	109,230,497	201,446,660	4,744,966,103	-370,819,203	4,374,146,900
Intangible assets	82,758,811	5,479,684	732,229	18,083,126	107,053,850	0	107,053,850
Property, plant and equipment	91,275,022	10,245,362	1,837,320	5,636,890	108,994,594	0	108,994,594
Non-current assets held for sale	0	0	0	510,707	510,707	0	510,707
Deferred tax assets	859,348	82,071	234,360	435,792	1,611,571	-561,579	1,049,992
Investment property	46,577,186	1,773,953	0	26,163,287	74,514,426	4,023,015	78,537,441
Right of use assets	8,803,311	581,579	561,247	2,216,426	12,162,563	-3,007,247	9,155,316
Investments in subsidiaries	126,657,248	13,438,187	0	71,345,724	211,441,159	-211,441,159	0
Investments in associates	32,804,588	429,205	0	0	33,233,793	0	33,233,793
Financial investments	1,202,791,324	1,584,193,305	94,678,756	40,436,451	2,922,099,836	-2,786,334	2,919,313,502
- loans and deposits	65,563,829	27,907,228	0	2,237,503	95,708,560	-2,786,334	92,922,226
- held to maturity	0	156,071,903	0	0	156,071,903	0	156,071,903
- available for sale	1,124,252,433	875,231,284	94,678,756	38,198,948	2,132,361,421	0	2,132,361,421
- recognised at fair value through profit and loss	12,975,062	524,982,890	0	0	537,957,952	0	537,957,952
Unit-linked insurance assets	0	573,094,838	0	0	573,094,838	0	573,094,838
Reinsurers' share of technical provisions	281,202,523	4,886,310	1,982,601	0	288,071,434	-103,166,816	184,904,618
Receivables	284,496,159	3,642,955	6,522,068	12,268,781	306,929,963	-53,765,284	253,164,679
- receivables from direct insurance operations	143,223,377	1,435,189	5,366,343	58,657	150,083,566	-158,873	149,924,693
- receivables from reinsurance and co-insurance operations	122,119,740	126,474	183,845	0	122,430,059	-48,267,396	74,162,663
- current tax receivables	413,830	15,359	0	3,124,765	3,553,954	0	3,553,954
- other receivables	18,739,212	2,065,933	971,880	9,085,359	30,862,384	-5,339,015	25,523,369
Other assets	4,588,460	945,493	285,730	753,731	6,573,414	-113,799	6,459,615
Cash and cash equivalents	29,542,275	43,139,749	2,396,186	23,595,745	98,673,955	0	98,673,955
EQUITY AND LIABILITIES	2,192,356,255	2,241,932,691	109,230,497	201,446,660	4,744,966,103	-370,819,203	4,374,146,900
Equity	723,495,244	161,682,127	46,951,905	183,217,959	1,115,347,235	-214,988,685	900,358,550
Controlling interests	723,495,244	161,682,127	46,951,905	183,217,959	1,115,347,235	-217,678,081	897,669,154
- share capital	115,741,097	48,491,866	25,822,144	103,329,075	293,384,182	-219,682,790	73,701,392
- share premium	43,511,478	13,658,827	0	21,061,946	78,232,251	-27,940,856	50,291,395
- reserves from profit	333,487,943	47,223,257	1,231,991	1,598,175	383,541,366	770,624	384,311,990
- 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	56,549,893	8,857,765	1,462,864	17,073,768	83,944,290	-1,218,023	82,726,267
- net profit brought forward	115,192,172	36,680,435	11,403,820	33,876,580	197,153,007	37,465,559	234,618,566
- net profit for the year	61,035,619	7,585,409	7,031,086	5,975,678	81,627,792	-6,646,790	74,981,002
- currency translation differences	-2,022,958	-815,432	0	-61,943	-2,900,333	-61,125	-2,961,458
Non-controlling interests	0	0	0	0	0	2,689,396	2,689,396
Subordinated liabilities	49,464,199	0	0	0	49,464,199	0	49,464,199
Insurance technical provisions	1,226,853,728	1,473,838,866	51,980,497	0	2,752,673,091	-96,144,346	2,656,528,745
- unearned premiums	461,527,656	400,936	3,806,270	0	465,734,862	-36,101,500	429,633,362
- mathematical provisions	0	1,434,159,325	0	0	1,434,159,325	8,707,536	1,442,866,861
- claims provisions	733,575,147	22,925,931	14,155,330	0	770,656,408	-67,120,096	703,536,312
- other insurance technical provisions	31,750,925	16,352,674	34,018,897	0	82,122,496	-1,630,286	80,492,210
Insurance technical provisions for unit-linked insurance contracts	0	579,177,771	0	0	579,177,771	0	579,177,771
Employee benefits	13,853,473	2,480,374	734,620	764,958	17,833,425	0	17,833,425
Other provisions	1,396,128	134,378	92,812	971,023	2,594,341	0	2,594,341
Deferred tax liabilities	1,508,684	2,507,056	0	4,935,340	8,951,080	-573,356	8,377,724
Other financial liabilities	5,611,973	1,149,525	0	978,166	7,739,664	-884,334	6,855,330
Operating liabilities	106,214,439	8,249,865	5,206,521	72,034	119,742,859	-47,059,576	72,683,283
- liabilities from direct insurance operations	9,719,645	7,680,681	3,309,333	0	20,709,659	-436,276	20,273,383
- liabilities from reinsurance and co-insurance operations	91,855,872	547,312	247,921	0	92,651,105	-46,623,300	46,027,805
- current tax liabilities	4,638,922	21,872	1,649,267	72,034	6,382,095	0	6,382,095
Lease liabilities	9,170,327	543,315	570,757	2,443,760	12,728,159	-3,176,945	9,551,214
Other liabilities	54,788,060	12,169,414	3,693,385	8,063,420	78,714,279	-7,991,961	70,722,318

CONSOLIDATED STATEMENT OF FINANCIAL POSITION BY SEGMENT

31 December 2020

	Non-life	Life	Health	Other	TOTAL NON-CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
ASSETS	2,012,472,564	2,201,999,970	96,772,481	203,230,241	4,514,475,256	-375,034,184	4,139,441,072
Intangible assets	75,493,099	5,310,002	1,104,346	19,068,028	100,975,475	0	100,975,475
Property, plant and equipment	94,967,543	10,338,223	2,070,491	5,914,779	113,291,036	0	113,291,036
Non-current assets held for sale	0	0	0	915,851	915,851	0	915,851
Deferred tax assets	12,225,408	315,728	100,492	353,711	12,995,339	-12,216,750	778,589
Investment property	46,479,633	1,815,663	0	26,659,489	74,954,785	4,023,015	78,977,800
Right of use assets	9,196,761	742,514	736,587	2,868,556	13,544,418	-3,723,207	9,821,211
Investments in subsidiaries	126,370,012	13,438,187	0	73,079,881	212,888,080	-212,888,080	0
Investments in associates	27,787,564	450,150	0	0	28,237,714	0	28,237,714
Financial investments	1,139,058,291	1,630,345,795	84,738,085	40,370,531	2,894,512,702	-7,132,143	2,887,380,559
- loans and deposits	71,528,702	28,880,122	0	4,694,398	105,103,222	-7,132,143	97,971,079
- held to maturity	0	162,824,686	0	0	162,824,686	0	162,824,686
- available for sale	1,061,065,742	920,434,108	84,738,085	35,676,133	2,101,914,068	0	2,101,914,068
- recognised at fair value through profit and loss	6,463,847	518,206,879	0	0	524,670,726	0	524,670,726
Unit-linked insurance assets	0	501,808,980	0	0	501,808,980	0	501,808,980
Reinsurers' share of technical provisions	205,023,278	2,120,725	1,930,507	0	209,074,510	-83,200,873	125,873,637
Receivables	244,061,313	2,853,381	5,773,521	10,329,503	263,017,718	-59,833,867	203,183,851
- receivables from direct insurance operations	99,328,743	857,266	5,415,317	46,036	105,647,362	-162,423	105,484,939
- receivables from reinsurance and co-insurance operations	124,912,987	125,891	288,594	0	125,327,472	-52,972,339	72,355,133
- current tax receivables	260,744	16,522	0	1,673,365	1,950,631	0	1,950,631
- other receivables	19,558,839	1,853,702	69,610	8,610,102	30,092,253	-6,699,105	23,393,148
Other assets	5,163,290	427,439	110,588	657,667	6,358,984	-62,279	6,296,705
Cash and cash equivalents	26,646,372	32,033,183	207,864	23,012,245	81,899,664	0	81,899,664
EQUITY AND LIABILITIES	2,012,472,564	2,201,999,970	96,772,481	203,230,241	4,514,475,256	-375,034,184	4,139,441,072
Equity	692,506,717	170,820,488	40,491,519	182,757,721	1,086,576,445	-216,424,498	870,151,947
Controlling interests	692,506,717	170,820,488	40,491,519	182,757,721	1,086,576,445	-218,927,871	867,648,574
- share capital	115,741,097	48,491,866	25,822,144	103,744,632	293,799,739	-220,098,347	73,701,392
- share premium	43,511,478	13,658,827	0	20,596,489	77,766,794	-27,495,687	50,271,107
- reserves from profit	333,236,478	47,223,257	1,231,991	1,692,535	383,384,261	722,431	384,106,692
- 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	58,511,213	15,245,473	2,033,564	14,655,399	90,445,649	-1,152,165	89,293,484
- net profit brought forward	107,987,054	40,763,981	7,030,922	39,589,850	195,371,807	33,912,241	229,284,048
- net profit for the year	35,549,723	6,453,044	4,372,898	2,179,544	48,555,209	-4,423,254	44,131,955
- currency translation differences	-2,030,326	-1,015,960	0	-65,408	-3,111,694	-28,410	-3,140,104
Non-controlling interests	0	0	0	0	0	2,503,373	2,503,373
Subordinated liabilities	49,423,693	0	1,500,000	0	50,923,693	-1,500,000	49,423,693
Insurance technical provisions	1,063,657,574	1,490,492,569	43,649,539	0	2,597,799,682	-74,570,538	2,523,229,144
- unearned premiums	357,552,557	457,883	3,515,846	0	361,526,286	-16,765,359	344,760,927
- mathematical provisions	0	1,448,316,427	0	0	1,448,316,427	8,707,536	1,457,023,963
- claims provisions	674,353,544	21,380,025	14,654,188	0	710,387,757	-65,056,589	645,331,168
- other insurance technical provisions	31,751,473	20,338,234	25,479,505	0	77,569,212	-1,456,126	76,113,086
Insurance technical provisions for unit-linked insurance contracts	0	509,984,710	0	0	509,984,710	0	509,984,710
Employee benefits	13,719,361	2,523,496	748,274	790,022	17,781,153	0	17,781,153
Other provisions	1,337,516	128,168	170,071	1,173,346	2,809,101	0	2,809,101
Deferred tax liabilities	13,716,085	8,795,206	0	4,256,653	26,767,944	-12,228,429	14,539,515
Other financial liabilities	2,646,272	62,652	99,125	1,612,573	4,420,622	-1,524,788	2,895,834
Operating liabilities	110,512,564	8,970,466	4,240,077	148,714	123,871,821	-53,558,783	70,313,038
- liabilities from direct insurance operations	5,370,819	8,352,551	3,602,278	0	17,325,648	-523,792	16,801,856
- liabilities from reinsurance and co-insurance operations	101,187,933	547,228	240,568	0	101,975,729	-53,034,991	48,940,738
- current tax liabilities	3,953,812	70,687	397,231	148,714	4,570,444	0	4,570,444
Lease liabilities	9,425,284	684,384	745,771	3,024,607	13,880,046	-3,854,514	10,025,532
Other liabilities	55,527,498	9,537,831	5,128,105	9,466,605	79,660,039	-11,372,634	68,287,405

STATEMENT OF FINANCIAL POSITION BY GEOGRAPHICAL AREA

30 September 2021

	Slovenia	Other	TOTAL NON- CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
ASSETS	4,208,657,903	536,308,199	4,744,966,102	-370,819,202	4,374,146,900
Intangible assets	85,848,558	21,205,292	107,053,850	0	107,053,850
Property, plant and equipment	70,296,374	38,698,220	108,994,594	0	108,994,594
Non-current assets held for sale	461,016	49,691	510,707	0	510,707
Deferred tax assets	1,219,049	392,522	1,611,571	-561,579	1,049,992
Investment property	68,964,404	5,550,022	74,514,426	4,023,015	78,537,441
Right of use assets	5,432,689	6,729,874	12,162,563	-3,007,247	9,155,316
Investments in subsidiaries	205,649,498	5,791,661	211,441,159	-211,441,159	0
Investments in associates	33,233,793	0	33,233,793	0	33,233,793
Financial investments	2,663,062,923	259,036,913	2,922,099,836	-2,786,334	2,919,313,502
- loans and deposits	49,653,296	46,055,264	95,708,560	-2,786,334	92,922,226
- held to maturity	147,708,672	8,363,231	156,071,903	0	156,071,903
- available for sale	1,941,956,531	190,404,890	2,132,361,421	0	2,132,361,421
- recognised at fair value through profit and loss	523,744,424	14,213,528	537,957,952	0	537,957,952
Unit-linked insurance assets	547,404,522	25,690,316	573,094,838	0	573,094,838
Reinsurers' share of technical provisions	222,034,870	66,036,564	288,071,434	-103,166,816	184,904,618
Receivables	233,869,482	73,060,481	306,929,963	-53,765,284	253,164,679
- receivables from direct insurance operations	100,505,693	49,577,873	150,083,566	-158,873	149,924,693
- receivables from reinsurance and co-insurance operations	110,608,791	11,821,268	122,430,059	-48,267,396	74,162,663
- current tax receivables	3,083,101	470,853	3,553,954	0	3,553,954
- other receivables	19,671,897	11,190,487	30,862,384	-5,339,015	25,523,369
Other assets	3,630,443	2,942,970	6,573,413	-113,798	6,459,615
Cash and cash equivalents	67,550,282	31,123,673	98,673,955	0	98,673,955
EQUITY AND LIABILITIES	4,208,657,903	536,308,199	4,744,966,102	-370,819,202	4,374,146,900
Equity	985,200,503	130,146,732	1,115,347,235	-214,988,685	900,358,550
Controlling interests	985,200,503	130,146,732	1,115,347,235	-217,678,081	897,669,154
- share capital	192,180,918	101,203,264	293,384,182	-219,682,790	73,701,392
- share premium	76,212,455	2,019,796	78,232,251	-27,940,856	50,291,395
- reserves from profit	372,764,877	10,776,489	383,541,366	770,624	384,311,990
- treasury share reserves	364,680	0	364,680	0	364,680
- treasury shares	0	0	0	-364,680	-364,680
- fair value reserve	75,436,216	8,508,074	83,944,290	-1,218,023	82,726,267
- net profit brought forward	192,594,940	4,558,067	197,153,007	37,465,559	234,618,566
- net profit for the year	75,646,417	5,981,375	81,627,792	-6,646,790	74,981,002
- currency translation differences	0	-2,900,333	-2,900,333	-61,125	-2,961,458
Non-controlling interests	0	0	0	2,689,396	2,689,396
Subordinated liabilities	49,464,199	0	49,464,199	0	49,464,199
Insurance technical provisions	2,441,709,959	310,963,132	2,752,673,091	-96,144,346	2,656,528,745
- unearned premiums	358,297,273	107,437,589	465,734,862	-36,101,500	429,633,362
- mathematical provisions	1,349,623,924	84,535,401	1,434,159,325	8,707,536	1,442,866,861
- claims provisions	654,792,376	115,864,032	770,656,408	-67,120,096	703,536,312
- other insurance technical provisions	78,996,386	3,126,110	82,122,496	-1,630,286	80,492,210
Insurance technical provisions for unit-linked insurance contracts	553,878,935	25,298,835	579,177,771	0	579,177,771
Employee benefits	14,769,807	3,063,618	17,833,425	0	17,833,425
Other provisions	1,752,912	841,429	2,594,341	0	2,594,341
Deferred tax liabilities	7,266,828	1,684,252	8,951,080	-573,356	8,377,724
Other financial liabilities	6,783,957	955,707	7,739,664	-884,334	6,855,330
Operating liabilities	82,111,887	37,630,972	119,742,859	-47,059,576	72,683,283
- liabilities from direct insurance operations	15,032,851	5,676,808	20,709,659	-436,276	20,273,383
- liabilities from reinsurance and co-insurance operations	60,732,142	31,918,963	92,651,105	-46,623,300	46,027,805
- current tax liabilities	6,346,894	35,201	6,382,095	0	6,382,095
Lease liabilities	5,632,269	7,095,890	12,728,159	-3,176,945	9,551,214
Other liabilities	60,086,647	18,627,632	78,714,278	-7,991,960	70,722,318

STATEMENT OF FINANCIAL POSITION BY GEOGRAPHICAL AREA

31 December 2020

	Slovenia	Other	TOTAL NON- CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
ASSETS	4,032,148,922	482,326,334	4,514,475,256	-375,034,184	4,139,441,072
Intangible assets	84,017,812	16,957,663	100,975,475	0	100,975,475
Property, plant and equipment	73,182,453	40,108,583	113,291,036	0	113,291,036
Non-current assets held for sale	768,967	146,884	915,851	0	915,851
Deferred tax assets	12,656,083	339,256	12,995,339	-12,216,750	778,589
Investment property	69,240,958	5,713,827	74,954,785	4,023,015	78,977,800
Right of use assets	6,034,215	7,510,203	13,544,418	-3,723,207	9,821,211
Investments in subsidiaries	207,189,438	5,698,642	212,888,080	-212,888,080	0
Investments in associates	28,237,714	0	28,237,714	0	28,237,714
Financial investments	2,643,372,240	251,140,462	2,894,512,702	-7,132,143	2,887,380,559
- loans and deposits	57,670,422	47,432,800	105,103,222	-7,132,143	97,971,079
- held to maturity	154,495,490	8,329,196	162,824,686	0	162,824,686
- available for sale	1,914,114,795	187,799,273	2,101,914,068	0	2,101,914,068
- recognised at fair value through profit and loss	517,091,533	7,579,193	524,670,726	0	524,670,726
Unit-linked insurance assets	479,168,738	22,640,242	501,808,980	0	501,808,980
Reinsurers' share of technical provisions	165,288,509	43,786,001	209,074,510	-83,200,873	125,873,637
Receivables	203,568,387	59,449,331	263,017,718	-59,833,867	203,183,851
- receivables from direct insurance operations	73,047,776	32,599,586	105,647,362	-162,423	105,484,939
- receivables from reinsurance and co-insurance operations	109,694,158	15,633,314	125,327,472	-52,972,339	72,355,133
- current tax receivables	1,824,200	126,431	1,950,631	0	1,950,631
- other receivables	19,002,253	11,090,000	30,092,253	-6,699,105	23,393,148
Other assets	4,263,758	2,095,226	6,358,984	-62,279	6,296,705
Cash and cash equivalents	55,159,650	26,740,014	81,899,664	0	81,899,664
EQUITY AND LIABILITIES	4,032,148,922	482,326,334	4,514,475,256	-375,034,184	4,139,441,072
Equity	961,766,208	124,810,237	1,086,576,445	-216,424,498	870,151,947
Controlling interests	961,766,208	124,810,237	1,086,576,445	-218,927,871	867,648,574
- share capital	192,452,158	101,347,581	293,799,739	-220,098,347	73,701,392
- share premium	75,746,998	2,019,796	77,766,794	-27,495,687	50,271,107
- reserves from profit	372,764,877	10,619,384	383,384,261	722,431	384,106,692
- treasury share reserves	364,680	0	364,680	0	364,680
- treasury shares	0	0	0	-364,680	-364,680
- fair value reserve	81,192,803	9,252,846	90,445,649	-1,152,165	89,293,484
- net profit brought forward	196,182,765	-810,958	195,371,807	33,912,241	229,284,048
- net profit for the year	43,061,927	5,493,282	48,555,209	-4,423,254	44,131,955
- currency translation differences	0	-3,111,694	-3,111,694	-28,410	-3,140,104
Non-controlling interests	0	0	0	2,503,373	2,503,373
Subordinated liabilities	50,923,693	0	50,923,693	-1,500,000	49,423,693
Insurance technical provisions	2,321,584,385	276,215,297	2,597,799,682	-74,570,538	2,523,229,144
- unearned premiums	274,057,915	87,468,371	361,526,286	-16,765,359	344,760,927
- mathematical provisions	1,370,622,906	77,693,521	1,448,316,427	8,707,536	1,457,023,963
- claims provisions	603,087,599	107,300,158	710,387,757	-65,056,589	645,331,168
- other insurance technical provisions	73,815,965	3,753,247	77,569,212	-1,456,126	76,113,086
Insurance technical provisions for unit-linked insurance contracts	487,386,393	22,598,317	509,984,710	0	509,984,710
Employee benefits	14,754,947	3,026,206	17,781,153	0	17,781,153
Other provisions	1,823,032	986,069	2,809,101	0	2,809,101
Deferred tax liabilities	25,077,905	1,690,039	26,767,944	-12,228,429	14,539,515
Other financial liabilities	2,467,346	1,953,276	4,420,622	-1,524,788	2,895,834
Operating liabilities	100,356,539	23,515,282	123,871,821	-53,558,783	70,313,038
- liabilities from direct insurance operations	14,510,500	2,815,148	17,325,648	-523,792	16,801,856
- liabilities from reinsurance and co-insurance operations	81,808,051	20,167,678	101,975,729	-53,034,991	48,940,738
- current tax liabilities	4,037,988	532,456	4,570,444	0	4,570,444
Lease liabilities	6,177,790	7,702,256	13,880,046	-3,854,514	10,025,532
Other liabilities	59,830,684	19,829,355	79,660,039	-11,372,634	68,287,405

CONSOLIDATED INCOME STATEMENT BY SEGMENT

	Q1-3 2021				TOTAL
	Non-life	Life	Health	Other	
NET PREMIUM INCOME	497,245,726	182,308,281	147,985,300	0	827,539,307
- gross written premium	721,598,204	186,310,165	148,289,407	0	1,056,197,776
- ceded written premium	-178,135,775	-4,058,726	0	0	-182,194,501
- change in unearned premium reserve	-46,216,703	56,842	-304,107	0	-46,463,968
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	987,284	0	0	230,238	1,217,522
- profit on equity investments accounted for using the equity method	987,284	0	0	230,238	1,217,522
- other income from investments in subsidiaries and associates	0	0	0	0	0
INCOME FROM INVESTMENTS	14,288,260	82,812,652	433,716	53,776	97,588,404
- interest income calculated using the effective interest method	7,948,690	17,560,113	432,623	34,978	25,976,404
- gains on disposals	1,711,659	4,835,779	0	13,936	6,561,374
- other income from investments	4,627,911	60,416,760	1,093	4,862	65,050,626
OTHER INCOME FROM INSURANCE OPERATIONS	36,728,319	1,406,299	44,698	0	38,179,316
- fees and commission income	29,765,637	1,388,725	0	0	31,154,362
- other income from insurance operations	6,962,682	17,574	44,698	0	7,024,954
OTHER INCOME	5,009,739	69,876	43,826	30,030,582	35,154,023
NET CLAIMS INCURRED	272,005,640	136,839,543	119,296,294	0	528,141,477
- gross claims settled	270,182,073	136,733,604	114,684,969	0	521,600,646
- reinsurers' share	-28,795,470	-1,396,350	-659	0	-30,192,479
- changes in claims provisions	30,619,037	1,502,289	-503,686	0	31,617,640
- equalisation scheme expenses for supplementary health insurance	0	0	5,115,670	0	5,115,670
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	195,832	625,301	-748,080	0	73,053
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	0	69,522,224	0	0	69,522,224
EXPENSES FOR BONUSES AND DISCOUNTS	7,433,084	8,440	9,287,471	0	16,728,995
OPERATING EXPENSES	155,607,021	31,329,538	10,627,644	0	197,564,203
- acquisition costs	115,622,886	20,042,124	1,915,956	0	137,580,966
- other operating costs	39,984,135	11,287,414	8,711,688	0	59,983,237
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	68,660	20,945	0	0	89,605
- loss on investments accounted for using the equity method	68,660	20,945	0	0	89,605
- other expenses from financial assets and liabilities	0	0	0	0	0
EXPENSES FROM INVESTMENTS	4,400,249	16,641,181	55,349	8,911	21,105,690
- loss on impairment of investments	0	0	0	0	0
- loss on disposal of investments	629,300	3,141,207	0	406	3,770,913
- other expenses from investments	3,770,949	13,499,974	55,349	8,505	17,334,777
OTHER INSURANCE EXPENSES	39,030,285	539,118	360,979	0	39,930,382
OTHER EXPENSES	9,560,879	1,085,251	5,955	23,770,192	34,422,277
- expenses from financing	1,848,749	41,386	0	174,984	2,065,119
- other expenses	7,712,130	1,043,865	5,955	23,595,208	32,357,158
PROFIT BEFORE TAX	65,957,678	9,985,567	9,621,928	6,535,493	92,100,666
Income tax expense	12,328,918	1,426,591	1,649,267	1,510,965	16,915,741
NET PROFIT FOR THE PERIOD	53,628,760	8,558,976	7,972,661	5,024,528	75,184,925
Net profit/loss attributable to the controlling company	53,499,736	8,557,355	7,972,661	4,951,250	74,981,002
Net profit/loss attributable to the non-controlling interest holders	129,024	1,621	0	73,278	203,923

CONSOLIDATED INCOME STATEMENT BY SEGMENT

	Q1-3 2020				TOTAL
	Non-life	Life	Health	Other	
NET PREMIUM INCOME	475,614,986	169,005,076	146,466,249	0	791,086,311
- gross written premium	642,686,101	171,487,986	146,745,784	0	960,919,871
- ceded written premium	-128,738,489	-2,513,243	0	0	-131,251,732
- change in unearned premium reserve	-38,332,626	30,333	-279,535	0	-38,581,828
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	500,299	0	0	112,889	613,188
- profit on equity investments accounted for using the equity method	500,299	0	0	112,889	613,188
- other income from investments in subsidiaries and associates	0	0	0	0	0
INCOME FROM INVESTMENTS	20,541,285	51,240,318	577,107	107,466	72,466,176
- interest income calculated using the effective interest method	10,349,482	21,677,898	463,841	32,598	32,523,819
- gains on disposals	6,332,530	12,491,507	113,266	0	18,937,303
- other income from investments	3,859,273	17,070,913	0	74,868	21,005,054
OTHER INCOME FROM INSURANCE OPERATIONS	38,116,914	800,121	47,370	0	38,964,405
- fees and commission income	23,812,443	761,081	0	0	24,573,524
- other income from insurance operations	14,304,471	39,040	47,370	0	14,390,881
OTHER INCOME	5,186,392	42,252	91,891	25,506,854	30,827,389
NET CLAIMS INCURRED	271,275,784	129,103,887	110,177,394	0	510,557,065
- gross claims settled	273,875,056	128,314,538	102,831,723	0	505,021,317
- reinsurers' share	-24,551,933	-610,738	273	0	-25,162,398
- changes in claims provisions	21,952,661	1,400,087	1,352,492	0	24,705,240
- equalisation scheme expenses for supplementary health insurance	0	0	5,992,906	0	5,992,906
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	201,432	30,872,122	18,384,813	0	49,458,367
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	0	-5,762,359	0	0	-5,762,359
EXPENSES FOR BONUSES AND DISCOUNTS	11,179,599	77,839	0	0	11,257,438
OPERATING EXPENSES	139,489,883	26,104,015	10,181,245	0	175,775,143
- acquisition costs	102,090,004	15,608,962	2,774,187	0	120,473,153
- other operating costs	37,399,879	10,495,053	7,407,058	0	55,301,990
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	0	60,238	0	0	60,238
- loss on investments accounted for using the equity method	0	60,238	0	0	60,238
- other expenses from financial assets and liabilities	0	0	0	0	0
EXPENSES FROM INVESTMENTS	8,812,036	37,919,325	70,435	6,903	46,808,699
- loss on impairment of investments	998,546	72,367	0	0	1,070,913
- loss on disposal of investments	1,339,290	4,431,031	19,881	0	5,790,202
- other expenses from investments	6,474,200	33,415,927	50,554	6,903	39,947,584
OTHER INSURANCE EXPENSES	44,974,988	1,554,504	655,279	0	47,184,771
OTHER EXPENSES	11,170,604	1,557,837	18,838	23,462,961	36,210,240
- expenses from financing	1,986,693	143,734	-8,611	133,294	2,255,110
- other expenses	9,183,911	1,414,103	27,449	23,329,667	33,955,130
PROFIT BEFORE TAX	52,855,550	-399,641	7,694,613	2,257,345	62,407,867
Income tax expense	8,381,234	1,095,217	1,211,572	961,618	11,649,641
NET PROFIT FOR THE PERIOD	44,474,316	-1,494,858	6,483,041	1,295,727	50,758,226
Net profit/loss attributable to the controlling company	44,164,682	-1,507,371	6,483,041	1,315,681	50,456,033
Net profit/loss attributable to the non-controlling interest holders	309,634	12,513	0	-19,954	302,193

in EUR

CONSOLIDATED INCOME STATEMENT BY GEOGRAPHICAL AREA

	Q1-3 2021		
	Slovenia	Other	TOTAL
NET PREMIUM INCOME	666,415,210	161,124,097	827,539,307
- gross written premium	853,546,587	202,651,189	1,056,197,776
- ceded written premium	-148,423,754	-33,770,747	-182,194,501
- change in unearned premium reserve	-38,707,623	-7,756,345	-46,463,968
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	1,217,522	0	1,217,522
- profit on equity investments accounted for using the equity method	1,217,522	0	1,217,522
- other income from investments in subsidiaries and associates	0	0	0
INCOME FROM INVESTMENTS	89,938,101	7,650,303	97,588,404
- interest income calculated using the effective interest method	21,278,948	4,697,456	25,976,404
- gains on disposals	6,398,273	163,101	6,561,374
- other income from investments	62,260,880	2,789,746	65,050,626
OTHER INCOME FROM INSURANCE OPERATIONS	31,505,401	6,673,915	38,179,316
- fees and commission income	26,476,566	4,677,796	31,154,362
- other income from insurance operations	5,028,835	1,996,119	7,024,954
OTHER INCOME	29,195,810	5,958,213	35,154,023
NET CLAIMS INCURRED	441,620,969	86,520,508	528,141,477
- gross claims settled	436,628,068	84,972,578	521,600,646
- reinsurers' share	-24,421,020	-5,771,459	-30,192,479
- changes in claims provisions	24,298,251	7,319,389	31,617,640
- equalisation scheme expenses for supplementary health insurance	5,115,670	0	5,115,670
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	-3,426,442	3,499,495	73,053
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	67,019,314	2,502,910	69,522,224
EXPENSES FOR BONUSES AND DISCOUNTS	15,971,952	757,043	16,728,995
OPERATING EXPENSES	137,622,870	59,941,333	197,564,203
- acquisition costs	92,797,977	44,782,989	137,580,966
- other operating costs	44,824,893	15,158,344	59,983,237
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	89,605	0	89,605
- loss on investments accounted for using the equity method	89,605	0	89,605
- other expenses from financial assets and liabilities	0	0	0
EXPENSES FROM INVESTMENTS	20,207,074	898,616	21,105,690
- loss on impairment of investments	0	0	0
- loss on disposal of investments	3,770,797	116	3,770,913
- other expenses from investments	16,436,277	898,500	17,334,777
OTHER INSURANCE EXPENSES	35,075,526	4,854,856	39,930,382
OTHER EXPENSES	27,072,286	7,349,991	34,422,277
- expenses from financing	1,740,225	324,894	2,065,119
- other expenses	25,332,061	7,025,097	32,357,158
PROFIT BEFORE TAX	77,018,890	15,081,776	92,100,666
Income tax expense	16,793,690	122,051	16,915,741
NET PROFIT FOR THE PERIOD	60,225,200	14,959,725	75,184,925
Net profit/loss attributable to the controlling company	60,225,200	14,755,802	74,981,002
Net profit/loss attributable to the non-controlling interest holders	0	203,923	203,923

in EUR

CONSOLIDATED INCOME STATEMENT BY GEOGRAPHICAL AREA

	Q1-3 2020		
	Slovenia	Other	TOTAL
NET PREMIUM INCOME	645,599,335	145,486,976	791,086,311
- gross written premium	785,972,011	174,947,860	960,919,871
- ceded written premium	-106,353,012	-24,898,720	-131,251,732
- change in unearned premium reserve	-34,019,664	-4,562,164	-38,581,828
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	613,188	0	613,188
- profit on equity investments accounted for using the equity method	613,188	0	613,188
- other income from investments in subsidiaries and associates	0	0	0
INCOME FROM INVESTMENTS	65,654,306	6,811,870	72,466,176
- interest income calculated using the effective interest method	27,635,443	4,888,376	32,523,819
- gains on disposals	18,753,506	183,797	18,937,303
- other income from investments	19,265,357	1,739,697	21,005,054
OTHER INCOME FROM INSURANCE OPERATIONS	32,375,680	6,588,725	38,964,405
- fees and commission income	20,337,835	4,235,689	24,573,524
- other income from insurance operations	12,037,845	2,353,036	14,390,881
OTHER INCOME	25,264,407	5,562,982	30,827,389
NET CLAIMS INCURRED	428,687,779	81,869,286	510,557,065
- gross claims settled	431,152,185	73,869,132	505,021,317
- reinsurers' share	-19,309,280	-5,853,118	-25,162,398
- changes in claims provisions	10,851,968	13,853,272	24,705,240
- equalisation scheme expenses for supplementary health insurance	5,992,906	0	5,992,906
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	44,685,646	4,772,721	49,458,367
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	-5,716,222	-46,137	-5,762,359
EXPENSES FOR BONUSES AND DISCOUNTS	9,907,210	1,350,228	11,257,438
OPERATING EXPENSES	123,937,430	51,837,713	175,775,143
- acquisition costs	84,288,891	36,184,262	120,473,153
- other operating costs	39,648,539	15,653,451	55,301,990
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	60,238	0	60,238
- loss on investments accounted for using the equity method	60,238	0	60,238
- other expenses from financial assets and liabilities	0	0	0
EXPENSES FROM INVESTMENTS	45,120,468	1,688,231	46,808,699
- loss on impairment of investments	1,054,318	16,595	1,070,913
- loss on disposal of investments	5,771,208	18,994	5,790,202
- other expenses from investments	38,294,942	1,652,642	39,947,584
OTHER INSURANCE EXPENSES	41,975,469	5,209,302	47,184,771
OTHER EXPENSES	28,857,202	7,353,038	36,210,240
- expenses from financing	1,932,834	322,276	2,255,110
- other expenses	26,924,368	7,030,762	33,955,130
PROFIT BEFORE TAX	51,991,696	10,416,171	62,407,867
Income tax expense	11,218,507	431,134	11,649,641
NET PROFIT FOR THE PERIOD	40,773,189	9,985,037	50,758,226
Net profit/loss attributable to the controlling company	40,773,189	9,682,844	50,456,033
Net profit/loss attributable to the non-controlling interest holders	0	302,193	302,193

2.5 Segmental analysis of Zavarovalnica Triglav's operations

As Zavarovalnica Triglav operates mainly in the territory of the Republic of Slovenia, the management does not review a geographical analysis of operations. The management monitors the operations of Zavarovalnica Triglav according to its business segments, i. e. life and non-life insurance. 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 statement of financial position and the income statement by business segment are given below.

STATEMENT OF FINANCIAL POSITION

30 September 2021

31 December 2020

	Non-life	Life	TOTAL	Non-life	Life	TOTAL
ASSETS	1,455,441,219	1,672,307,167	3,127,748,386	1,349,958,827	1,663,255,332	3,013,214,159
Intangible assets	60,348,734	5,339,724	65,688,458	57,234,354	5,163,225	62,397,579
Property, plant and equipment	57,073,054	8,151,478	65,224,532	59,618,441	8,157,010	67,775,451
Deferred tax assets	561,578	0	561,578	11,970,197	246,554	12,216,751
Investment property	43,258,972	815,023	44,073,995	43,614,546	836,730	44,451,276
Right of use assets	3,590,006	0	3,590,006	3,587,916	0	3,587,916
Investments in subsidiaries	121,051,672	11,480,011	132,531,683	120,857,455	11,480,011	132,337,466
Investments in associates	35,413,043	0	35,413,043	31,337,951	0	31,337,951
Financial investments	837,975,352	1,130,196,182	1,968,171,534	800,423,050	1,183,165,323	1,983,588,373
- loans and deposits	25,653,770	7,017,754	32,671,524	30,245,946	6,705,139	36,951,085
- held to maturity	0	139,543,902	139,543,902	0	143,908,512	143,908,512
- available for sale	812,321,582	777,642,875	1,589,964,457	770,063,803	824,938,626	1,595,002,429
- recognised at fair value through profit and loss	0	205,991,651	205,991,651	113,301	207,613,046	207,726,347
Unit-linked insurance assets	0	499,190,806	499,190,806	0	442,292,488	442,292,488
Reinsurers' share of technical provisions	145,776,472	94,124	145,870,596	105,862,172	41,266	105,903,438
Receivables	136,505,743	2,579,350	139,085,093	99,841,079	1,438,370	101,279,449
- receivables from direct insurance operations	94,257,333	881,769	95,139,102	67,453,193	179,021	67,632,214
- receivables from reinsurance and co-insurance operations	30,444,467	42	30,444,509	19,797,094	0	19,797,094
- current tax receivables	0	0	0	0	0	0
- other receivables	11,803,943	1,697,539	13,501,482	12,590,792	1,259,349	13,850,141
Other assets	2,905,941	85,876	2,991,817	3,695,106	46,693	3,741,799
Cash and cash equivalents	10,980,652	14,374,593	25,355,245	11,916,560	10,387,662	22,304,222
EQUITY AND LIABILITIES	1,455,441,219	1,672,307,167	3,127,748,386	1,349,958,827	1,663,255,332	3,013,214,159
Equity	553,682,935	98,304,084	651,987,019	533,692,011	110,311,163	644,003,173
- 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	322,348,752	45,513,891	367,862,643	322,348,752	45,513,891	367,862,643
- fair value reserve	49,708,012	3,793,932	53,501,944	49,399,362	10,002,717	59,402,079
- net profit brought forward	43,334,885	7,639,539	50,974,424	46,207,250	14,319,286	60,526,536
- net profit for the year	46,605,768	5,927,964	52,533,732	24,051,129	5,046,510	29,097,639
Subordinated liabilities	49,464,199	0	49,464,199	49,423,693	0	49,423,693
Insurance technical provisions	759,826,827	1,051,285,719	1,811,112,546	671,257,573	1,079,057,809	1,750,315,382
- unearned premiums	292,254,486	346,550	292,601,036	234,785,484	405,332	235,190,816
- mathematical provisions	0	1,015,619,639	1,015,619,639	0	1,041,557,084	1,041,557,084
- claims provisions	441,365,225	21,285,563	462,650,788	410,567,439	19,692,182	430,259,621
- other insurance technical provisions	26,207,116	14,033,967	40,241,083	25,904,650	17,403,211	43,307,861
Insurance technical provisions for unit-linked insurance contracts	0	502,970,921	502,970,921	0	448,726,097	448,726,097
Employee benefits	10,861,488	2,260,999	13,122,487	10,820,648	2,252,716	13,073,364
Other provisions	715,881	111,699	827,580	658,257	111,700	769,957
Deferred tax liabilities	0	3,629,153	3,629,153	11,833,573	9,914,340	21,747,913
Other financial liabilities	4,111,146	498,880	4,610,026	1,633,896	0	1,633,896
Operating liabilities	32,087,112	6,056,725	38,143,837	26,962,627	7,015,144	33,977,772
- liabilities from direct insurance operations	5,008,003	6,049,705	11,057,708	3,633,281	7,003,623	10,636,904
- liabilities from reinsurance and co-insurance operations	23,823,397	7,020	23,830,417	19,812,663	11,521	19,824,185
- current tax liabilities	3,255,712	0	3,255,712	3,516,683	0	3,516,683
Lease liabilities	3,729,605	0	3,729,605	3,675,805	0	3,675,805
Other liabilities	40,962,026	7,188,987	48,151,013	40,000,744	5,866,363	45,867,107

INCOME STATEMENT	Q1-3 2021			Q1-3 2020		
	Non-life	Life	TOTAL	Non-life	Life	TOTAL
NET PREMIUM INCOME	300,915,004	140,489,770	441,404,774	301,024,231	129,406,153	430,430,384
- gross written premium	486,952,940	141,055,627	628,008,567	438,253,465	129,998,906	568,252,371
- ceded written premium	-152,862,172	-624,578	-153,486,750	-112,408,117	-619,295	-113,027,412
- change in unearned premium reserve	-33,175,764	58,721	-33,117,043	-24,821,117	26,542	-24,794,575
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	8,159,633	0	8,159,633	231,398	0	231,398
- profit on equity investments accounted for using the equity method	0	0	0	0	0	0
- other income from investments in subsidiaries and associates	8,159,633	0	8,159,633	231,398	0	231,398
INCOME FROM INVESTMENTS	7,823,337	61,664,191	69,487,528	14,337,396	34,705,732	49,043,128
- interest income calculated using the effective interest method	3,462,340	11,433,160	14,895,500	5,557,114	14,766,031	20,323,145
- gains on disposals	1,255,402	4,601,444	5,856,846	5,687,942	10,934,091	16,622,033
- other income from investments	3,105,595	45,629,587	48,735,182	3,092,340	9,005,610	12,097,950
OTHER INCOME FROM INSURANCE OPERATIONS	31,717,462	3,721,541	35,439,003	27,319,123	2,618,270	29,937,393
- fees and commission income	26,365,888	3,721,475	30,087,363	21,321,051	2,617,626	23,938,677
- other income from insurance operations	5,351,574	66	5,351,640	5,998,072	644	5,998,716
OTHER INCOME	5,693,885	600,324	6,294,209	5,386,894	416,359	5,803,253
NET CLAIMS INCURRED	158,563,321	115,724,705	274,288,026	167,948,222	113,046,247	280,994,469
- gross claims settled	173,542,007	114,402,658	287,944,665	182,796,663	112,077,550	294,874,213
- reinsurers' share	-26,340,344	-218,414	-26,558,758	-24,493,462	-220,370	-24,713,832
- changes in claims provisions	11,361,658	1,540,461	12,902,119	9,645,021	1,189,067	10,834,088
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	302,466	-7,919,291	-7,616,825	240,000	9,549,545	9,789,545
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	0	54,771,596	54,771,596	0	-12,800,015	-12,800,015
EXPENSES FOR BONUSES AND DISCOUNTS	6,684,658	0	6,684,658	9,903,462	0	9,903,462
OPERATING EXPENSES	99,862,810	26,925,097	126,787,907	90,980,056	22,843,144	113,823,200
- acquisition costs	73,958,020	19,084,144	93,042,164	67,911,511	15,795,470	83,706,981
- other operating costs	25,904,790	7,840,953	33,745,743	23,068,545	7,047,674	30,116,219
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	9,518	0	9,518	12,028	0	12,028
- loss on investments accounted for using the equity method	0	0	0	0	0	0
- other expenses from financial assets and liabilities	9,518	0	9,518	12,028	0	12,028
EXPENSES FROM INVESTMENTS	3,624,573	7,936,214	11,560,787	5,159,391	25,192,299	30,351,690
- loss on impairment of investments	0	0	0	984,094	70,224	1,054,318
- loss on disposal of investments	625,205	2,945,888	3,571,093	1,053,937	3,602,178	4,656,115
- other expenses from investments	2,999,368	4,990,326	7,989,694	3,121,360	21,519,897	24,641,257
OTHER INSURANCE EXPENSES	18,817,978	709,122	19,527,100	18,296,477	1,203,907	19,500,384
OTHER EXPENSES	9,406,411	994,286	10,400,697	10,511,170	1,494,862	12,006,032
- expenses from financing	1,709,172	3	1,709,175	1,854,251	129,797	1,984,048
- other expenses	7,697,239	994,283	8,691,522	8,656,919	1,365,065	10,021,984
PROFIT BEFORE TAX	57,037,587	7,334,096	64,371,683	45,248,236	6,616,525	51,864,761
Income tax expense	10,431,818	1,406,133	11,837,951	7,540,148	1,038,283	8,578,431
NET PROFIT FOR THE PERIOD	46,605,769	5,927,963	52,533,732	37,708,088	5,578,242	43,286,330

2.6 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 6.1 million. Long-term deferred acquisition costs have increased by EUR 8.2 million, while new purchases of licences and software equalled EUR 5.1 million. In the first three quarters of 2021 amortisation reached EUR 7.2 million.

In the reporting period, the book value of intangible assets of Zavarovalnica Triglav increased by EUR 3.3 million. In the separate financial statements, the change mainly refers to the increase in long-term deferred acquisition costs. These have increased by EUR 3.8 million. New purchases of other intangible assets in the amount of EUR 4.5 million primarily relate to the purchase of licences and software. In the first three quarters of 2021 amortisation of intangible assets of Zavarovalnica Triglav amounted to EUR 5 million.

Property, plant and equipment

In the first three quarters of 2021 the book value of property, plant and equipment of the Triglav Group decreased by EUR 4.3 million. In the first three quarters of 2021 Triglav Group acquired new property, plant and equipment worth EUR 3 million and sold it in the carrying amount of EUR 444 thousand. In the reporting period, depreciation of property, plant and equipment amounted to EUR 6.5 million.

In the reporting period, the book value of property, plant and equipment of Zavarovalnica Triglav decreased by EUR 2.5 million. In the first three quarters of 2021 Zavarovalnica Triglav acquired new property, plant and equipment worth EUR 1.3 million. In the reporting period, depreciation of property, plant and equipment amounted to EUR 3.9 million.

Investment property

The book value of investment property of the Group decreased by EUR 440 thousand. In the reporting period, the Group purchased investment property in the amount of EUR 920 thousand and sold it in the carrying amount of EUR 854 thousand. In the first three quarters of 2021, depreciation of investment property of the Group amounted to EUR 1 million.

In the first three quarters of 2021 the book value of investment property of Zavarovalnica Triglav decreased by EUR 377 thousand. Zavarovalnica Triglav purchased new investment property worth EUR 597 thousand and sold it in the carrying amount of EUR 251 thousand. In the reporting period, depreciation of investment property amounted to EUR 723 thousand.

Real property recognised as non-current assets held for sale decreased by EUR 405 thousand 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 September 2021	31 December 2020	30 September 2021	31 December 2020
Loans and deposits	92,922,226	97,971,079	94,802,111	104,492,900
Held to maturity	156,071,903	162,824,686	193,376,123	206,893,874
Available for sale	2,132,361,421	2,101,914,068	2,132,361,421	2,101,914,068
Investments recognised at fair value	537,957,952	524,670,726	537,926,014	524,670,726
TOTAL	2,919,313,502	2,887,380,559	2,958,465,669	2,937,971,568

Zavarovalnica Triglav	in EUR			
	Carrying amount		Fair value	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Loans and deposits	32,671,524	36,951,085	32,200,225	36,322,025
Held to maturity	139,543,902	143,908,512	175,273,637	186,083,461
Available for sale	1,589,964,457	1,595,002,429	1,589,964,457	1,595,002,429
Investments recognised at fair value	205,991,651	207,726,347	205,991,651	207,726,347
TOTAL	1,968,171,534	1,983,588,373	2,003,429,970	2,025,134,262

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

Triglav Group

Values as at 30 September 2021	in EUR				
	L&R	HTM	AFS	FVTPL	Total
Equity instruments	0	0	183,807,951	88,034,213	271,842,164
Debt instruments	6,028,613	156,071,903	1,946,577,569	449,891,801	2,558,569,886
Derivative financial instruments	0	0	0	31,938	31,938
Loans	86,893,613	0	1,975,901	0	88,869,514
Total	92,922,226	156,071,903	2,132,361,421	537,957,952	2,919,313,502

Values as at 31 December 2020	in EUR				
	L&R	HTM	AFS	FVTPL	Total
Equity instruments	0	0	150,713,700	69,654,294	220,367,994
Debt instruments	6,401,170	162,824,686	1,948,404,958	454,903,131	2,572,533,945
Derivative financial instruments	0	0	0	113,301	113,301
Loans	91,569,909	0	2,795,410	0	94,365,319
Total	97,971,079	162,824,686	2,101,914,068	524,670,726	2,887,380,559

Zavarovalnica Triglav

Values as at 30 September 2021						in EUR
	L&R	HTM	AFS	FVTPL	Total	
Equity instruments	0	0	141,052,970	14,386,886	155,439,856	
Debt instruments	6,028,613	139,543,902	1,446,935,587	191,604,765	1,784,112,867	
Derivative financial instruments	0	0	0	0	0	
Loans	26,642,911	0	1,975,900	0	28,618,811	
Total	32,671,524	139,543,902	1,589,964,457	205,991,651	1,968,171,534	

Values as at 31 December 2020						in EUR
	L&R	HTM	AFS	FVTPL	Total	
Equity instruments	0	0	111,723,131	1,863,439	113,586,570	
Debt instruments	6,401,173	143,908,512	1,481,312,962	205,749,607	1,837,372,254	
Derivative financial instruments	0	0	0	113,301	113,301	
Loans	30,549,912	0	1,966,336	0	32,516,248	
Total	36,951,085	143,908,512	1,595,002,429	207,726,347	1,983,588,373	

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 September 2021	31 December 2020	30 September 2021	31 December 2020	
	Equity instruments	551,515,535	443,699,150	493,079,410	396,272,477
Debt instruments	21,579,303	58,109,830	6,111,396	46,020,011	
TOTAL	573,094,838	501,808,980	499,190,806	442,292,488	

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

As at 30 September 2021	in EUR			
	Level 1	Level 2	Level 3	Total
Equity securities	187,188,716	0	86,629,349	273,818,065
Debt securities	716,640,727	1,679,828,643	0	2,396,469,370
Derivative financial instruments	31,938	0	0	31,938
Unit-linked financial assets	556,031,873	16,751,051	311,914	573,094,838
Total	1,459,893,254	1,696,579,694	86,941,263	3,243,414,211

As at 31 December 2020	in EUR			
	Level 1	Level 2	Level 3	Total
Equity securities	151,243,025	0	71,920,377	223,163,402
Debt securities	1,506,407,355	896,900,735	0	2,403,308,090
Derivative financial instruments	0	113,301	0	113,301
Unit-linked financial assets	449,327,642	52,461,780	19,558	501,808,980
Total	2,106,978,022	949,475,816	71,939,935	3,128,393,773

Zavarovalnica Triglav

As at 30 September 2021	in EUR			
	Level 1	Level 2	Level 3	Total
Equity securities	78,181,162	0	79,234,594	157,415,756
Debt securities	558,244,056	1,080,296,296	0	1,638,540,352
Derivative financial instruments	0	0	0	0
Unit-linked financial assets	494,106,533	5,084,273	0	499,190,806
Investments in associates	0	0	35,413,043	35,413,043
Total	1,130,531,751	1,085,380,569	114,647,637	2,330,559,957

As at 31 December 2020	in EUR			
	Level 1	Level 2	Level 3	Total
Equity securities	49,571,408	0	65,981,498	115,552,906
Debt securities	1,226,158,197	460,904,372	0	1,687,062,569
Derivative financial instruments	0	113,301	0	113,301
Unit-linked financial assets	397,371,769	44,920,719	0	442,292,488
Investments in associates	0	0	31,337,951	31,337,951
Total	1,673,101,374	505,938,392	97,319,449	2,276,359,215

Value assessment techniques and inputs used for measurement purposes

Financial investment type	Value assessment method	Material parameters	Parameter weight applied	Fair value
EXTERNAL APPRAISERS (market operator)				
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 stock 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 stock indices		Level 2
Derivatives	Black-Scholes model	Index volatility		Level 2
BLOOMBERG BVAL				
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
INTERNAL APPRAISERS				
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 0.78%	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 0.91% 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)	1% - 35.9%	
		Discount rate	10.98% - 12.77%	
		Lack of marketability discount	6.5% - 23%	
	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, analysis of the most economical use of development land	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		in EUR
	2021	2020	2021	2020	
Opening balance as at 1 January	71,939,935	61,061,888	97,319,449	73,739,171	
Purchases	24,726,791	7,369,360	26,096,066	20,197,819	
Disposals	-13,013,866	-1,201,622	-12,562,731	-1,178,896	
Revaluations through income statement	224,407	-98,909	434,704	87,949	
Revaluations through Equity	3,360,212	-276,306	3,360,149	-276,306	
Merger	-299,404	0	0	0	
Exchange rate difference	3,188	-6,454	0	0	
Closing balance as at 30 September	86,941,263	66,847,957	114,647,637	92,569,737	

The value of the Triglav Group's financial assets classified into Level 3 increased in the first nine months of 2021 as a result of the payments into venture capital funds. Disposals relate entirely to payouts from these funds. Even revaluation is the result of changes in the value of venture capital funds.

In addition to payments into venture capital funds, the capital increase of both ZTSR d.o.o.¹ and Triglav d.o.o. was recognised under Zavarovalnica Triglav's acquisitions, which is described in greater detail below.

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 September 2021. The same applies to other Group members.

Contingent liabilities

In the first nine months of 2021, Zavarovalnica Triglav recognised a contingent liability for the outstanding debt of the jointly controlled company Diagnostični center Vila Bogatin d.o.o. of EUR 3.1 million. In the reporting period, no contingent liabilities for the guarantees given were created by any Group member.

Distribution of accumulated profits

On 25 May 2021, the General Meeting of Shareholders of Zavarovalnica Triglav decided on the distribution of accumulated profit, totalling EUR 89,624,175 as at 31 December 2020. A part of the accumulated profit in the amount of EUR 38,649,752 was allocated to dividend payments, amounting to EUR 1.70 gross per share. The dividends were paid on 10 June 2021. The distribution of the remaining part of accumulated profit shall be decided on in the following years.

¹ In the third quarter of 2021, ZTSR d.o.o. was merged with its subsidiary Diagnostični center Vila Bogatin d.o.o.

2.7 Changes in equity stakes in subsidiaries and business combinations

Capital increase of ZTSR d.o.o and its merger with Diagnostični center Vila Bogatin d.o.o.

Through the cash contribution of EUR 3.3 million, Zavarovalnica Triglav increased the capital of jointly controlled ZTSR d.o.o. in the first quarter of 2021, thereby maintaining its 50% participating interest in said company. In the third quarter of 2021, ZTSR d.o.o. was merged with its subsidiary Diagnostični center Vila Bogatin d.o.o. With the aforementioned transaction, ZTSR d.o.o. was stricken off the Companies Register, and Zavarovalnica Triglav consequently acquired a 50% participating interest in Diagnostični center Vila Bogatin d.o.o. The merger and thus the changed ownership structure did not affect the consolidated financial statements of the Triglav Group. The acquired participating interest in Diagnostični center Vila Bogatin d.o.o. is pledged as a guarantee for the repayment of the loan that said company took out with a bank. Therefore, Zavarovalnica Triglav recognised in its records a contingent liability for a proportionate share of the outstanding debt.

Acquisition of Kirurški sanatorij d.o.o.

Diagnostični center Vila Bogatin d.o.o. increased its strategic investment portfolio in the first quarter of 2021 by acquiring a 100% participating interest in Kirurški sanatorij Rožna dolina d.o.o. From the point of view of the Triglav Group, this investment is part of regular activities of managing its extensive investment portfolio and has no significant impact on its composition. Kirurški sanatorij d.o.o. will be treated within the Triglav Group as a jointly controlled company and valued using the equity method.

Capital increase of Triglav d.o.o.

Zavarovalnica Triglav made a subsequent capital contribution of EUR 798 thousand to its associate in the first nine months of 2021, thus remaining a 49.9% owner of said company. The capital increase had no effect on the consolidated financial statements of the Triglav Group.

Capital increase of Lovćen Auto d.o.o., Podgorica

Lovćen Osiguranje a.d., Podgorica increased the capital of its subsidiary Lovćen Auto d.o.o., Podgorica through in cash contribution of EUR 700,000 in the first nine months of 2021. The ownership structure of Lovćen Auto was not changed with said capital increase, as Lovćen Osiguranje a.d. remained its 100% owner. The capital increase had no impact on the consolidated financial statements of the Triglav Group.

Capital increase of Triglav Avtoservis d.o.o., Ljubljana

In the first three quarters of 2021, Zavarovalnica Triglav made a subsequent capital increase of its subsidiary Triglav Avtoservis d.o.o. in the amount of EUR 194 thousand, thus maintaining its 100% participating interest in said company. The capital increase had no effect on the consolidated financial statements of the Triglav Group.

Capital increase of Triglav Savjetovanje d.o.o., Zagreb

In the first quarter of 2021, Triglav Svetovanje d.o.o. and Triglav Osiguranje d.d., Zagreb increased the capital of their subsidiary Triglav Savjetovanje d.o.o., Zagreb proportional to their participating interests. The capital increase was raised by in cash contributions of HRK 1.1 million or EUR 145 thousand. As a result, both companies maintained their participating interests in said company, 51% and 49% respectively.

Capital increase of Triglav Savetovanje d.o.o., Belgrade

In the first quarter of 2021, Triglav Svetovanje d.o.o. and Triglav Osiguranje a.d.o., Belgrade increased the capital of their subsidiary Triglav Savetovanje d.o.o., Belgrade proportional to their participating interests. The capital increase was raised by in cash contributions of RSD 7.9 million or EUR 67 thousand. As a result, both companies maintained their participating interests in said company, 51% and 49% respectively.

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

In the first three quarters of 2021, Triglav INT d.d., Ljubljana acquired a 0.50% participating interest in Triglav Osiguranje a.d., Skopje from non-controlling interest holders, thereby becoming its 81.32% owner. The consideration totalled MAK 3.2 million or EUR 52 thousand. The acquisition of the non-controlling interest was recognised in the consolidated financial statements as an increase in share premium of EUR 20 thousand.

Transfer of the participating interest in Triglav Savjetovanje d.o.o., Sarajevo

Triglav svetovanje d.o.o., Domžale sold its 51% participating interest in Triglav Savjetovanje d.o.o., Sarajevo to Triglav Osiguranje d.d., Sarajevo. As a result, Triglav Osiguranje d.d., Sarajevo became a 100% owner of Triglav Savjetovanje d.o.o., Sarajevo. Due to the transfer of the participating interest, the Triglav Group's participating interest in said company decreased by 1.13 percentage points.

2.8 Related party transactions

Revenues of the Management and Supervisory Board

In the first three quarters of 2021 the Management Board members were paid the following amounts as compensation for their work:

								in EUR
Name and surname	Fixed salaries (gross)	Other additional payments*	Bonuses	Net pay received	Insurance premiums**	Other benefits***	Reimbursements	
Andrej Slapar	146,295	2,252	53,634	67,662	50,349	8,095	1,063	
Uroš Ivanc	138,980	2,941	50,953	68,610	36,277	844	1,233	
Tadej Čoroli	138,980	2,941	50,953	67,490	36,240	4,195	900	
Barbara Smolnikar	138,946	2,252	47,095	65,293	36,007	4,382	949	
David Benedek	138,980	2,252	26,652	57,811	35,704	5,595	1,004	
Marica Makoter	138,980	2,252	50,953	65,978	36,242	4,049	942	
Benjamin Jošar****	0	0	3,857	2,254	0	0	0	
TOTAL	841,161	14,890	284,097	395,098	230,819	27,160	6,091	

* Other additional payments include holiday pay and other cost reimbursements.

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

*** Other benefits include company cars.

**** Benjamin Jošar was Management Board member until 2 November 2017.

In the reporting period members of the Management Board did not receive any payments for their work in subsidiaries.

As at 30 September 2021 Zavarovalnica Triglav, d.d. had the following receivables from and liabilities to the Management Board members:

			in EUR
Name and surname	Receivables as at 30 September 2021	Liabilities as at 30 September 2021	
Andrej Slapar	0		76,642
Uroš Ivanc	6		72,843
Tadej Čoroli	30		72,855
Barbara Smolnikar	7		72,830
David Benedek	0		50,922
Marica Makoter	16		72,855
TOTAL	59		418,947

In the first three quarters of 2021 the Supervisory Board members and members of Committees were paid the following amounts as compensation for their work:

Name and surname	Compensation	Attendance fee	Reimbursements	Total gross pay	in EUR	
					Total net pay	
Andrej Andoljšek	17,375	2,266	278	19,919		14,487
Branko Bračko	4,653	550	216	5,419		3,941
Tomaž Benčina	4,349	770	159	5,278		3,838
Peter Kavčič	4,729	770	568	6,067		4,412
Igor Stebernak	14,156	7,062	337	21,555		15,677
Jure Valjavec	3,969	770	0	4,739		3,446
Luka Kumer	282	0	0	282		205
Milan Tomažević	10,018	1,716	278	12,012		8,736
Žiga Škerjanec	10,188	5,852	278	16,318		11,868
Mario Gobbo	9,339	2,156	0	11,495		7,572
Peter Celar	13,960	6,226	655	20,841		15,158
Branko Gorjan	12,458	2,266	0	14,724		10,709
Igor Zupan	12,458	2,926	278	15,662		11,391
Simon Kolenc*	3,396	1,045	0	4,441		3,230
Boštjan Koler*	1,504	2,200	0	3,704		2,694
SKUPAJ	122,834	36,575	3,047	162,456		117,364

* External members sitting on committees and the Supervisory Board.

As at 30 September 2021 Zavarovalnica Triglav, d.d. had the following liabilities to the Supervisory Board members and members of Committees:

Name and surname	in EUR	
	Liabilities as at 30 September 2021	
Andrej Andoljšek		2,188
Branko Bračko		1,844
Tomaž Benčina		1,719
Peter Kavčič		1,875
Igor Stebernak		1,563
Jure Valjavec		1,563
Luka Kumer		625
Peter Celar		1,563
Branko Gorjan		1,563
Igor Zupan		1,563
TOTAL		16,066

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 September 2021	31 December 2020
ASSETS		
Right of use Asset	734,770	827,255
Shares	132,531,683	132,337,466
Debt securities and loans	2,331,605	6,610,381
Investments of reinsurers under reinsurance contracts with ceding undertakings	7,412	0
Receivables from insurers	3,466	15,620
Premium receivable from re-insurance	9,241,153	6,778,184
Receivables from co-insurers' share in claim	245	197
Receivables from re-insurers' share in claim	8,580,439	5,221,704
Other short-term receivables from insurance operation	42,773	82,267
Short term receivables from financing	26,636	46,152
Other short-term receivables	925,615	730,317
Deffered short-term expenses of insurance contract acquisition	0	61,969
LIABILITIES		
Liabilities for investments of reinsurers under reinsurance contracts with ceding undertakings	7,412	0
Liabilities to agents and brokers	0	368,827
Liabilities for co-insurance premiums	29,303	22,377
Liabilities for re-insurance premiums	11,572,284	9,594,905
Liabilities for re-insurers' share in claims	-846,411	4,510,857
Other short-term liabilities	101,852	153,503
Lease liabilities	761,010	851,981

	in EUR	
	Q1-3 2021	Q1-3 2020
INCOME AND EXPENSES		
Gross written premium and active reinsurance premium	27,821,860	25,018,473
Outward re-/co-insurance premium (-)	-65,273,936	-59,890,611
Net premium income	-37,452,076	-34,872,138
Reinsurance commission income	13,751,596	12,261,259
Other income from insurance operations	1,078,011	890,924
Interest income	158,696	227,094
Other insurance income	787,812	790,547
Fees and commission income	3,464,427	2,479,150
Income from land and buildings	525,886	505,692
Other income	432,329	330,292
Income from dividends	8,000,000	0
Other income from financial assets	938	4,303
TOTAL INCOME	-9,252,381	-17,382,877
Gross claims settled	1,378,089	1,401,753
Re-/co-insurers' share in gross claim	-20,822,483	-18,844,705
Net claims	-19,444,394	-17,442,952
Expenses for reinsurance premiums	3,387,770	3,211,772
Other financial expenses	9,518	12,028
Interest expenses	15,465	17,133
Depreciation of right of use assets	92,484	98,405
TOTAL EXPENSES	-15,939,157	-14,103,614

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 September 2021	31 December 2020	30 September 2021	31 December 2020	
ASSETS					
Shares	33,233,793	28,237,714	35,413,043		31,337,951
Receivables from insurers	13,935	5,096	13,771		4,932
Other short-term receivables	20,000	0	20,000		0
LIABILITIES					
Liabilities to policy holders	122	27	122		0
Liabilities to agents and brokers	143	7,319	0		7,176
Other short - term liabilities	-2,521	312	0		0
Accrued expenses	644	450	0		0

	Triglav Group		Zavarovalnica Triglav		in EUR
	Q1-3 2021	Q1-3 2020	Q1-3 2021	Q1-3 2020	
Gross written premium	84,276	71,336	82,804		69,509
TOTAL INCOME	84,276	71,336	82,804		69,509
Gross claims settled	6,352	537	6,352		537
Acquisition costs	1,504	2,240	0		0
TOTAL EXPENSES	7,856	2,777	6,352		537

Transactions with shareholders and shareholder-related companies

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

The shareholder-related companies are those in which SDH and the Republic of Slovenia together directly hold at least a 20% stake. The list is published on the SDH website (<http://sdh.si/sl-si/upravljanje-nalozb/seznam-nalozb>).

Business with the two largest shareholders and the state-related parties is limited to regular business cooperation. There were no material individual transactions with the abovementioned companies in the reporting period. The total value of transactions is shown in the table below.

	Triglav Group		Zavarovalnica Triglav	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
in EUR				
ASSETS				
Stakes and shares	19,970,097	15,885,929	19,788,769	15,750,155
Debt securities	87,522,371	106,249,828	62,119,331	76,143,968
Operating receivables	5,351	691	4,400	671
Re-insurance receivables	15,731	14,622	15,731	14,622
Other assets	14,568,803	7,407,070	0	0
LIABILITIES				
Operating liabilities	912,212	770,856	738,949	580,942
Re-insurance liabilities	2,655	7,887	2,655	7,887
	Q1-3 2021	Q1-3 2020	Q1-3 2021	Q1-3 2020
INCOME				
Gross written premium	13,191,532	11,274,131	13,347,390	12,012,614
Financial income	1,780,152	1,740,761	1,374,654	1,788,768
Other income	40,375	1,063	34,892	32,363
EXPENSES				
Gross claims settled	2,576,159	6,270,079	2,591,553	6,500,455
Financial expenses	152,361	331,135	92,014	248,665
Other expenses	6,594,978	6,576,301	4,794,671	4,644,133

2.9 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 other adjusting or non-adjusting events that would affect the compiled financial statements for the period from 1 January to 30 September 2021.