



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

triglav

triglav.eu
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Unaudited Interim Report of the Triglav Group and Zavarovalnica Triglav d.d. for the period from 1 January 2022 to 30 September 2022



MANAGEMENT BOARD:

President: Andrej Slapar

Members: Uroš Ivanc

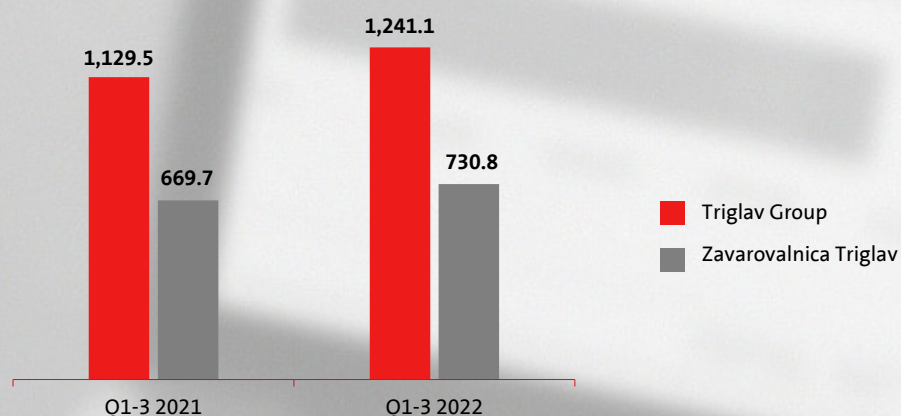
Tadej Čoroli

David Benedek

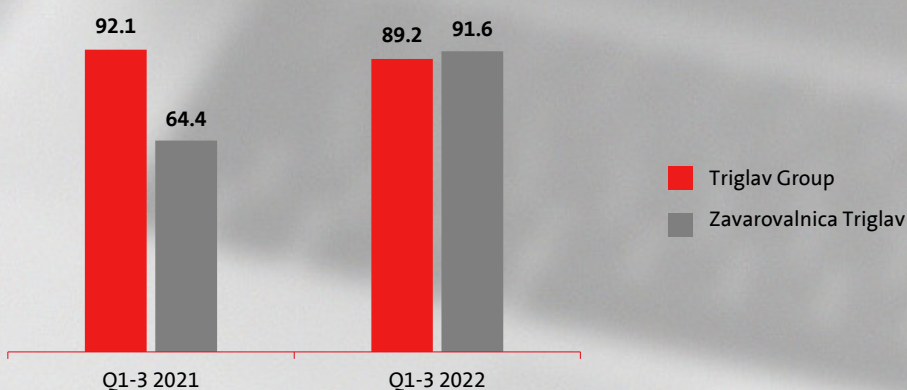
Marica Makoter

Ljubljana, November 2022

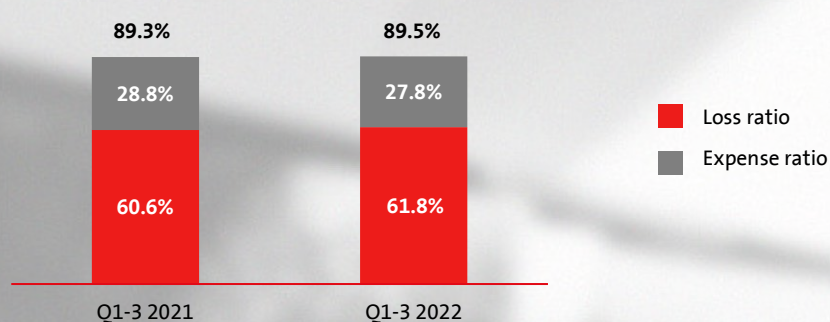
Total revenue in EUR million



Net profit before tax in EUR million



Combined ratio of the Triglav Group



Credit rating

"A"

of the Triglav Group
with a stable medium-term
outlook

EUR 3.7

Dividend per share

Dear shareholders, business partner and colleagues,



In the first nine months of 2022, the Triglav Group operated in a challenging situation marked by the consequences of the COVID-19 pandemic, the difficult geopolitical situation, rising inflation and the unfavourable situation on the international financial markets. We achieved good results that confirm the robustness of our business model to the deteriorating situation in the business environment. We maintained our financial strength with capital adequacy within the target range, increased the business volume and generated a profit before tax close to that earned in the same period last year. The estimate stands that the Triglav Group's annual profit will be within the initially planned range; however, we stress that the risks related to the realisation of the target profit have increased materially due to negative influences from the business environment.

In the first nine months of 2022, the Triglav Group generated a consolidated profit before tax of EUR 89.2 million, down by 3% relative to the corresponding period last year.

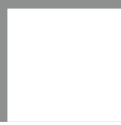
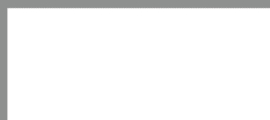
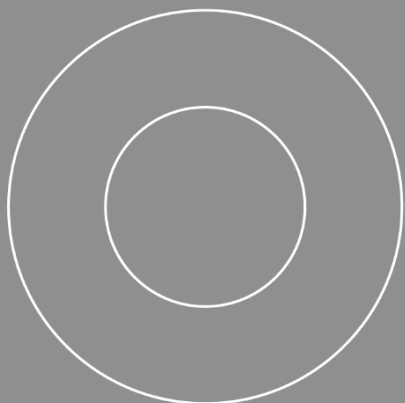
The underwriting result did not change significantly over the same period last year. The increased business volume and the favourable development of claims provisions created in past periods effectively mitigated the growth of gross claims paid and operating expenses, which primarily resulted from the higher activity of the population and the economy, increased inflation rate and other impacts from the environment. Returns on investment decreased due to the unfavourable situation in the financial markets and the impairment of investments, which also reflected in the decline in the capital level. In terms of our investment portfolio, we have maintained its conservative structure, which is comparable to that at the end of last year, focusing on high-quality and globally diversified investments.

The Triglav Group's total revenue increased by 10% to EUR 1,241.1 million year-on-year, and total gross written premium increased by 9% to EUR 1,147.7 million. Premium growth was recorded in all three insurance segments and in all insurance markets. The claims experience was also intense, as gross claims paid rose by 16% to EUR 604.0 million. They were not only influenced by the increased volume of the insurance portfolio, but also by the end of last year's restrictions due to the pandemic, higher prices of materials and services due to inflation and the increased frequency of major CAT events (an estimated EUR 29.4 million). The combined ratio in non-life and health insurance was favourable, standing at 89.5%. As always, we were conservative in managing insurance technical provisions and prudent in managing costs. Notwithstanding the unfavourable impacts from the environment and the increased business volume, gross operating expenses grew at the same rate as total revenue, whereby we managed to keep the expense ratios at a level comparable to last year.

We are satisfied with what has been achieved as well as with the implementation of strategic activities, the shared goal of which is our focus on our clients. This all is the result of the dedicated work of a team of over 5,000 Triglav employees, to whom I sincerely thank for their effort and commitment on behalf of the Management Board.

Andrej Slapar
President of the Management Board of Zavarovalnica Triglav

Business Report



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Business Report

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1. Financial highlights in the first nine months of 2022

1.1 Financial highlights of the Triglav Group

	in EUR million		
	Q1-3 2022	Q1-3 2021	Index 2022/2021
Total revenue	1,241.1	1,129.5	110
Gross written premium from insurance, coinsurance and reinsurance contracts	1,147.7	1,056.2	109
Net premium income	879.6	827.5	106
Gross claims paid	604.0	521.6	116
Net claims incurred	561.9	528.1	106
Gross operating expenses	269.1	245.4	110
Profit before tax	89.2	92.1	97
Net profit	72.1	75.2	96
Net profit attributable to the controlling company	72.3	75.0	96
	30 September 2022	31 December 2021	Index 2022/2021
Insurance technical provisions	3,199.9	3,198.7	100
Equity	721.5	933.0	77
Equity attributable to the controlling company	717.9	930.5	77
Number of employees	5,290	5,264	100

Key performance indicators of the Triglav Group

	Q1-3 2022	Q1-3 2021
ROE annualised	11.8%	11.5%
Loss ratio	61.8%	60.6%
Expense ratio	27.8%	28.8%
Combined ratio	89.5%	89.3%
Ratio of gross operating expenses to gross written premium	21.2%	21.0%

1.2 Financial highlights of Zavarovalnica Triglav

	in EUR million		
	Q1-3 2022	Q1-3 2021	Index 2022/2021
Total revenue	730.8	669.7	109
Gross written premium from insurance, coinsurance and reinsurance contracts	677.4	628.0	108
Net premium income	464.7	441.4	105
Gross claims paid	326.1	287.9	113
Net claims incurred	269.3	274.3	98
Gross operating expenses	156.7	145.3	108
Profit before tax	91.6	64.4	142
Net profit	78.9	52.5	150
	30 September 2022	31 December 2021	Index 2022/2021
Insurance technical provisions	2,248.7	2,280.5	99
Equity	518.4	675.2	77
Number of employees	2,231	2,246	99

Key performance indicators of Zavarovalnica Triglav

	Q1-3 2022	Q1-3 2021
ROE annualised	18.1%	11.0%
Loss ratio	49.5%	52.8%
Expense ratio	30.0%	31.1%
Combined ratio	79.5%	83.9%
Ratio of gross operating expenses to gross written premium	23.1%	23.1%

1.3 Activities, markets and position of the Triglav Group

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

Strategic activities

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

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

The insurance business of the Group comprises:

- **in Slovenia:** Zavarovalnica Triglav d.d., Triglav, Zdravstvena zavarovalnica d.d., Pozavarovalnica Triglav Re d.d. and Triglav, pokojninska družba d.d.;
- **abroad:** eight insurance companies in the Adria region (Croatia, Serbia, Montenegro, Bosnia and Herzegovina, and North Macedonia) and through business partnerships under the principle of free movement of services (FOS).

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 and discretionary mandate assets, pension funds and private equity funds.

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

	Insurance	Asset management	Other
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.o.o. ▪ Triglav Svetovanje d.o.o. ▪ Triglavko d.o.o. ▪ Diagnostični center Bled d.o.o. ▪ Triglav zdravje asistenca 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"> ▪ Triglav Fondovi d.o.o., Sarajevo ▪ 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 30 September 2022, the Triglav Group comprised 53 companies; in addition to the parent company, 29 subsidiaries, 14 associates and 9 joint ventures.

The Triglav Group as at 30 September 2022

Parent company: ▪ Zavarovalnica Triglav d.d.

Subsidiaries:

- Pozavarovalnica Triglav Re d.d., Ljubljana

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

- Triglav, pokojninska družba d.d., Ljubljana

- Triglav INT, holdinška družba d.o.o., Ljubljana
 - Triglav Osiguranje d.d., Zagreb
 - Triglav Savjetovanje d.o.o., Zagreb
 - Triglav Osiguranje a.d.o., Belgrade
 - Triglav Savetovanje d.o.o., Belgrade
 - Lovćen Osiguranje a.d., Podgorica
 - Lovćen životna osiguranja a.d., Podgorica
 - Lovćen auto d.o.o., Podgorica
 - Triglav Osiguranje d.d., Sarajevo
 - Triglav Savjetovanje d.o.o., Sarajevo
 - Autocentar BH d.o.o., Sarajevo
 - Triglav upravljanje nekretninama 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 d.o.o., Ljubljana
 - Triglav Fondovi d.o.o., Sarajevo

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

Associates:

-
- Triglavko d.o.o., Ljubljana
 - TRIGAL d.o.o., Ljubljana
 - Salinera d.o.o., Ljubljana
 - RES PV d.o.o., Ljubljana
 - Resalta SPV1 d.o.o., Zagreb
 - Trigal Renewables d.o.o., Ljubljana
 - Trigal energija rasvete d.o.o., Belgrade
 - PVE Perun d.o.o., Bogdanci
 - Trigal Funds d.o.o., Ljubljana
 - Trigal Dev d.o.o., Ljubljana
 - Nama d.d., Ljubljana
 - Nama IN d.o.o., Ljubljana
 - Društvo za upravljanje Evropskim dobrovoljnim penzijskim fondom a.d., Banja Luka
 - Alifenet d.o.o., Ljubljana
-

Joint ventures:

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

Changes in the Triglav Group in the first nine months of 2022:

- With the in-cash contribution of EUR 7,500, Triglav, Zdravstvena zavarovalnica d.d., Koper established Triglav zdravje asistencija, družba za zdravstveno dejavnost d.o.o., Ljubljana, thereby being its 100% owner.
- Triglav Svetovanje d.o.o., Domžale sold a 51% participating interest in Triglav Svetovanje d.o.o., Belgrade to Triglav Osiguranje a.d.o., Belgrade. As a result, Triglav Osiguranje, Belgrade became a 100% owner of said company.
- Triglav INT d.d., Ljubljana acquired a 0.36% participating interest in Triglav Osiguruvanje a.d., Skopje from non-controlling interest holders, thereby becoming its 81.69% owner. The consideration totalled MAK 2.2 million or EUR 36 thousand.
- PROF IN d.o.o., Sarajevo, a subsidiary of Triglav Skladi, changed its name to Triglav Fondovi, društvo za upravljanje investicijskim fondovima d.o.o., Sarajevo or abbreviated Triglav Fondovi d.o.o., Sarajevo.

- Triglav Svetovanje d.o.o., Domžale sold its 51% participating interest in Triglav Savjetovanje d.o.o., Zagreb to Triglav Osiguranje d.d., Zagreb. As a result, Triglav Osiguranje, Zagreb became a 100% owner of said company.
- Zavarovalnica Triglav increased the capital of its subsidiary Triglav, pokojninska družba d.d, Ljubljana in the total amount of EUR 45.0 million with the aim of consolidating the capital strength and resilience of the company in the environment characterised by significant growth in interest rates. The parent company retained its 100% participating interest.
- Triglav INT d.o.o. increased the capital of Triglav Osiguranje d.d., Banja Luka through the in-cash contribution of EUR 1 million, thereby remaining its 100% owner.
- In Q3 2022, Zavarovalnica Triglav, as the Triglav Group's controlling company, included Triglav Fondovi d.o.o., Sarajevo for the first time in the consolidated financial statements under the full consolidation method.
- Triglav Osiguranje d.d., Sarajevo and Autocenter BH d.o.o. increased the capital of Triglav upravljanje nekretninama d.o.o., Sarajevo with in-kind contributions in the amount of EUR 577 thousand. Through the capital increase, Triglav Osiguranje d.d., Sarajevo became a 25.13% owner, while Autocenter BH d.o.o., Sarajevo became the majority owner (74.85%) of said company.

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

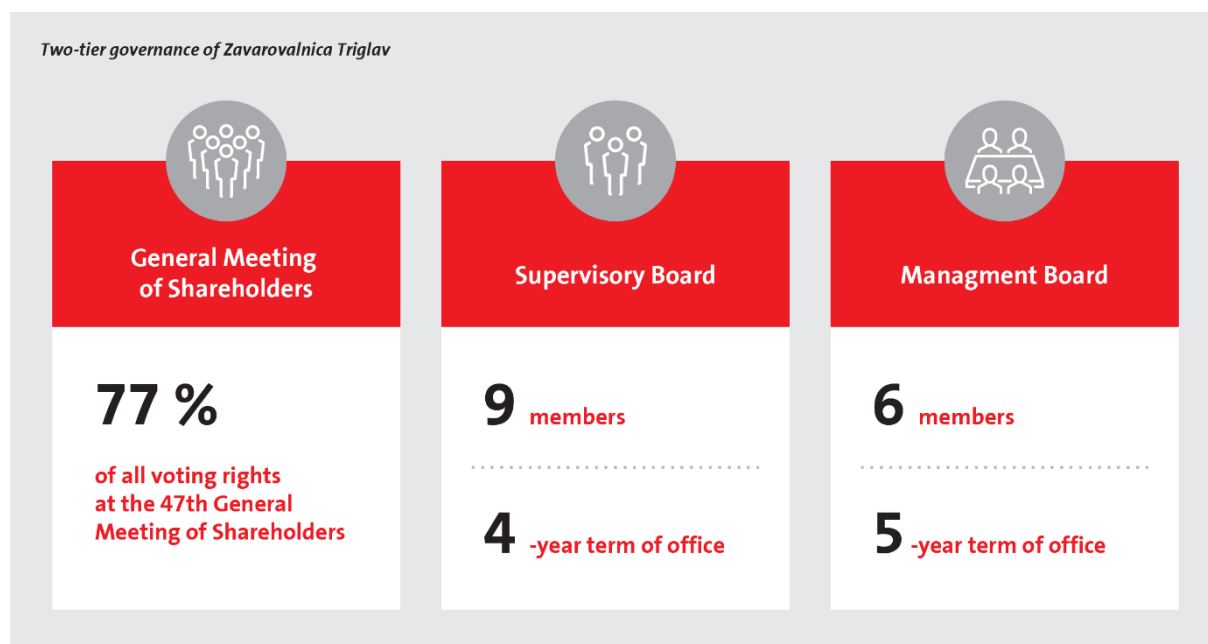
1.5 Key highlights in the reporting period

The key highlights in the first nine months of 2022 included:

- The Triglav Group achieved good results in Q1–Q3 2022 in a demanding business environment characterised by the difficult geopolitical situation, high inflation rate, major CAT events and the unfavourable situation in financial markets.
- On 11 March 2022, the Triglav Group published transparent information on its low exposure to the situation resulting from the war in Ukraine and sanctions imposed against Russia and Belarus in an announcement (<https://www.triglav.eu/sl/vlagatelj/aktualno/obvestila/obvestilo>) and in the Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2021 as an event after the reporting period (<https://www.triglav.eu/sl/vlagatelj/aktualno/financna-porocila>).
- At the May General Meeting of Shareholders, the shareholders adopted the resolution proposed by the Management Board and the Supervisory Board to pay a dividend of EUR 3.70 gross per share or EUR 84.1 million in total. See sections 2.1 *General Meeting of Shareholders* and 3.5 *Dividend policy* for more details.
- Once again, the credit rating agencies S&P Global Ratings and AM Best re-affirmed the Group's "A" credit rating with a stable medium-term outlook. See Section 3.4 *Credit rating* for more information.
- At its session on 17 October 2022, the Supervisory Board of Zavarovalnica Triglav agreed with the proposal of the President of the Management Board to appoint Blaž Jakič a new Management Board Member and approved the agreement on the termination of the term of office of Management Board Member David Benedek. The changes to the Management Board are discussed in greater detail in Section 2.2 *Composition of the Management Board*.

2. Governance of Zavarovalnica Triglav

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



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

2.1 General Meeting of Shareholders

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

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

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

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

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

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

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

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

2.2 Composition of the Management Board

At its session on 17 October 2022, the Supervisory Board of Zavarovalnica Triglav agreed with the proposal of the President of the Management Board to appoint Blaž Jakič a new Management Board Member and approved the agreement on the termination of the term of office of Management Board Member David Benedek. Blaž Jakič has been appointed for a five-year term of office. The decision will enter into force upon the fulfilment of the conditions precedent, including obtaining the authorisation of the Slovenian Insurance Supervision Agency to perform the function of a management board member. The five-year term of office of the Management Board Member Barbara Smolnikar ended on 17 October 2022.

From 18 October 2022 and until these changes become effective, the Management Board of Zavarovalnica Triglav is composed of:

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

2.3 Composition of the Supervisory Board

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

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

- employee representatives:
 - Peter Celar, Member,
 - Branko Gorjan, Member,
 - Igor Zupan, Member.

3. The share and the shareholders of Zavarovalnica Triglav

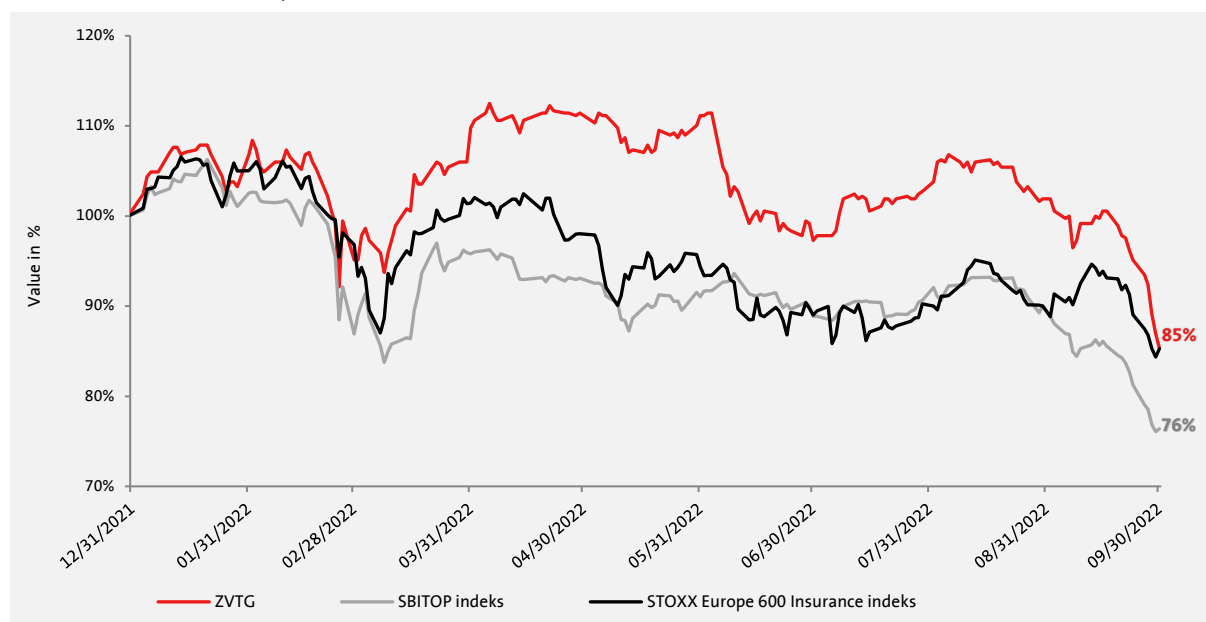
3.1 The share of Zavarovalnica Triglav

With EUR 713.9 million in market capitalisation at the end of Q3 2022, Zavarovalnica Triglav was the fourth largest Slovenian listed company. The price-to-book ratio (P/B) was 0.99, while the price-to-earnings ratio (P/E) was 6.50.

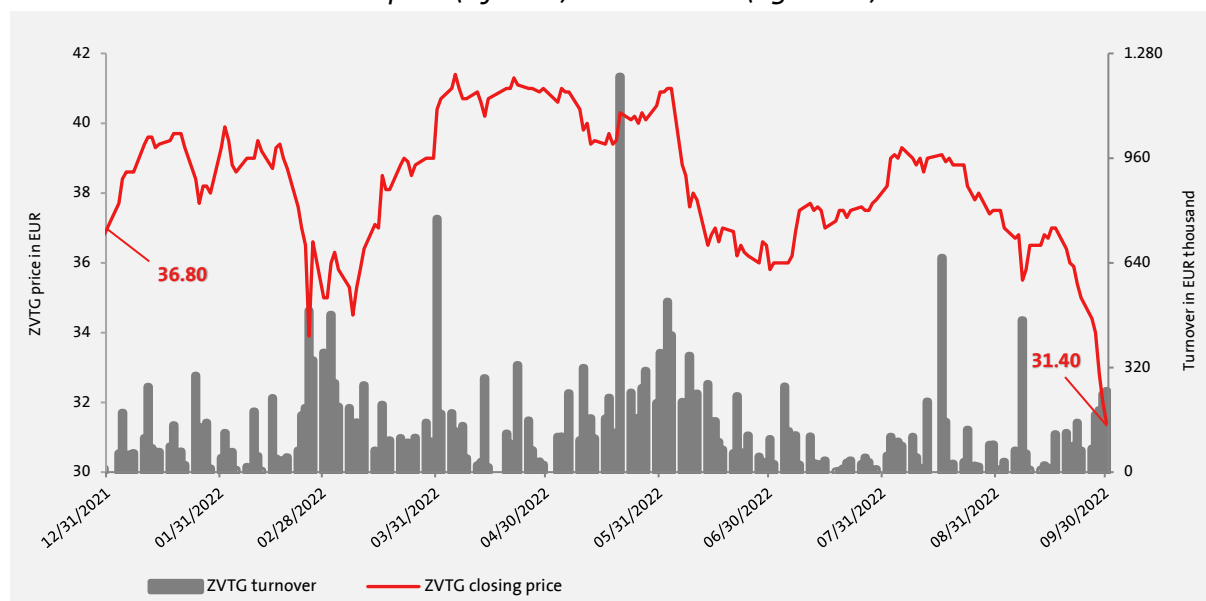
Compared to the same period last year, share turnover rose by 58% in the first nine months of 2022, reaching EUR 23.9 million, which makes the ZVTG share one of the most liquid shares on the Ljubljana Stock Exchange. A total of 26% of its share turnover was carried out by the liquidity provider, which has rendered its services for the Company since 2019.

The share price fell by 14.7% in the reporting period, which is the same as the STOXX Europe 600 Insurance index, while the drop in the Ljubljana Stock Exchange SBITOP index was 23.6%. The movement of the ZVTG share price was marked by the situation in stock markets, which was influenced by the geopolitical and macroeconomic situation in the region and beyond, as well as the announcement of the Triglav Group's good 2021 annual and 2022 interim results and the dividend payment. On 24 May 2022, the Company's General Meeting of Shareholders approved the proposal of the Management Board and the Supervisory Board regarding the dividend payment of EUR 3.70 gross per share, with the ex-dividend date being 7 June 2022.

Movement in the ZVTG share price in Q1-3 2022 compared to the Ljubljana Stock Exchange SBITOP index and the sectoral index of European insurance companies STOXX Europe 600 Insurance: 31 December 2021 = 100)



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



Key figures for Zavarovalnica Triglav's share in Q1-3 2022 (in EUR)

Items	30 September 2022
Maximum closing price	41.40
Minimum closing price	31.40
Closing price	31.40
Book value per share (parent company)*	22.80
Book value per share (consolidated data)*	31.58
Net earnings per share (consolidated data)**	3.17
Market capitalisation	713,883,647
Average daily trading volume (excluding block trades)	127,093
Number of shares	22,735,148
The percentage of floating stock***	30.70%
Traded on	Ljubljana Stock Exchange - LJSE
ISIN code	SI0021111651
Ticker symbol	ZVTG
Bloomberg	ZVTG SV
Reuters	ZVTG.LJ
Credit rating (S&P Global Ratings, AM Best)	»A«, stable medium-term outlook

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

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

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

Zavarovalnica Triglav is proactive in its investor relations. Zavarovalnica Triglav makes sure that the market is well informed; all key information on its performance, position and prospects is published in a transparent manner in Slovenian and English, which is available on its website www.triglav.eu. The Company also keeps the lines of communication with its shareholders, investors and analysts open, and pays special care to shareholders – natural persons by being available to them for any questions on a daily basis. With the aim of raising financial literacy, this year the Company participated and presented the ZVTG share at two such events held by the Ljubljana Stock Exchange, targeting small investors and promoting Prime Market shares.

In the reporting period, the Company communicated with institutional shareholders predominantly via videoconferencing meetings, conference calls and by email. The calendar of investor events participated by the Company (a total of 12 such events in 2022 are planned), together with the presentations, is published on its website. Among them was an special event held by the Company, which was aimed at presenting the Triglav Group's strategy for 2022–2025, and four regular meetings following the publication of each financial report.

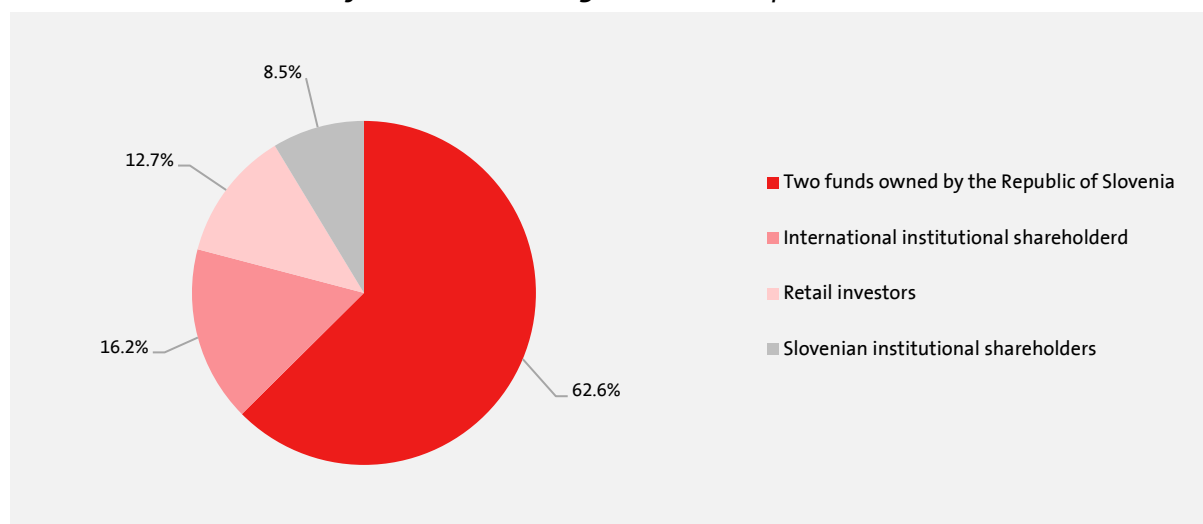
3.2 Equity

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

3.3 Shareholder structure

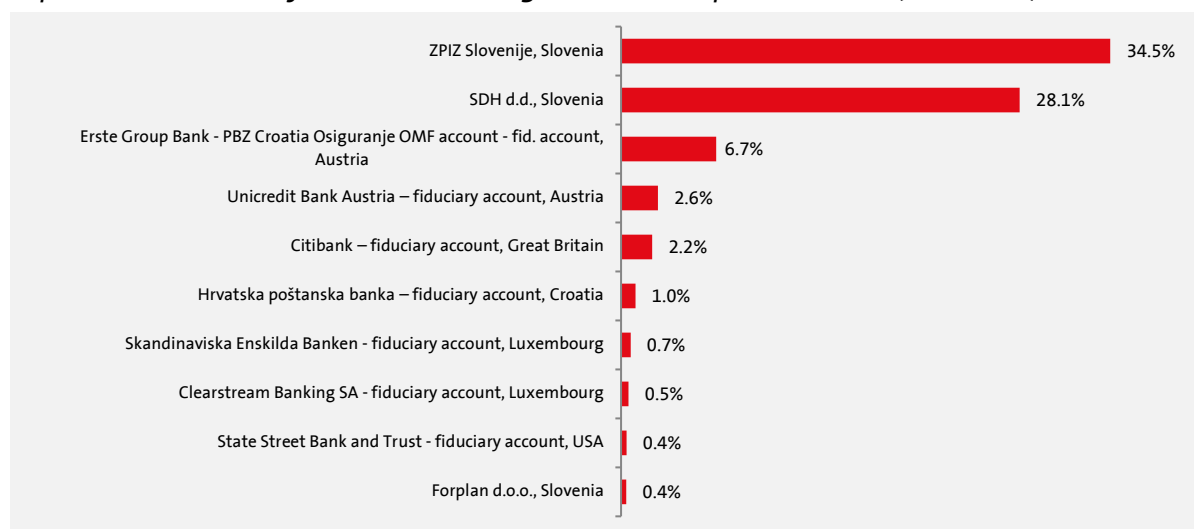
At the beginning of the year, the number of shareholders decreased by a third as a result of the activities of KDD (Centralna klirinško depotna družba), which were related to the time of the ownership transformation of Slovenian companies. This did not affect Zavarovalnica Triglav's shareholder structure. According to the share register data, Zavarovalnica Triglav had 8,229 shareholders as at 30 September 2022, among them around 40 international shareholders, i.e. banks with fiduciary accounts held by their clients and institutional investors. In recent years, international shareholders have maintained a stable ownership stake between 16% and 17%. Moreover, there is a noticeable upward trend in the percentage of shares held by shareholders – natural persons, which stood at 13% as at 30 September 2022.

The shareholder structure of Zavarovalnica Triglav as at 30 September 2022



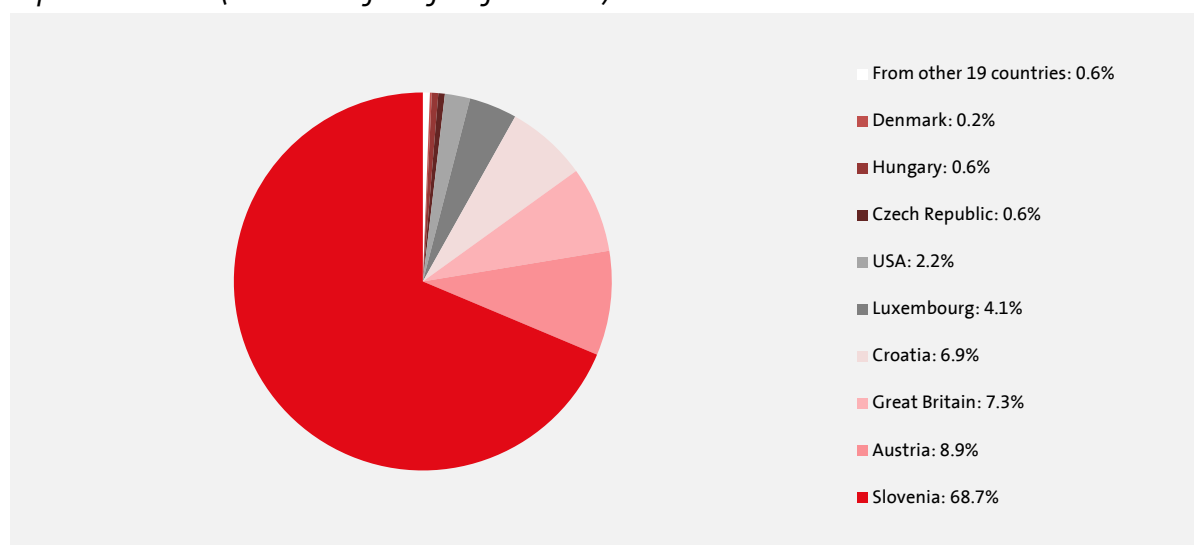
The Company's ten largest shareholders and their 77% ownership stake remained unchanged.

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



The Company's share of the free float, i.e. the shares held by the shareholders with less than a 5% ownership stake, stood at 30.7%. The share is stable and the ownership of these shares is dispersed among shareholders from 28 countries.

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



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. **In 2022, 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.**

The **“A” credit rating assigned by S&P** exclusively reflects the Triglav Group's standalone credit profile. In its 2022 report, S&P assessed the business risk profile of the Triglav Group as strong and its financial risk profile as very strong. By maintaining its client-centric approach, the Group

ensures profitable operations in both activities – insurance and asset management. In its operations, the Group uses its advantages arising from its leading market position in the Slovenian market and the region, its strong brand, well-diversified range of products and services, extensive sales network and the achieved level of business digitalisation. The reinsurance protection it uses in case of major CAT events is effective. According to S&P, the Group's operations are resilient enough to maintain cost effectiveness and an appropriate pricing policy, increase volume and, on these bases, achieve stable and strong earnings even during high inflation and this year's normalisation in claims frequency following the end of the COVID-19 pandemic-related restrictions. With regard to sustainable development (ESG) factors, S&P assesses their impact on credit ratings as neutral. The agency believes that the Group maintained a very robust capital position at the "AAA" level according to S&P's risk-based capital model, which is supported by the Group's prudent underwriting discipline. Furthermore, due to the conservative investment portfolio and the high-quality capital structure, this year's capital market volatility has not significantly impacted the Group's financial strength. Strong capitalisation will enable the Group to better overcome further deterioration in economic and capital markets conditions. S&P assessed the Group's liquidity as very high.

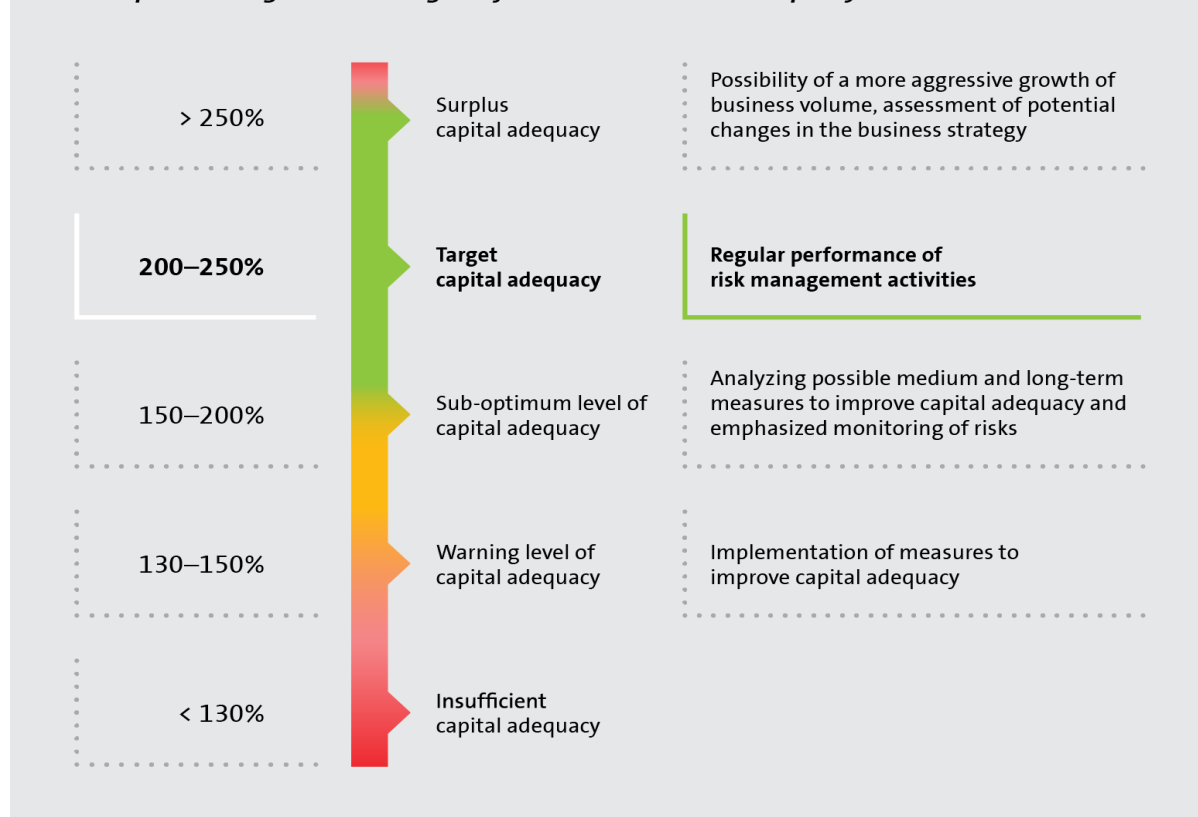
The medium-term outlook reflects S&P's expectations that the Group will continue to effectively implement its business strategy at least over the next two years, focusing on profitable operations, growth, digitalisation and further diversifying its range of products and income. The agency expects that despite the deteriorating business conditions the Group will maintain very strong capitalisation at least in the "AA" range over the next two to three years.

The latest credit rating reports, i.e. the announcements of the credit rating agencies from 2022, are 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

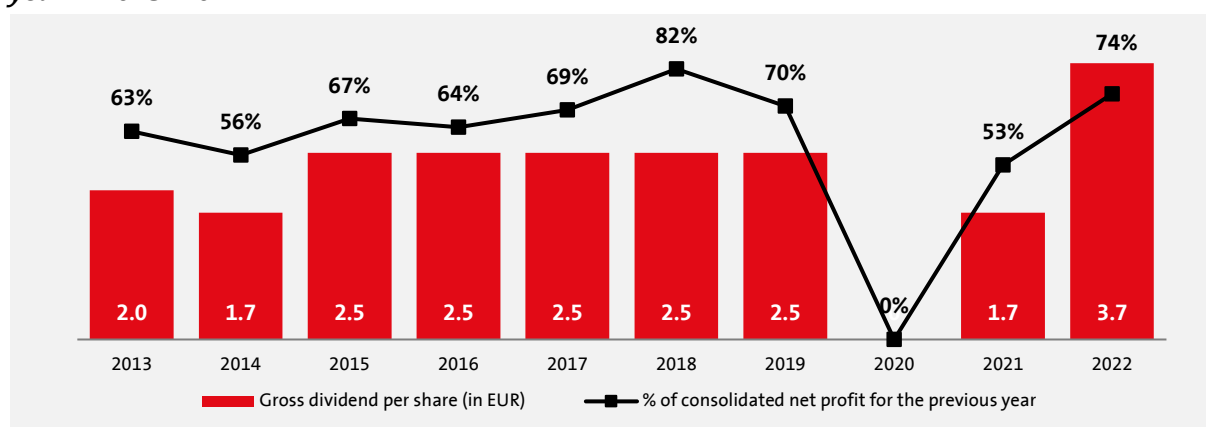


The dividend policy of Zavarovalnica Triglav provides as follows: “The Company pursues an attractive and sustainable dividend policy. A part of consolidated net profit of the preceding year, which is to be allocated to dividend payment, accounts for at least 50%. The Company will strive to pay out a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

The Company considers its dividend policy to be a firm commitment to its shareholders and implements it as it is defined. In the last two years, it was impacted by the COVID-19 pandemic and related positions of the Slovenian insurance sector regulator. **This year**, the General Meeting of Shareholders **approved the proposal of the Management Board and the Supervisory Board to pay the dividend of EUR 3.70 gross, or EUR 84.1 million in total**. The amount exceeded the initial 50% of the consolidated net profit of the previous year (it was 74% of the net profit), and a part of the dividend was the additional amount made possible by the level of the Group’s available capital and stemmed from the uniqueness or exceptionality of some segments of the Group’s operations in the past two years.

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

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



3.6 Bonds

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

Bond of Zavarovalnica Triglav

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 2022

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

The year 2022 has been marked by the war in Ukraine, sanctions imposed against Russia and Belarus, and high growth in general inflation. The global economy has also started to cool down. In the first half of the year, the United States was the first to record a slight technical recession, while data with a higher incidence indicated that the euro area would also find itself in a similar situation going into 2023. The increasingly pressing threat of an energy crisis has put a heavy strain on confidence among European consumers, and rising inflation has eroded their purchasing power. In the second half of the year, the decline in sentiment among businesses in the manufacturing sector was followed by the decline in confidence in the service sector, which is still recovering from the pandemic. The situation in the labour market remained favourable, but the latest data on the number of unemployed people indicates that the downward trend in unemployment stopped at 6.6%. Rising general inflation, driven by record energy prices, has revived upward pressure on salaries. According to an initial estimate, the euro area recorded a 10.0% inflation rate in September, while Slovenia recorded a 10.6% year-on-year inflation rate. Inflation like this has not been recorded in developed countries since the energy crisis in the 1970s.

Financial institutions have started to lower their economic growth forecasts and noticeably raise their inflation forecasts. At the end of September, a modest growth of almost 3% and a high inflation of over 8% were forecast for the euro area this year. In the coming year, the real growth of the EU economy is expected to practically stagnate, while inflation is expected to somewhat stabilise. In its autumn forecast, the Institute of Macroeconomic Analysis and Development also predicts similar dynamics for both categories for Slovenia, with this year's still lively GDP growth standing at 5% and high inflation at 8.9%.

Changes in the economic situation have had a significantly negative impact on both the bond and stock markets. The US Federal Reserve (FED) and the European Central Bank (ECB) accelerated the end of their multi-year accommodative monetary policies and began adjusting their interest rates. The FED raised the key interest rate range to 3.00–3.25% in five stages by the end of the third quarter and at the same time started with net bond sales in June. The ECB ended net bond purchases in June and raised its key interest rate to 1.25% by the end of the same quarter. The representatives of both banks clearly communicated that they will continue to increase interest rates in the fight against inflation.

The required yields on long-term risk-free bonds grew at a historic rate save for a few short-lived downward spikes. The required yield on the 10-year German government bond rose from a negative value at the beginning of the year by 2.29 percentage points to 2.11% as at the end of Q3, while the yield on the 10-year Slovenian government bond increased by 2.90 percentage points to 3.31%. Spreads on government bonds, especially those with a poor credit rating, also trended up following the July announcement of the ECB's new bond-buying scheme to combat financial fragmentation. A similar upward trend was seen in credit spreads on corporate bonds, whereas the prices of Russian bonds fell to the level of bankruptcy due to the Russian invasion. The less favourable business environment and poor economic outlook also markedly affected the stock markets. The US S&P index and China's Hang Seng index lost 24.8% and 26.4% of their value by the end of Q3, respectively, while the German DAX index and the Slovenian SBITOP index fell by 23.7% and 23.6%, respectively.

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

The Group's interim business results were impacted by major CAT events in the total estimated amount of EUR 29.4 million. In Slovenia, hailstorms in May and June and the storm at the end of August led to EUR 21.1 million in claims, while in North Macedonia hailstorms resulted in EUR 453.2 thousand in claims and in Montenegro in EUR 269.1 thousand in claims. The Group also incurred EUR 7.6 million in reinsurance claims (the February storms in Great Britain, the Benelux countries and Germany, floods in Australia at the end of February and in early March, the April floods in South Africa, hailstorms in France and drought that affected crops in Croatia).

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

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

In the first nine months of 2022, insurance companies collected **EUR 2,176.6 million** in gross written insurance, coinsurance and reinsurance premiums (excluding internal transfers of assets for the payment of pension annuities), **up by 4.2%** relative to the corresponding period last year.

Non-life insurance premium grew by 5.9% and reached a 75.2% share in the insurance market written premium. Comprehensive car insurance and other damage to property insurance contributed the most to the increase in non-life insurance premium. **Life insurance premium** decreased slightly (by 0.5%), with unit-linked life insurance recording growth and life insurance and capital redemption insurance experiencing a decline. **Health insurance premium**, which is taken into account in non-life insurance premium, was 2.3% higher compared to the corresponding period last year.

The Slovenian insurance market continues to be highly concentrated, with the four largest insurers holding a 76.5% market share. With a 31.1% market share (compared to 30.1% in the same period last year), **Zavarovalnica Triglav** remained the market leader, followed by Zavarovalnica Generali (a 17.0% market share). Among insurance groups, **the Triglav Group** (the parent company, Triglav, Zdravstvena zavarovalnica and Triglav, pokojninska družba) holds the dominant position, having increased its market share by 0.9 percentage point to 39.3%. Growth was seen in all insurance segments.

The Triglav Group's insurance companies held a 39.3% market share in the Slovenian insurance market as at 30 September 2022.

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

- non-life insurance (excluding health insurance): 46.7% (an increase of 0.4 percentage point);
- life insurance: 32.3% (an increase of 1.7 percentage point);
- health insurance: 30.4% (an increase of 0.1 percentage point).

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

- non-life insurance: 32.3% (an increase of 0.8 percentage point);
- life insurance: 27.5% (an increase of 1.6 percentage point).

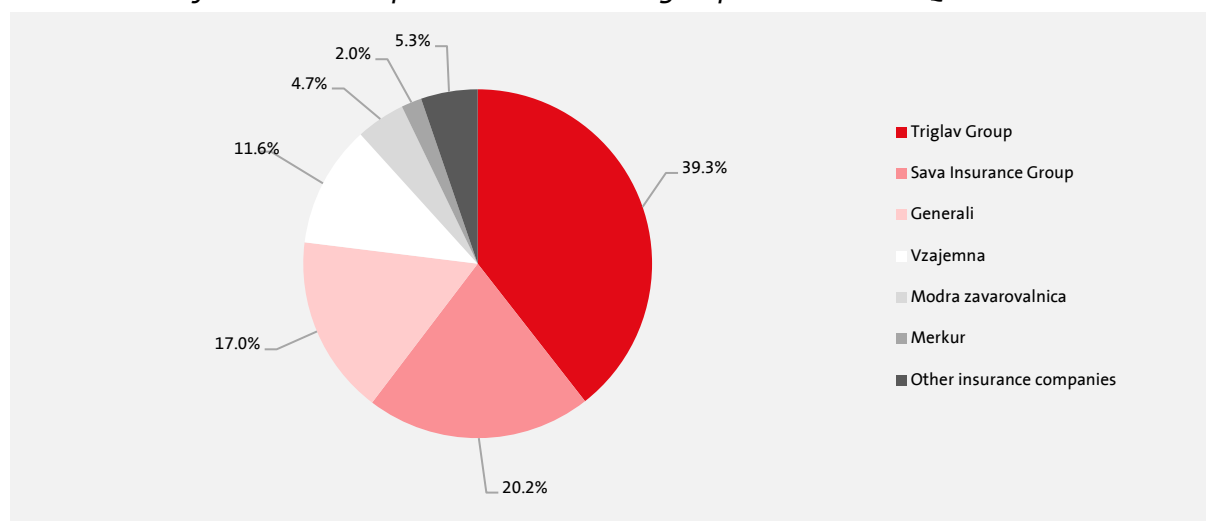
The market share of **Triglav, Zdravstvena zavarovalnica**:

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

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

- supplemental voluntary pension insurance (SVPI): 19.3% (the company's estimate for January–December 2021).

Market share of insurance companies and insurance groups in Slovenia in Q1-3 2022



Source: Slovenian Insurance Association

Market shares and market position of the Triglav Group in the Adria region markets in Q1-3 2022

Market	Market share	Market share trend	Ranked in 2022	Ranked in 2021
Slovenia	39.3%	↑ + 0.9-percentage point	1	1
Croatia	5.9%	● 0.0-percentage point	7	7
Serbia*	7.5%	↑ + 0.1-percentage point	5	5
Montenegro	38.4%	↓ - 1.8-percentage point	1	1
Bosnia and Herzegovina	9.3%	↑ + 0.4-percentage point	3	3
- Federation of BiH	10.6%	↑ + 0.7-percentage point	4	5
- Republic of Srpska**	6.5%	↓ - 0.2-percentage point	6	5
North Macedonia	15.6%	↑ + 2.4-percentage point	2	3

* Data for January–June 2022.

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

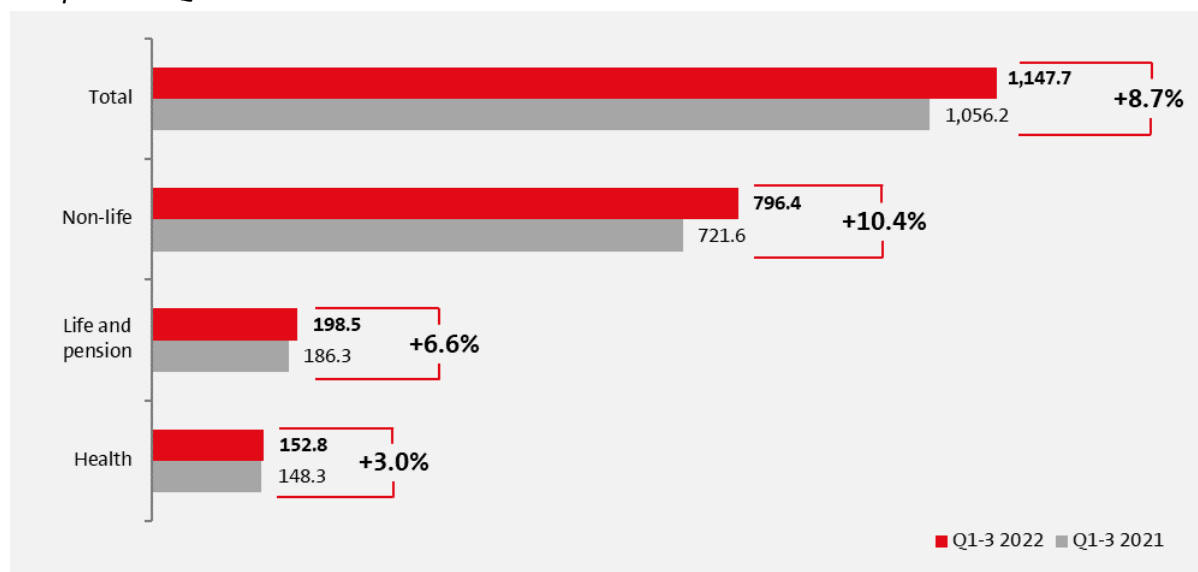
4.3 Gross written insurance, coinsurance and reinsurance premiums

The Triglav Group posted a total of EUR 1,147.7 million in **consolidated gross written insurance, coinsurance and reinsurance premiums**, up by 9% relative to the same period last year. Total written premium increased in all insurance segments:

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

- **non-life insurance:** EUR 796.4 million (index 110),
- **life and pension insurance:** EUR 198.5 million (index 107),
- **health insurance:** EUR 152.8 million (index 103).

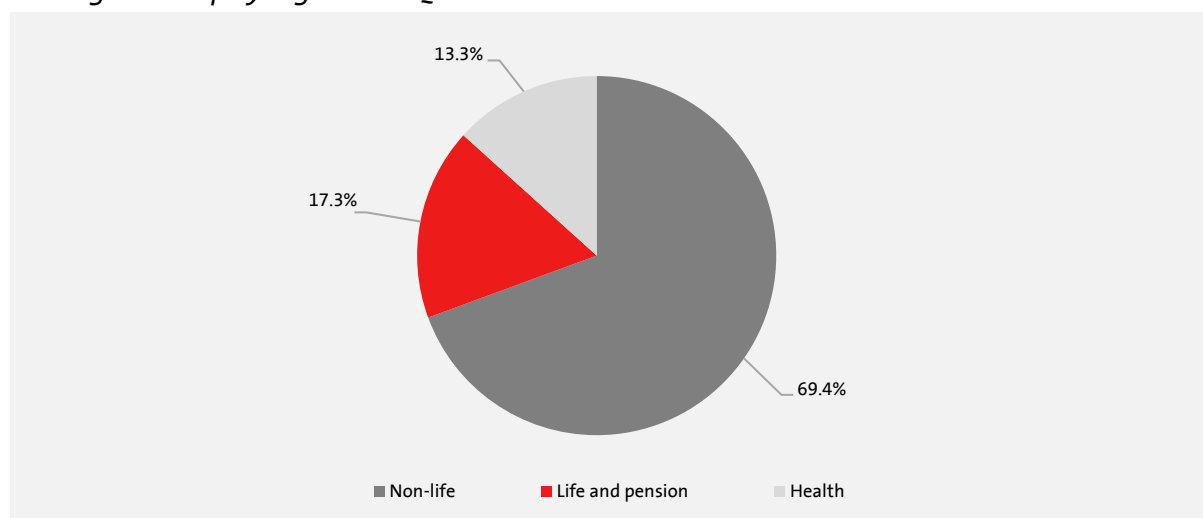
Consolidated gross written insurance, coinsurance and reinsurance premiums in Q1-3 2022 compared to Q1-3 2021



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

- **non-life insurance:** 69.4% (Q1-3 2021: 68.3%);
- **life and pension insurance:** 17.3% (Q1-3 2021: 17.6%); and
- **health insurance:** 13.3% (Q1-3 2021: 14.0%).

The structure of consolidated gross written insurance, coinsurance and reinsurance premiums of the Triglav Group by segment in Q1-3 2022



The Group continues to increase **the share of insurance premium written in markets outside Slovenia**, which grew by 0.6 percentage point compared to the same period last year. A total of 64.7% of consolidated gross written premium was earned in the Slovenian insurance market, while 19.7% of the premium was charged in other markets of the Adria region outside Slovenia. International insurance and reinsurance premium accounted for 15.6%.

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

Country	Gross written premium		Index	Share	
	Q1-3 2022	Q1-3 2021	Q1-3 2022/ Q1-3 2021	Q1-3 2022	Q1-3 2021
Slovenia	742,191,997	703,130,733	106	64.7%	66.6%
Croatia	76,267,670	70,651,623	108	6.6%	6.7%
Serbia	62,095,885	54,952,418	113	5.4%	5.2%
Montenegro	31,779,698	29,875,301	106	2.8%	2.8%
Bosnia and Herzegovina	32,138,591	28,320,158	113	2.8%	2.7%
North Macedonia	24,263,007	18,851,689	129	2.1%	1.8%
International insurance and reinsurance*	178,992,608	150,415,854	119	15.6%	14.2%
Total	1,147,729,456	1,056,197,776	109	100.0%	100.0%

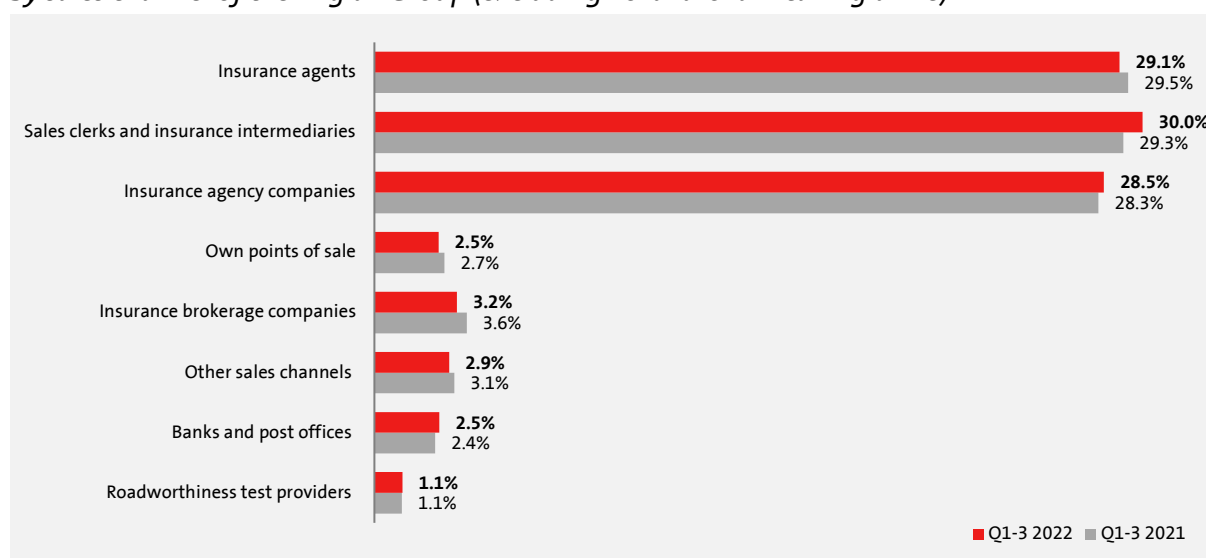
* Premium written outside the Adria region, collected according to the principle of free movement of services (FOS), and inward reinsurance premium.

Premium growth was recorded **in all insurance markets**. In the Slovenian insurance market, premium grew by 6%, in other markets in the Adria region outside Slovenia by 12% and in the international market by 19%.

Non-consolidated gross written premium of **retail clients** rose by 8% over the same period last year, accounting for 61.8% of total written premium (0.1 percentage point more than last year). The rest, 38.2%, was accounted for by **corporate clients'** written premium, which also increased by 8%.

In terms of **sales channels**, the share of non-consolidated gross written premium collected via own sales channels (agents, sales clerks and brokers, own points of sale, online and other own sales channels) accounted for 64.6% of total written premium (the same as last year). The volume of this gross written premium is 8% higher than in the respective period last year. The rest (35.4%) was collected via external sales channels (insurance agency and brokerage companies, banks, post offices and roadworthiness test providers), recording an 8% growth.

Non-consolidated gross written insurance, coinsurance and reinsurance premiums in Q1-3 2022 by sales channel of the Triglav Group (excluding Pozavarovalnica Triglav Re)



The Triglav Group insurance companies (excluding Pozavarovalnica Triglav Re) booked EUR 1,083.0 million in non-consolidated gross written premium, up by 8% relative to the corresponding period last year.

Pozavarovalnica Triglav Re posted a total of EUR 197.3 million in gross written reinsurance premium, an 18% increase relative to 2021. The reinsurance company increased its business volume the most in other damage to property insurance and motor vehicle insurance. In transactions outside and within the Group, Pozavarovalnica Triglav Re recorded a premium growth of 21% (EUR 89.0 million) and 16% (EUR 108.2 million), respectively. Reinsurance premium growth in transactions outside the Group resulted from organic growth of renewed transactions from the preceding year and the increase in shares in some contracts. The highest premium growth was recorded in the markets of Japan, Slovenia, China, South Korea and Israel. In transactions within the Group, the reinsurance company achieved the largest premium increase in motor vehicle liability insurance.

Gross written insurance, coinsurance and reinsurance premiums in Q1-3 2022 by Triglav Group insurance company

Insurance company	Gross written premium			Index Q1-3 2022/Q1-3 2021			Share Q1-3 2022
	Non-life	Life and pension	Total	Non-life	Life and pension	Total	
Zavarovalnica Triglav*	528,445,104	148,960,980	677,406,084	109	106	108	62.5%
Triglav, Zdravstvena zavarovalnica	153,127,196	-17	153,127,179	103	0	103	14.1%
Triglav, pokojninska družba		25,908,744	25,908,744	0	102	102	2.4%
Triglav Osiguranje, Zagreb	70,271,719	5,995,951	76,267,670	109	99	108	7.0%
Triglav Osiguranje, Belgrade	57,520,815	4,575,070	62,095,885	115	91	113	5.7%
Lovćen Osiguranje, Podgorica	28,159,111		28,159,111	107	0	107	2.6%
Triglav Osiguranje, Sarajevo	14,891,778	12,206,318	27,098,096	112	117	114	2.5%
Triglav Osiguranje, Banja Luka	5,071,089		5,071,089	110	0	110	0.5%
Triglav Osiguruvanje, Skopje	19,881,769		19,881,769	117	0	117	1.8%
Lovćen životna osiguranja, Podgorica		3,620,587	3,620,587	0	105	105	0.3%
Triglav Osiguruvanje Život, Skopje		4,381,238	4,381,238	0	229	229	0.4%
Total	877,368,581	205,648,871	1,083,017,452	108	106	108	100.0%
Pozavarovalnica Triglav Re	197,281,105		197,281,105	118	0	118	
Consolidation eliminations	-125,453,764	-7,115,337	-132,569,101	115	102	114	
Total consolidated	949,195,922	198,533,534	1,147,729,456	109	107	109	

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

In the **non-life insurance** segment, the Triglav Group's insurance companies charged EUR 877.4 million in non-consolidated written premium, up by 8% relative to the same period last year. Growth was recorded in all non-life insurance groups. Credit insurance, other non-life insurance and general liability insurance achieved the highest growth. High growth in credit insurance was recorded by most insurance companies selling these insurance products. The main reasons for such a favourable trend at the parent company (accounting for 71% of total written premium) are mainly growth in consumer and housing credit insurance and high premium growth and commodity credit insurance growth (export credit insurance and domestic trade credit insurance). With regard to other non-life insurance, all Group insurance companies recorded high premium growth, the highest among them by the Croatian, Serbian and two Bosnian insurance companies. In terms of general liability insurance, the high premium increase at the Group level was predominantly a result of high premium growth in product liability insurance, directors and officers liability insurance and general liability insurance at the parent company.

In the **life and pension insurance** segment, the Triglav Group insurance companies charged a total of EUR 205.6 million in non-consolidated gross written premium, a 6% increase relative to the corresponding period in 2021. Life and pension insurance represented 19.0% of total non-consolidated gross written premium, down by 0.2 percentage point compared to the preceding year. A 13% growth was seen in unit-linked life insurance, where high growth was recorded by the parent company (through higher premium payments, asset transfers and additional payments) and the Macedonian life insurer (effective sales through bank sales channels). Capital redemption insurance (supplemental voluntary pension insurance) recorded an 8% growth due to higher regular premium payments and transfers of supplemental voluntary pension insurance assets from other insurance companies.

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

Insurance class	Gross written premium		Index	Share
	Q1-3 2022	Q1-3 2021	Q1-3 2022/ Q1-3 2021	Q1-3 2022
Accident insurance	29,589,012	29,286,604	101	2.7%
Health insurance	162,143,500	156,356,097	104	15.0%
Comprehensive car insurance	132,541,159	123,517,136	107	12.2%
Real property insurance	251,935,538	239,970,329	105	23.3%
Motor liability insurance	149,526,178	138,789,256	108	13.8%
General liability insurance	51,717,774	45,899,363	113	4.8%
Credit insurance	28,957,244	21,658,157	134	2.7%
Other non-life insurance	70,958,175	56,406,998	126	6.6%
Non-life insurance	877,368,580	811,883,940	108	81.0%
Life insurance	84,525,330	85,541,684	99	7.8%
Unit-linked life insurance*	105,765,904	93,532,520	113	9.8%
Capital redemption insurance	15,357,638	14,218,851	108	1.4%
Life and pension insurance	205,648,872	193,293,055	106	19.0%
Total	1,083,017,452	1,005,176,995	108	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

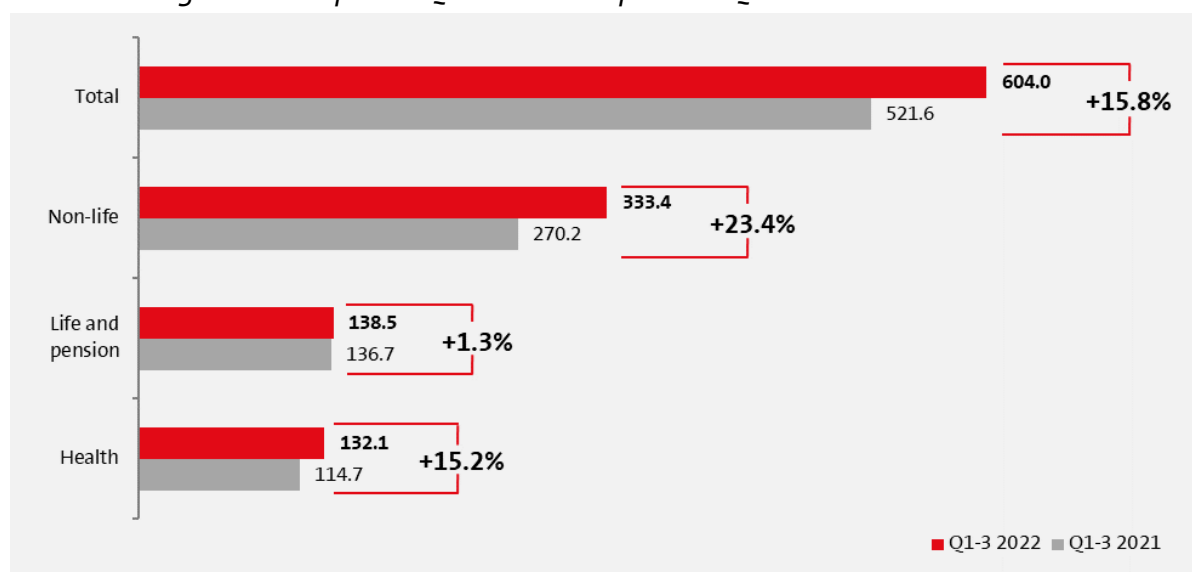
Insurance class	Gross written premium		Index	Share
	Q1-3 2022	Q1-3 2021	Q1-3 2022/ Q1-3 2021	Q1-3 2022
Accident insurance	19,580,653	19,808,423	99	2.9%
Health insurance	655,876	703,033	93	0.1%
Comprehensive car insurance	111,209,260	103,851,604	107	16.4%
Real property insurance	192,124,116	181,987,427	106	28.4%
Motor liability insurance	94,153,176	87,373,537	108	13.9%
General liability insurance	41,208,793	36,206,660	114	6.1%
Credit insurance	20,672,292	15,870,842	130	3.1%
Other non-life insurance	48,840,938	41,151,414	119	7.2%
Non-life insurance	528,445,104	486,952,940	109	78.0%
Life insurance	56,890,451	61,327,726	93	8.4%
Unit-linked life insurance	76,664,534	65,509,050	117	11.3%
Capital redemption insurance	15,357,638	14,218,851	108	2.3%
Life and pension insurance	148,912,623	141,055,627	106	22.0%
Total	677,357,727	628,008,567	108	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 604.0 million, up by 16%. The increased number of reported claims resulted from the larger size of the portfolio, higher population mobility compared to the same period last year due to the pandemic, the higher number of major CAT events and the growth of prices of materials and services. Gross claims paid increased in all insurance segments. In the largest segment, i.e. **non-life insurance**, gross claims paid rose by 23% to EUR 333.4 million. In the **health insurance** segment, they grew by 15% to EUR 132.1 million. In the **life and pension insurance** segment, growth was 1%, with claims paid amounting to EUR 138.5 million.

Gross claims paid were 16% higher over the same period last year.

Consolidated gross claims paid in Q1-3 2022 compared to Q1-3 2021



With the exception of the Montenegrin life insurer, **non-consolidated gross claims paid** of all other Group insurance companies (excluding Pozavarovalnica Triglav Re) were also higher, amounting to EUR 574.2 million, up by 15% relative to the corresponding period last year.

Gross claims paid by **Pozavarovalnica Triglav Re** totalled EUR 80.9 million, up by 50% compared to the preceding year. A 56% (EUR 46.4 million) and 43% (EUR 34.5 million) growth in gross claims paid was seen in transactions outside and within the Group, respectively. In transactions outside the Group, the high growth was mainly influenced by higher claims paid in other non-life insurance (a large claim under the facultative contract, higher claims paid under contracts with a higher premium volume and under crop insurance policies in Italy) and higher claims paid in fire and natural disaster insurance (due to last year's floods in Central Europe and the Volker storm). The increase in gross claims paid in transactions within the Group was mainly influenced by the settled claims of motor vehicle liability insurance due to the change in accounting for quota contracts (in Q2 2022, the accounting of incoming and outgoing claims portfolios changed from annual to quarterly).

Gross claims paid in Q1-3 2022 by Triglav Group insurance company

Insurance company	Gross claims paid			Index Q1-3 2022/Q1-3 2021			Share Q1-3 2022
	Non-life	Life and pension	Total	Non-life	Life and pension	Total	
Zavarovalnica Triglav*	211,919,730	114,170,927	326,090,657	122	100	113	56.8%
Triglav, Zdravstvena zavarovalnica	132,146,245	23,151	132,169,396	115	0	115	23.0%
Triglav, pokojninska družba		16,652,814	16,652,814	0	125	125	2.9%
Triglav Osiguranje, Zagreb	38,333,711	4,755,320	43,089,031	131	89	125	7.5%
Triglav Osiguranje, Belgrade	18,713,645	2,816,308	21,529,953	116	72	107	3.7%
Lovćen Osiguranje, Podgorica	12,375,114		12,375,114	112	0	112	2.2%
Triglav Osiguranje, Sarajevo	6,331,003	3,662,040	9,993,043	125	120	123	1.7%
Triglav Osiguranje, Banja Luka	2,148,129		2,148,129	135	0	135	0.4%
Triglav Osiguruvanje, Skopje	6,662,093		6,662,093	101	0	101	1.2%
Lovćen životna osiguranja, Podgorica		2,716,241	2,716,241	0	99	99	0.5%
Triglav Osiguruvanje Život, Skopje		780,029	780,029	0	285	285	0.1%
Total	428,629,670	145,576,830	574,206,500	120	102	115	100.0%
Pozavarovalnica Triglav Re	80,921,096		80,921,096	150	0	150	
Consolidation eliminations	-44,018,696	-7,116,501	-51,135,197	163	113	154	
Total - consolidated	465,532,070	138,460,329	603,992,399	121	101	116	

* The data already include the pre-consolidation adjustments.

Non-consolidated gross claims paid in **non-life insurance** amounted to EUR 428.6 million, having increased by 20% relative to the preceding year. The high increase in claims was characteristic of most non-life insurance classes, with the exception of accident insurance. The claims ratio 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 Company's operations*. The highest growth in gross claims paid was recorded by other non-life insurance (index 135) and real property insurance (index 132), followed by motor vehicle insurance (index 120) and health insurance (index 115). The increase in gross claims paid of other non-life insurance and real property insurance was recorded by most insurance companies, primarily due to the larger portfolio, the higher number of reported claims, the growth of prices of materials and services, major CAT events and payments of several large claims. In motor vehicle insurance, the increase in gross claims paid resulted from the higher number of reported claims (due to the larger portfolio and higher population mobility compared to last year), the growth of prices of materials and services, the higher number of claims from insurance contracts taken out under the principle of free movement of services (FOS transactions) and major CAT events (hailstorms). Higher payouts of gross claims paid in health insurance were influenced by the larger volume of health services, which were not provided last year due to the pandemic, and medical inflation.

Non-consolidated gross claims paid in the **life and pension insurance** group increased by 2% to EUR 145.6 million. Their share in total non-consolidated claims paid fell by 3.2 percentage points to 25.4%. Gross claims paid in capital redemption insurance (supplemental voluntary pension insurance) increased by 23%, predominantly as a result of higher payouts due to withdrawals from insurance contracts and transfers of insurance contracts. Gross claims paid in unit-linked life insurance increased by 4% as a result of the high growth at Triglav, pokojninska družba (the higher number of withdrawals from insurance contracts and the higher number of increased ordinary termination of insurance contracts due to retirement and related transfer to annuity funds) and the Croatian insurer (higher payouts due to surrenders).

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

Insurance class	Gross claims paid		Index	Share
	Q1-3 2022	Q1-3 2021	Q1-3 2022/ Q1-3 2021	Q1-3 2022
Accident insurance	14,997,797	16,111,819	93	2.6%
Health insurance	136,710,803	118,377,176	115	23.8%
Comprehensive car insurance	78,587,131	65,087,171	121	13.7%
Real property insurance	81,436,828	61,612,197	132	14.2%
Motor liability insurance	78,431,482	65,888,709	119	13.7%
General liability insurance	10,920,934	9,770,423	112	1.9%
Credit insurance	4,044,755	3,715,373	109	0.7%
Other non-life insurance	23,499,941	17,362,034	135	4.1%
Non-life insurance	428,629,671	357,924,902	120	74.6%
Life insurance	86,335,678	86,931,112	99	15.0%
Unit-linked life insurance*	54,851,446	52,540,919	104	9.6%
Capital redemption insurance	4,389,705	3,578,475	123	0.8%
Life and pension insurance	145,576,829	143,050,506	102	25.4%
Total	574,206,500	500,975,408	115	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 2022	Q1-3 2021	Q1-3 2022/ Q1-3 2021	Q1-3 2022
Accident insurance	8,669,595	8,987,449	96	2.7%
Health insurance	184,256	30,768	599	0.1%
Comprehensive car insurance	65,119,524	53,517,436	122	20.0%
Real property insurance	56,405,558	43,095,759	131	17.3%
Motor liability insurance	52,455,342	42,933,741	122	16.1%
General liability insurance	8,295,982	7,897,930	105	2.5%
Credit insurance	2,700,971	2,997,755	90	0.8%
Other non-life insurance	18,088,502	14,081,170	128	5.5%
Non-life insurance	211,919,730	173,542,008	122	65.0%
Life insurance	73,161,959	72,965,418	100	22.4%
Unit-linked life insurance	36,619,263	37,858,765	97	11.2%
Capital redemption insurance	4,389,705	3,578,475	123	1.3%
Life and pension insurance	114,170,927	114,402,658	100	35.0%
Total	326,090,657	287,944,666	113	100.0%

4.5 Gross operating expenses

Total consolidated gross operating expenses of the Triglav Group amounted to EUR 269.1 million, up by 10%.

The share of operating expenses of insurance operations in gross written premium was 21.2%.

Expenses from insurance operations totalled EUR 242.9 million, up by 9% relative to the same period last year. The highest growth was recorded by acquisition costs, costs of material and energy, non-income related costs excluding insurance and reimbursement of work-related costs. The share of operating expenses of insurance operations in gross written premium grew by 0.1 percentage point to 21.2%. Operating expenses increased in all insurance segments; by 18% in the **health insurance** segment (EUR 13.0 million), by 10% in the **life and pension insurance** segment (EUR 37.3 million) and by 9% in the **non-life insurance** segment (EUR 192.6 million).

Expenses from non-insurance operations rose by 12% to EUR 26.2 million. Their increase was mainly influenced by higher costs of materials and energy, higher costs of payment transactions and banking services at Triglav Skladi, higher labour costs and the inclusion of Triglav Fondovi, Sarajevo under the full consolidation method.

Acquisition costs (fees and commissions) rose by 19% to EUR 57.2 million, with high growth being recorded by most insurance companies. Increased acquisition costs primarily resulted from the higher number of concluded insurance policies and the increased volume of written premium from insurance policies taken out via external sales channels (contracted points of sale, brokers, agencies and banks). Their increase was also influenced by the higher volume of transactions concluded under the principle of free movement of services (FOS) in the EU.

The 15% increase in *depreciation costs* in the amount of EUR 19.1 million was predominantly the consequence of higher depreciation costs of intangible fixed assets at the parent company (high investments in software last year), higher lease costs at the Serbian insurer and higher costs of depreciation of right-of-use assets at Triglav Skladi.

At 45.8%, *labour costs* accounted for the largest portion of total expenses, amounting to EUR 129.3 million, up by 3% relative to the same period last year. High growth was recorded by Triglav, Zdravstvena zavarovalnica, Triglav Skladi and both Macedonian insurers, mainly as a result of a higher number of employees and increased other labour costs. At the parent company, labour costs were higher by 1%, which resulted from an increase in other labour costs; they include higher costs of voluntary pension insurance due to the higher employer payments agreed last May.

Costs of services provided by natural persons other than sole proprietors (contract work and services of the student work service) fell by 7%. They amounted to EUR 1.1 million and represented only 0.4% of total expenses.

Other operating expenses increased by 12% to EUR 76.0 million. Among them, the bulk is represented by costs of representation, advertising and trade shows (EUR 15.4 million), followed by maintenance costs (EUR 10.7 million). The highest growth in this group was recorded by costs of materials and energy due to the high growth in energy prices, non-income related costs excluding insurance and the reimbursement of work-related costs (due to the smaller scope of agents' work, as well as lower reimbursement of business travel costs and training costs last year due to the pandemic and the rise in fuel prices).

Gross operating expenses of the Triglav Group in Q1-3 2022 by nature

Operating expenses by nature	Gross operating expenses		Index	Share
	Q1-3 2022	Q1-3 2021	Q1-3 2022/ Q1-3 2021	Q1-3 2022
Acquisition costs (fees and commissions)	57,175,423	47,958,981	119	20.2%
Costs of goods sold	5,970	119,407	5	0.0%
Depreciation of operating assets	19,087,243	16,541,337	115	6.8%
Labour costs	129,318,619	125,114,736	103	45.8%
- wages and salaries	90,272,937	86,806,219	104	31.9%
- social securities and pension insurance costs	19,708,356	19,576,969	101	7.0%
- other labour costs	19,337,326	18,731,548	103	6.8%
Costs of services provided by natural persons other than SPs together with pertaining taxes	1,070,998	1,151,655	93	0.4%
Other operating expenses	75,958,208	67,985,896	112	26.9%
- costs of entertainment, advertising, trade shows	15,404,254	14,562,248	106	5.5%
- costs of material and energy	8,309,001	5,725,950	145	2.9%
- maintenance costs	10,693,468	11,344,925	94	3.8%
- travel expenses	3,491,453	2,535,460	138	1.2%
- costs of intellectual and personal services	5,060,691	4,193,187	121	1.8%
- non-income-related costs, excluding insurance	3,525,132	2,481,183	142	1.2%
- costs of transport and communication services	4,196,342	4,136,025	101	1.5%
- costs of insurance premiums	816,982	929,739	88	0.3%
- payment transaction costs and banking services	9,141,120	8,244,862	111	3.2%
- rents	4,802,489	4,631,775	104	1.7%
- costs of services of professional training	1,051,309	871,303	121	0.4%
- other costs of services	9,465,179	8,322,740	114	3.3%
- long-term employee benefits	788	6,499	12	0.0%
Total	282,616,461	258,872,012	109	100.0%
Consolidation eliminations	-13,511,893	-13,470,322	100	
Total consolidated	269,104,568	245,401,690	110	

Acquisition costs represented 62.8% (the largest share) of total gross operating expenses of insurance operations broken down by functional group. Other operating expenses represented 26.5%, claim handling expenses 9.2% and asset management costs 1.4% of total gross operating expenses of insurance operations.

Gross operating expenses of Zavarovalnica Triglav in Q1-3 2022 by nature

Operating expenses by nature	Gross operating expenses		Index	Share
	Q1-3 2022	Q1-3 2021	Q1-3 2022/ Q1-3 2021	Q1-3 2022
Acquisition cost (fees and commissions)	29,278,973	24,351,240	120	18.7%
Depreciation of operating assets	11,746,032	9,628,894	122	7.5%
Labour costs	82,398,956	81,243,525	101	52.6%
- wages and salaries	57,537,921	57,162,307	101	36.7%
- social securities and pension insurance costs	9,821,424	9,691,073	101	6.3%
- other labour costs	15,039,611	14,390,145	105	9.6%
Costs of services provided by natural persons other than SPs, including related taxes	387,251	219,825	176	0.2%
Other operating costs	32,914,253	29,867,135	110	21.0%
- costs of entertainment, advertising, trade shows	6,520,652	6,304,495	103	4.2%
- costs of material and energy	4,238,427	2,541,184	167	2.7%
- maintenance costs	5,309,109	6,695,072	79	3.4%
- reimbursement of labour-related costs	2,326,573	1,817,641	128	1.5%
- costs of intellectual and personal services	2,238,408	1,619,321	138	1.4%
- non-income related costs, excluding insurance	1,942,605	1,035,782	188	1.2%
- costs of transport and communication services	2,102,077	2,308,723	91	1.3%
- costs for insurance premiums	129,317	274,586	47	0.1%
- payment transaction costs and banking services	1,044,464	886,259	118	0.7%
- rents	3,178,090	3,046,569	104	2.0%
- costs of professional training services	680,846	627,830	108	0.4%
- other costs of services	3,203,685	2,709,673	118	2.0%
Total	156,725,465	145,310,619	108	100.0%

4.6 Reinsurance

In the first nine months of 2022, **the Triglav Group** allocated EUR 202.7 million of reinsurance and coinsurance premiums to external equalisation, up by 11% relative to the corresponding period last year. Reinsurance premium accounted for 17.7% of total gross written insurance and coinsurance premiums, up by 0.4 percentage point relative to the same period in 2021. Reinsurance premium growth was mainly the result of the increased volume of non-life insurance premium, primarily those policies underwritten based on the principle of freedom of movement of services (FOS). Higher reinsurance prices in the global reinsurance market and the change in quota reinsurance protection also contributed to growth. The reinsurers' share in gross claims settled of EUR 41.3 million (index 137) and reinsurance fees and commissions of EUR 37.8 million (index 122) was received from reinsurance.

In the reporting period, **Zavarovalnica Triglav** allocated EUR 177.0 million of reinsurance and coinsurance premiums to external equalisation, a 15% increase compared to the same period in 2021. Reinsurance premium accounted for 26.1% of total gross written premium. The reinsurers' and coinsurers' share in gross claims settled of EUR 35.0 million (index 132) and reinsurance fees and commissions of EUR 34.9 million (index 131) was received from reinsurance and coinsurance.

4.8 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 2022, **the Triglav Group** had gross insurance technical provisions of EUR 3,199.9 million, which is approximately the same as at the 2021 year-end (index 100). The amount of gross insurance technical provisions increased in **non-life insurance** (index 112) and **health insurance** (index 101) and decreased in **life and pension insurance** (index 94). As at the reporting date, **Zavarovalnica Triglav** allocated EUR 2,248.7 million to gross insurance technical provisions, down by 1% compared to 31 December 2021.

Total gross insurance technical provisions of the Triglav Group of EUR 3,199.9 million were at a level approximately equal to the 2021 year-end.

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

- **Gross unearned premium** was 26% higher and amounted to EUR 467.9 million. Unearned premium from non-life insurance increased by 27% to EUR 463.8 million and unearned premium from health insurance rose by 6% to EUR 3.7 million, whereas unearned premium from life and pension insurance declined by 9% to EUR 414 thousand. The movement of gross unearned premium corresponds to the movement and duration of gross written premium and the nature of underwritten risks.
- **Gross claims provisions** rose by 4% to EUR 725.7 million. Gross claims provisions are created for covering claims incurred but not settled by the end of the accounting period. Claims provisions for non-life insurance totalled EUR 685.1 million (index 105), those for life and pension insurance equalled EUR 22.1 million (index 96), and those for health insurance amounted to EUR 18.5 million (index 115).
- **Mathematical provisions** declined by 6% to EUR 1,929.3 million. Mathematical provisions for life insurance totalled EUR 1,364.7 million (index 95), while insurance technical provisions for unit-linked life insurance contracts amounted to EUR 564.6 million (index 91). They fell due to the drop in the price of fund units. Zavarovalnica Triglav's mathematical provisions of EUR 1,443.2 million accounted for the bulk (index 93), of which mathematical provisions for life insurance amounted to EUR 958.8 million (index 95) and insurance technical provisions for unit-linked life insurance contracts equalled EUR 484.4 million (index 90).
- **Provisions for bonuses and discounts** rose by 2% to EUR 28.1 million.
- **Other insurance technical provisions** amounted to EUR 48.9 million and were lower by 6% predominantly due to a decrease in provisions as a result of the liability adequacy test for life insurance at Zavarovalnica Triglav as well as the formation of additional provisions for the failure to achieve the guaranteed return of supplemental voluntary pension insurance policies at the parent company and Triglav, pokojninska družba.

Gross insurance technical provisions of the Triglav Group as at 30 September 2022

	Gross insurance technical provisions		Index
	30 September 2022	31 December 2021	2022/2021
Unearned premium	467,866,393	370,043,725	126
Mathematical provisions	1,929,314,013	2,054,917,059	94
Claims provisions	725,704,836	694,498,311	104
Provisions for bonuses and discounts	28,075,878	27,464,185	102
Other insurance technical provisions	48,896,332	51,748,503	94
Total	3,199,857,452	3,198,671,783	100

Gross insurance technical provisions of Zavarovalnica Triglav as at 30 September 2022

	Gross insurance technical provisions		Index
	30 September 2022	31 December 2021	2022/2021
Unearned premium	311,394,890	246,017,850	127
Mathematical provisions	1,443,220,732	1,548,454,207	93
Claims provisions	461,761,856	446,567,255	103
Provisions for bonuses and discounts	23,736,619	23,724,069	100
Other insurance technical provisions	8,543,073	15,744,857	54
Total	2,248,657,170	2,280,508,238	99

4.9 Investment structure of the Triglav Group and Zavarovalnica Triglav

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

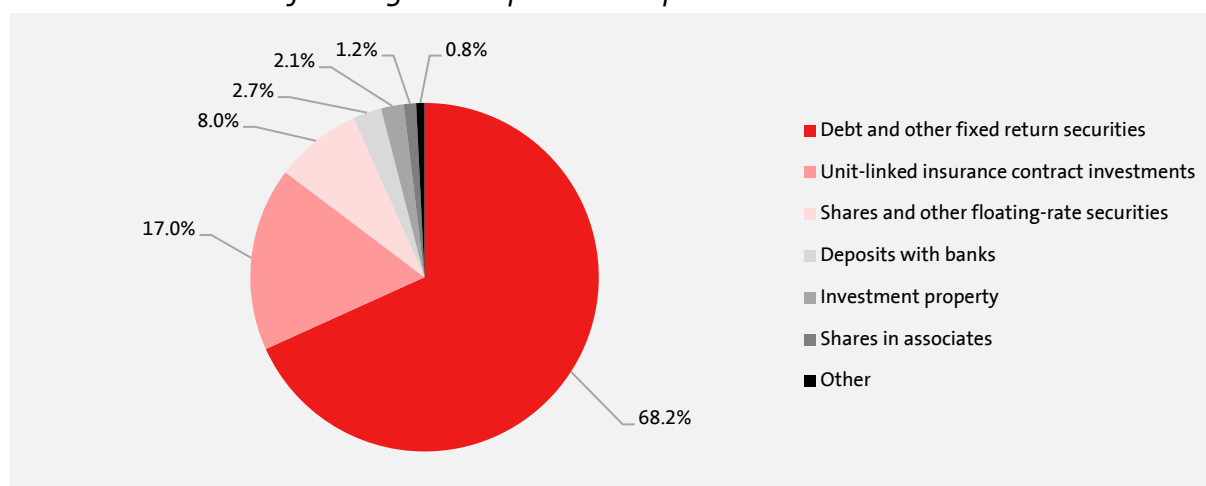
The Group's financial investments including investment property and investments in associates totalled EUR 3,266.9 million as at 30 September 2022, down by 11% relative to 31 December 2021. The decrease in their value is to the greatest extent a result of the rise in interest rates on the financial markets and the fall in value on the stock markets. Their share in the Group's total assets was down by 6.2 percentage points to 77.7%.

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

	Financial investments		Index	Share	
	30 September 2022	31 December 2021	2022/2021	30 Sep. 2022	31 Dec. 2021
Investment property	68,648,170	75,110,973	91	2.1%	2.0%
Shares in associates	37,622,381	36,031,343	104	1.2%	1.0%
Shares and other floating-rate securities	262,788,562	330,960,660	79	8.0%	9.0%
Debt and other fixed return securities	2,229,294,199	2,512,569,818	89	68.2%	68.5%
Loans given	4,631,829	4,525,184	102	0.1%	0.1%
Deposits with banks	86,670,157	70,472,827	123	2.7%	1.9%
Other financial investments	5,668,185	5,810,984	98	0.2%	0.2%
Financial investments of reinsurance companies in reinsurance contracts with cedents	14,706,921	13,340,360	110	0.5%	0.4%
Derivatives	0	20,317	0	0.0%	0.0%
Unit-linked insurance contract investments	556,901,442	619,617,488	90	17.0%	16.9%
Total	3,266,931,846	3,668,459,954	89	100.0%	100.0%

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

Investment structure of the Triglav Group as at 30 September 2022



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

The bond portfolio is of **high quality** and globally diversified. A total of 91.0% of bond investments have an investment grade credit rating of at least "BBB" (compared to 90.9% as at 31 December 2021) and 57.9% have at least the "A" credit rating (compared to 59.4% as at 31 December 2021).

Debt securities of the Triglav Group by credit rating

Credit rating	Debt securities		Index	Share	
	30 September 2022	31 December 2021	2022/2021	30 Sep. 2022	31 Dec. 2021
AAA	435,287,466	438,921,752	99	19.5%	17.5%
AA	317,414,402	376,763,744	84	14.2%	15.0%
A	538,552,275	677,949,441	79	24.2%	27.0%
BBB	738,092,853	789,294,818	94	33.1%	31.4%
Below BBB	153,086,884	185,667,718	82	6.9%	7.4%
Not rated	46,860,319	43,972,345	107	2.1%	1.8%
Total	2,229,294,199	2,512,569,818	89	100.0%	100.0%

Note: Unit-linked insurance contract investments data excluded.

In terms of **issuer sector**, the largest share (59.6%) in the Group's bond portfolio continued to be accounted for by government bonds. Compared to the 2021 year-end, their share decreased by 5.6 percentage points, while the shares of financial and corporate bonds increased in equal proportions.

Debt securities of the Triglav Group by issuer sector

Issuer sector	Debt securities		Index	Share	
	30 September 2022	31 December 2021	2022/2021	30 Sep. 2022	31 Dec. 2021
Government	1,328,897,984	1,637,292,470	81	59.6%	65.2%
Financial	468,375,792	450,896,480	104	21.0%	17.9%
Corporate	431,044,048	423,363,902	102	19.3%	16.8%
Structured	976,374	1,016,966	96	0.0%	0.0%
Total	2,229,294,199	2,512,569,818	89	100.0%	100.0%

Note: Unit-linked insurance contract investments data excluded.

In terms of debt securities **issuer country**, the majority is accounted for by issuers from the countries with a high credit rating; 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 2022	31 December 2021	2022/2021	30 Sep. 2022	31 Dec. 2021
Germany	340,617,876	371,741,005	92	15.3%	14.8%
Slovenia	234,296,273	312,387,021	75	10.5%	12.4%
France	173,776,661	202,916,739	86	7.8%	8.1%
International financial institutions	171,798,949	153,800,111	112	7.7%	6.1%
Spain	135,921,853	154,859,010	88	6.1%	6.2%
Italy	123,858,327	133,591,273	93	5.6%	5.3%
USA	119,356,082	132,660,828	90	5.4%	5.3%
Croatia	113,067,505	113,080,581	100	5.1%	4.5%
Netherlands	101,570,887	90,155,239	113	4.6%	3.6%
Austria	65,911,086	66,664,263	99	3.0%	2.7%
Other	649,118,701	780,713,748	83	29.1%	31.1%
Total	2,229,294,199	2,512,569,818	89	100.0%	100.0%

Note: Unit-linked insurance contract investments data excluded.

In accordance with strategic ambitions in sustainability, the Group takes into account **environmental, social and governance factors (ESG)** in the management of its investments and exercising its management rights when making decisions related to sustainable development with those issuers in its portfolio where this is possible.

The Group increased the **volume of sustainable fixed-income investments**, almost doubling it in 2021 compared to the previous year, while in the first nine months of 2022 it rose by 13% compared to 31 December 2021. Their value reached EUR 231.8 million and their share in the bond portfolio stands at 10.4% (compared to 8.1% as at 31 December 2021).

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

	Sustainable fixed income investments			Share in debt securities		
	30 Sep. 2022	31 Dec. 2021	31 Dec. 2020	30 Sep. 2022	31 Dec. 2021	31 Dec. 2020
Social impact bonds*	101,150,440	83,630,721	33,278,595	4.5%	3.3%	1.3%
Green bonds**	116,549,037	104,433,167	67,424,385	5.2%	4.2%	2.6%
Sustainable bonds***	14,084,008	16,448,265	3,629,090	0.6%	0.7%	0.1%
Total ESG bonds	231,783,484	204,512,153	104,332,071	10.4%	8.1%	4.1%

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

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

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

Equity investments, which comprise shares and other variable-income securities and investments in associates, amounted to EUR 300.4 million as at 30 September 2022 and represented 9.2% of the Group's total portfolio (compared to 10.0% as at 31 December 2021). They also include the category *other funds*, which comprises mostly alternative funds, among which the alternative fund managed by the associate Triglav holds a significant share.

Equity investments of the Triglav Group by investment type

Equity investment type	Equity investments		Index	Share	
	30 September 2022	31 December 2021	2022/2021	30 Sep. 2022	31 Dec. 2021
Shares	95,198,168	128,582,339	74	31.7%	35.0%
Equity funds	48,348,386	85,330,024	57	16.1%	23.3%
Bond funds	52,853,941	62,836,072	84	17.6%	17.1%
Money market funds	7,659,007	4,177,739	183	2.5%	1.1%
Other funds	96,351,441	86,065,829	112	32.1%	23.5%
Total	300,410,943	366,992,003	82	100.0%	100.0%

Equity investments of the Triglav Group by geographic area

Geographic area	Equity investments		Index	Share	
	30 September 2022	31 December 2021	2022/2021	30 Sep. 2022	31 Dec. 2021
Slovenia	85,817,357	103,490,296	83	28.6%	28.2%
Developed markets	196,054,779	244,542,137	80	65.3%	66.6%
Developing markets	11,844,123	13,588,353	87	3.9%	3.7%
Balkans	6,694,686	5,371,218	125	2.2%	1.5%
Total	300,410,943	366,992,003	82	100.0%	100.0%

At **Zavarovalnica Triglav**, financial investments, including investment property, amounted to EUR 2,384.0 million as at 30 September 2022, down by 13%.

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

	Financial investments		Index	Share	
	30 September 2022	31 December 2021	2022/2021	30 Sep. 2022	31 Dec. 2021
Investment property	43,710,674	43,840,055	100	1.8%	1.6%
Investments in subsidiaries and associates	218,618,128	173,618,679	126	9.2%	6.4%
Shares and other floating rate securities	177,759,976	204,009,208	87	7.5%	7.5%
Debt and other fixed return securities	1,435,923,714	1,736,539,693	83	60.2%	63.7%
Loans given	4,344,568	5,155,689	84	0.2%	0.2%
Deposits with banks	19,392,139	19,660,793	99	0.8%	0.7%
Other financial investments	3,495,001	3,278,363	107	0.1%	0.1%
Derivatives	0	20,317	0	0.0%	0.0%
Unit-linked insurance contract investments	480,750,304	539,417,972	89	20.2%	19.8%
Total	2,383,994,504	2,725,540,769	87	100.0%	100.0%

4.10 Asset management

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

- own insurance portfolio: EUR 2,710.0 million (index 89),
- mutual funds and discretionary mandate assets at Triglav Skladi: EUR 1,362.4 million (index 89),
- investment management at Triglav: EUR 97.1 million (index 106).

Asset and investment fund management market

As at 30 September 2022, five management companies operated in **Slovenia**, which managed the net asset value of EUR 3.8 billion in **mutual funds**, down by 11% relative to 31 December 2021. The decline in assets was influenced by negative trends in capital markets. A total of six companies provided **discretionary mandate services**, of which four were asset management companies. The value of discretionary mandate assets managed by said companies was EUR 2.5 billion, having increased by 33% relative to 31 December 2021.

Triglav Skladi managed EUR 1.2 billion in **mutual funds** as at 30 September 2022, down by 12% compared to the 2021 year-end. The value of net assets under management rose by EUR 51.9 million due to net inflows and fell by EUR 210.9 million due to the situation in capital markets. Triglav Skladi held a 31.6% market share as at the reporting date (compared to 31.8% as at 31

December 2021) and is therefore one of the leading managers of assets in investment funds in Slovenia.

The value of discretionary mandate assets managed by Triglav Skladi was EUR 149.4 million, having decreased by 11% relative to the 2021 year-end. Net inflows amounted to EUR 6.1 million, while the effect of capital markets decreased net asset value by EUR 23.9 million. The company's market share fell to 6.0% (compared to 9.0% as at 31 December 2021).

5. Financial result and financial position

5.1 Financial result

In the first nine months of 2022, the Triglav Group posted **profit before tax of EUR 89.2 million**, down by 3% relative to the same period last year. The Triglav Group's profitability confirms the robustness of its business model and the resilience of the Group's solvency position to the deteriorating economic situation. The underwriting result did not change significantly over the same period last year. The increased business volume and the favourable development of claims provisions created in past periods effectively compensated for the growth in gross claims paid and operating expenses, which primarily resulted from the higher activity of the population and the economy, increased inflation rate and other impacts from the environment. Returns on investment decreased due to the unfavourable situation in the financial markets and the impairment of investments. **Net profit of EUR 72.1 million** declined by 4% compared to the preceding year. **Annualised net return on equity** increased by 0.3 percentage point to 11.8%.

In the first nine months of 2022, the Triglav Group posted profit before tax of EUR 89.2 million.

Zavarovalnica Triglav posted **profit before tax** of EUR 91.6 million, an increase of 42% relative to the corresponding period of 2021, which was largely a result of income from profit distribution of subsidiaries. **Net profit** grew by 50% to EUR 78.9 million.

The Triglav Group's combined ratio in non-life and health insurance was favourable at 89.5%, reaching a similar level as in the corresponding period last year. The combined ratio was up by 0.2 percentage point primarily as a result of higher growth in net claims incurred than growth in net premium income. The expense ratio improved by 1.0 percentage point mainly due to higher net premium income and lower expenses for bonuses and discounts.

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

Insurance companies	Q1-3 2022	Q1-3 2021	Change
Zavarovalnica Triglav	79.5%	83.9%	-4.4 p.p.
Triglav, Zdravstvena zavarovalnica	99.5%	94.3%	5.2 p.p.
Pozavarovalnica Triglav Re	96.5%	91.4%	5.1 p.p.
Triglav Osiguranje, Zagreb	102.4%	98.7%	3.7 p.p.
Triglav Osiguranje, Belgrade	98.9%	94.9%	4.0 p.p.
Lovćen Osiguranje, Podgorica	88.4%	94.2%	-5.8 p.p.
Triglav Osiguranje, Sarajevo	93.3%	96.2%	-3.0 p.p.
Triglav Osiguranje, Banja Luka	99.6%	108.9%	-9.3 p.p.
Triglav Osiguruvanje, Skopje	100.9%	101.4%	-0.5 p.p.
The Triglav Group	89.5%	89.3%	0.2 p.p.

Total revenue increased by 10% and amounted to EUR 1,241.1 million. It is composed of gross written premium in the amount of EUR 1,147.7 million (index 109), other insurance income in the amount of EUR 46.1 million (index 121) and other income in the amount of EUR 47.3 million (index 135).

Net premium income rose by 6% to EUR 879.6 million. Net premium income from non-life insurance grew by 7%, from life and pension insurance by 6% and from health insurance by 3%. Net premium income comprises gross written premium in the amount of EUR 1,147.7 million, less written premium ceded to reinsurance and coinsurance in the amount of EUR 202.7 million

(index 111) and adjusted by the change in net unearned premium of EUR –65.4 million (index 141).

Net claims incurred increased by 6% to EUR 561.9 million. The highest growth (17%) was recorded in health insurance due to higher gross claims paid relative to the same period last year (the lack of availability of healthcare services due to the pandemic last year) and the change in claims provisions. Net claims incurred increased by 5% in non-life insurance, whereas in life and pension insurance they remained at approximately the same level as the year before (index 100). Net claims incurred comprise gross claims paid in the amount of EUR 604.0 million (index 116) less reinsurers' and coinsurers' shares in gross claims paid in the amount of EUR 41.3 million (index 137), adjusted by the change in claims provisions of EUR –6.1 million (compared to EUR 31.6 million in 2021) and increased by equalisation scheme expenses for supplemental health insurance in the amount of EUR 5.3 million (index 104).

Income, expenses and return from investment of the Triglav Group in January–September 2022

	Q1-3 2022			Q1-3 2021		
	Income and expenses from investments, including unit-linked insurance assets	Income and expenses from unit-linked life insurance assets (VEP – unit value)*	Income and expenses from investments and return on investment (excluding VEP – unit value)	Income and expenses from investments, including unit-linked insurance assets	Income and expenses from unit-linked life insurance assets (VEP – unit value)*	Income and expenses from investments and return on investment (excluding VEP – unit value)
INCOME FROM FINANCIAL ASSETS	56,655,521	12,041,050	44,614,471	98,805,926	54,018,710	44,787,216
- profit on investments in associates and joint ventures accounted for by using the equity method	1,659,839		1,659,839	1,217,522		1,217,522
- interest	24,617,651	1,367,638	23,250,013	25,976,404	246,972	25,729,432
- dividends	4,875,452	868,278	4,007,174	4,893,690	864,039	4,029,651
- change in the fair value	2,371,188	1,589,763	781,425	54,469,307	49,078,984	5,390,323
- gains on disposal	7,908,330	138,067	7,770,263	6,561,374	1,787,467	4,773,907
- other financial income	15,223,061	8,077,304	7,145,757	5,687,629	2,041,248	3,646,381
EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES	186,972,688	106,064,385	80,908,303	21,195,295	3,771,671	17,423,624
- loss on investments in associates and joint ventures accounted for by using the equity method	5,460		5,460	89,605		89,605
- change in the fair value	142,804,091	104,287,738	38,516,353	10,965,798	2,781,104	8,184,694
- losses on disposal	28,679,485	1,442,513	27,236,972	3,770,913	584,311	3,186,602
- permanent impairment	8,671,245	0	8,671,245	0	0	0
- other financial expenses	6,812,407	334,134	6,478,273	6,368,979	406,256	5,962,723
Return on investment			-36,293,832			27,363,592

* The effect of the return on unit-linked life insurance contract investments (VEP – unit price) must be considered together with the change in insurance technical provisions for unit-linked insurance contracts and, therefore, it has no effect on the return on investment.

Income from investments, including income from investments in associates, decreased by 43% to EUR 56.7 million. Interest income was down by 5% and reached EUR 24.6 million, whereas gains on disposal of investments rose by 21% to EUR 7.9 million. Changes in the fair value decreased to EUR 2.4 million (compared to EUR 54.5 million last year), which is mainly related to the rise in interest rates this year. Other financial income rose to EUR 15.2 million (index 268). Income from dividends in the amount of EUR 4.9 million remained approximately at the level of the previous year (index 100).

Expenses from investments, including expenses from investments in associates, increased to EUR 187.0 million (index 882). Due to the fall in the value of bonds resulting from the rise in interest rates and the decrease in the value of equity investments, expenses from changes in the fair value rose to EUR 142.8 million (compared to EUR 11.0 million last year). Losses on disposal rose to EUR 28.7 million (index 761) and are largely the result of higher interest rates. Impairment of investments amounted to 8.7 million.

Unit-linked life insurance contract investments decreased due to the fall in share prices to which the majority of policyholders' investments under these insurance contracts are tied (a drop in prices of fund units).

The Group's **returns on investment** (excluding unit-linked insurance contract investments) were negative and totalled EUR –36.3 million, whereas in the same period last year they amounted to EUR 27.4 million. The reasons for the negative return on investment are mainly falling bond prices due to rising interest rates and falling prices of equity investments, which was reflected in higher net expenses from changes in the fair value and lower realised capital gains.

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

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

Change in other insurance technical provisions amounted to EUR –59.2 million and was lower than in the preceding year (EUR 73 thousand), predominantly due to the decline in mathematical provisions (EUR –57.5 million). **Change in insurance technical provisions for unit-linked insurance contracts** equalled EUR –60.1 million (compared EUR 69.5 million in the same period last year) due to the decrease in the value of fund units. **Expenses for bonuses and discounts** dropped by 51% to EUR 8.2 million compared to the same period last year, when provisions for bonuses and discounts were created due to the impact of the COVID-19 pandemic.

Operating expenses (acquisition costs and other operating expenses) amounted to EUR 217.0 million, up by 10%. Acquisition costs rose by 11% and other operating expenses by 7%. The share of operating expenses from insurance operations (all functional cost groups) in gross written premium was 21.2%, up by 0.1 percentage point.

Other insurance income, excluding fees and commissions, increased by 17% to EUR 8.2 million predominantly as a result of higher offset foreign exchange gains from the repayment and revaluation of operating receivables and liabilities of Pozavarovalnica Triglav Re, higher income from external recovery at Triglav, Zdravstvena zavarovalnica and higher interest income from subrogation receivables at the parent company. **Other insurance expenses**, excluding fees and commissions, grew by 19% to EUR 15.5 million, mainly due to higher contributions to cover uninsured vehicles. **Net fee and commission income** rose by 104% to EUR 8.7 million primarily due to the high growth of written premium ceded to reinsurance.

Other income was up by 35%, reaching EUR 47.3 million. Its high growth mainly resulted from higher income from the sale of investment property and write-offs of expired liabilities from dividends. The majority of other income represents income from asset management, which was up 6% and amounted to EUR 22.9 million. The bulk of **other expenses**, which amounted to EUR 41.1 million (index 120), is represented by expenses of non-insurance companies.

Individual items in the consolidated income statement of the Triglav Group for Q1-3 2022

	Q1-3 2022	Q1-3 2021	Index
Net premium income	879,606,042	827,539,307	106
Income from investments including income in subsidiaries and associates	56,655,521	98,805,926	57
Other income from insurance operations	46,050,633	38,179,316	121
Other income	47,301,987	35,154,023	135
Net claims incurred	561,854,671	528,141,477	106
Change in other insurance technical provisions (excluding ULI)	-59,247,985	73,053	
Change in insurance technical provisions for unit-linked insurance contracts	-60,136,750	69,522,224	
Expenses for bonuses and discounts	8,206,843	16,728,995	49
Operating expenses	216,953,192	197,564,203	110
Expenses from investments including expenses in subsidiaries and associates	186,972,688	21,195,295	882
Other insurance expenses	44,630,916	39,930,382	112
Other expenses	41,143,034	34,422,277	120
Profit before tax	89,237,574	92,100,666	97
Income tax expense	17,112,197	16,915,741	101
Net profit for the accounting period	72,125,377	75,184,925	96

The structure of profit before tax of the Triglav Group*

	Q1-3 2022				Q1-3 2021			
	Non-life	Life and pension	Health	Total	Non-life	Life and pension	Health	Total
Profit before tax from underwriting activities	64,166,845	14,020,955	2,232,412	80,420,212	55,151,043	10,582,034	9,243,561	74,976,638
Profit before tax from investment activities	3,645,229	-6,394,076	-907,135	-3,655,982	10,806,635	-596,467	378,367	10,588,535
Profit before tax from insurance operations	67,812,074	7,626,879	1,325,277	76,764,230	65,957,678	9,985,567	9,621,928	85,565,173
Profit before tax from non-insurance operations				12,473,344				6,535,493
Total profit before tax				89,237,574				92,100,666

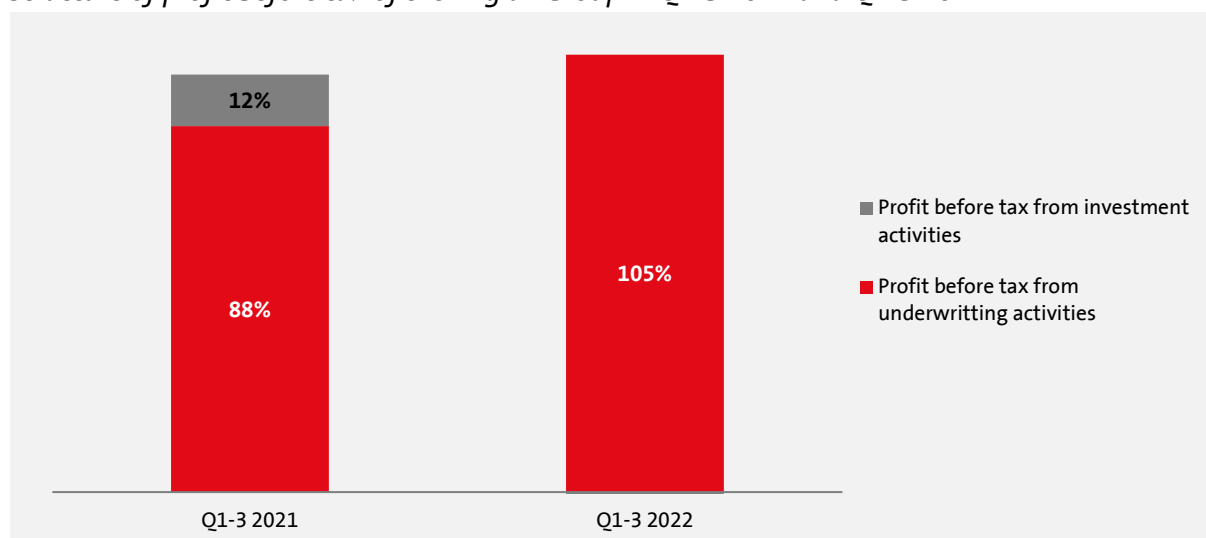
*Profit from return on investment is reduced by the return guaranteed by the Group's insurance subsidiaries to life insurance policyholders in the form of a guaranteed return determined in insurance contracts. In addition, return on investment includes the change in mathematical provisions due to the change in 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 69.1 million in the first nine months of 2022, down by 9% relative to the same period last year. The decrease was primarily a result of lower profit before tax from investments, mainly due to higher net expenses from changes in the fair value, lower realised capital gains and the impairment of investments. The higher profit from non-life insurance underwriting activities was influenced by the favourable development of claims provisions created in previous years and higher premium volume. The decrease in profit from health insurance underwriting activities was mainly influenced by the high increase in the frequency of supplemental health insurance claims and the inflation rate.

Profit before tax of the Group's **life and pension insurance** segments amounted to EUR 7.6 million, down by EUR 2.4 million compared to the corresponding period of 2021. Profit before tax of the parent company amounted to EUR 15.1 million, up by EUR 7.8 million over the same period last year. It was largely influenced by the release of additional provisions from the liability adequacy test in the amount of EUR 13.8 million, which is a result of the rise in the interest rate curve. The rise in interest rates on the financial markets also resulted in a decrease in the value of investments, but these were mostly offset by the release of additional provisions created in the past. The exception are the provisions for the failure to achieve the guaranteed return of pension insurance, which were created for this purpose in the amount of EUR 5.0 million. The parent company's profit before tax was also influenced by profit before tax from underwriting activities of the life insurance segment, up by EUR 3.7 million, and the cost of life insurance indexation as a result of the rise in the inflation rate, down by EUR 1.5 million. Profit before tax of other Group members is lower by EUR 6.3 million, primarily due to the creation of additional provisions for failing to achieve the guaranteed return on pension insurance at Triglav, pokojninska družba in the amount of EUR 6.8 million.

Profit before tax of **non-insurance operations** reached EUR 12.5 million, having increased by EUR 5.9 million over the same period last year, mainly due to the realisation of profit from the sale of investment property.

Structure of profit before tax of the Triglav Group in Q1-3 2022 and Q1-3 2021



Individual items in the income statement of Zavarovalnica Triglav for Q1-3 2022

	Q1-3 2022	Q1-3 2021	Index
Net premium income	464,741,172	441,404,774	105
Income from investments including income in subsidiaries and associates	53,680,035	77,647,161	69
Other income from insurance operations	44,529,493	35,439,003	126
Other income	8,923,966	6,294,209	142
Net claims incurred	269,336,552	274,288,026	98
Change in other insurance technical provisions	-42,589,424	-7,616,825	559
Change in insurance technical provisions for unit-linked insurance contracts	-58,307,873	54,771,596	
Expenses for bonuses and discounts	6,475,213	6,684,658	97
Operating expenses	137,460,599	126,787,907	108
Expenses from investments including expenses in subsidiaries and associates	133,382,892	11,570,305	1.153
Other insurance expenses	20,898,195	19,527,100	107
Other expense	13,568,577	10,400,697	130
Profit/loss before tax	91,649,935	64,371,683	142
Income tax expense	12,757,670	11,837,951	108
Net profit/loss for the accounting period	78,892,265	52,533,732	150

5.2 Financial position

Balance sheet total of the Triglav Group as at 30 September 2022 stood at EUR 4.2 billion, down by 4% relative to 31 December 2021.

Total equity as at 30 September 2022 amounted to EUR 721.5 million, a 23% decrease relative to the 2021 year-end primarily due to the lower fair value reserve and higher dividend payment. Total equity in total balance sheet liabilities decreased by 4.2 percentage points to 17.2%. Equity attributable to the controlling company fell by 23% to EUR 717.9 million. The non-controlling interests increased to EUR 3.7 million (index 148), mainly due to the inclusion of Triglav Fondovi into the consolidated financial statements under the full consolidation method. The share capital of EUR 73.7 million remained

As at the reporting date, total equity amounted to EUR 721.5 million.

unchanged and was divided into 22,735,148 ordinary shares. Due to the decrease in the value of available-for-sale financial assets, the Triglav Group achieved a negative other comprehensive income in the amount of EUR 129.1 million (in the same period last year, other comprehensive income was positive in the amount of EUR 68.9 million). As a result, **fair value reserve** decreased and amounted to –123.1 million as at 30 September 2022 (compared to EUR 77.8 million as at 31 December 2021). **Share premium** of EUR 50.3 million remained at a level approximately equal to the 2021 year-end (index 100).

Reserves from profit in the amount of EUR 421.6 million (index 100) remained unchanged compared to 31 December 2021. They comprise other reserves from profit of EUR 400.7 million, legal and statutory reserves in the amount of EUR 20.3 million and contingency reserves of EUR 640 thousand. **Net profit brought forward** amounted to EUR 225.9 million (index 96); it increased by EUR 75.4 million due to the transfer of net profit for the preceding year and fell by EUR 84.1 million due to the dividend payment. **Net profit for the year** amounted to EUR 72.3 million (index 96).

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

Gross insurance technical provisions totalled EUR 3,199.9 million and remained at a level approximately equal to the 2021 year-end. They represented 76.1% of total balance sheet liabilities, up by 2.9 percentage points relative to 31 December 2021. Mathematical provisions of EUR 1,929.3 million dropped by 6%; other insurance technical provisions also fell (index 97). By contrast, gross claims provisions (index 104) and provisions for gross unearned premium (index 126) increased. Insurance technical provisions are discussed in greater detail in *Section 4.7*.

Operating liabilities rose by 54% over the 2021 year-end and amounted to EUR 97.6 million, thus representing 2.3% of balance sheet total. Their growth was predominantly influenced by 62% increase in liabilities from reinsurance and coinsurance operations (EUR 67.0 million).

Lease liabilities amounted to EUR 10.0 million, down by 11% relative to the 2021 year-end. Lease liabilities comprise long-term lease liabilities of EUR 9.0 million (index 89) and short-term lease liabilities of EUR 1.1 million (index 86).

Other provisions declined by 3% to EUR 19.6 million. There were no **deferred tax liabilities** (they amounted to EUR 9.4 million as at 31 December 2021) due to the negative fair value reserve on which deferred tax assets are calculated. **Other liabilities** increased by 25% to EUR 107.1 million primarily due to higher liabilities from unallocated payments of subrogation receivables, higher short-term liabilities for advances received, higher liabilities from insurance premium tax and higher accrued costs.

Financial investments, representing 61.9% of total assets, amounted to EUR 2,603.8 million, down by 11% relative to the 2021 year-end. Available-for-sale financial assets, which totalled EUR 1,817.7 million, accounted for the bulk. Furthermore, EUR 208.3 million was accounted for by financial assets measured at fair value through profit or loss, EUR 461.7 million by held-to-maturity financial assets and EUR 116.0 million by deposits and loans. **Unit-linked insurance assets** amounted to EUR 556.9 million, having decreased by 10%. The structure of financial assets is discussed in greater detail in *Section 4.8*.

The Group's financial investments in associates of EUR 37.6 million were higher by 4% compared to 31 December 2021. **Investment property** in the amount of EUR 68.6 million decreased by 9% due to the sale of investment property.

Receivables and deferred tax assets grew by 60% to EUR 341.9 million over the 2021 year-end and accounted for 8.1% of total assets, of which receivables from direct insurance operations accounted for the bulk at EUR 181.4 million (index 155). Receivables from coinsurance and reinsurance operations amounted to EUR 88.5 million (index 132), other receivables stood at EUR 28.4 million (index 118) and current tax receivables at EUR 6.7 million (index 163). Due to the negative value of fair value reserve, deferred tax assets increased to EUR 36.8 million (compared to EUR 927 thousand as at 31 December 2021).

Insurance technical provisions transferred to reinsurance contracts increased by 36% to EUR 237.2 million. Assets from reinsurance contracts from claims provisions were 32% higher and totalled EUR 153.2 million, assets from unearned premium grew by 43% to EUR 75.8 million and assets from mathematical provisions rose by 46% to EUR 8.2 million.

Property, plant and equipment amounted to EUR 109.4 million, up by 1% relative to 31 December 2021. **Intangible assets** totalled EUR 115.3 million, up by 8% due to increased long-term deferred acquisition costs.

Non-current assets held for sale of EUR 641 thousand declined by 83% due to the sale of real property.

Right-of-use assets amounted to EUR 9.5 million, down by 13% relative to the 2021 year-end. They comprise the right to use land and buildings of EUR 7.4 million (index 86), the right to use vehicles of EUR 2.1 million (index 95) and the right to use other assets of EUR 38 thousand (index 45).

Cash and cash equivalents amounted to EUR 119.7 million (index 145) and **other assets** totalled EUR 6.5 million (index 133).

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

	30 September 2022	31 December 2021	Index	Share 2022	Share 2021
ASSETS	4,207,104,538	4,374,353,616	96	100.0%	100.0%
Intangible assets	115,315,472	107,184,415	108	2.7%	2.5%
Property, plant and equipment	109,375,588	108,655,212	101	2.6%	2.5%
Non-current assets held for sale	640,734	3,812,044	17	0.0%	0.1%
Investment property	68,648,170	75,110,973	91	1.6%	1.7%
Right-of-use assets	9,549,519	10,933,109	87	0.2%	0.2%
Investments in associates	37,622,381	36,031,346	104	0.9%	0.8%
Financial investments	2,603,759,852	2,937,700,150	89	61.9%	67.2%
Unit-linked insurance assets	556,901,443	619,617,488	90	13.2%	14.2%
Reinsurers' share of insurance technical provisions	237,249,002	174,839,890	136	5.6%	4.0%
Receivables and deferred tax assets	341,866,081	213,304,334	160	8.1%	4.9%
Other assets	6,454,409	4,843,025	133	0.2%	0.1%
Cash and cash equivalents	119,721,887	82,321,630	145	2.8%	1.9%
EQUITY AND LIABILITIES	4,207,104,538	4,374,353,616	96	100.0%	100.0%
Equity	721,547,309	932,986,869	77	17.2%	21.3%
Subordinated liabilities	49,513,973	49,471,831	100	1.2%	1.1%
Insurance technical provisions	2,635,218,584	2,576,368,384	102	62.6%	58.9%
Insurance technical provisions for unit-linked insurance contracts	564,638,868	622,303,399	91	13.4%	14.2%
Other provisions	19,643,714	20,184,669	97	0.5%	0.5%
Deferred tax liabilities	0	9,377,034	0	0.0%	0.2%
Other financial liabilities	1,814,632	3,085,647	59	0.0%	0.1%
Operating liabilities	97,582,882	63,341,658	154	2.3%	1.4%
Lease liabilities	10,015,127	11,274,806	89	0.2%	0.3%
Other liabilities	107,129,449	85,959,319	125	2.5%	2.0%

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

	30 September 2022	31 December 2021	Index	Share 2022	Share 2021
ASSETS	2,967,718,033	3,118,944,094	95	100.0%	100.0%
Intangible assets	72,332,339	67,022,027	108	2.4%	2.1%
Property, plant and equipment	66,837,947	65,143,307	103	2.3%	2.1%
Investment property	43,710,674	43,840,055	100	1.5%	1.4%
Right-of-use assets	4,027,155	4,548,298	89	0.1%	0.1%
Investments in subsidiaries and associates	218,618,128	173,618,680	126	7.4%	5.6%
Financial investments	1,640,933,372	1,968,679,979	83	55.3%	63.1%
Unit-linked insurance assets	480,750,304	539,417,972	89	16.2%	17.3%
Reinsurers' share of insurance technical provisions	195,585,680	136,077,958	144	6.6%	4.4%
Receivables and deferred tax assets	198,805,362	105,169,567	189	6.7%	3.4%
Other assets	2,279,917	1,513,260	151	0.1%	0.0%
Cash and cash equivalents	43,837,154	13,912,991	315	1.5%	0.4%
EQUITY AND LIABILITIES	2,967,718,033	3,118,944,094	95	100.0%	100.0%
Equity	518,422,659	675,221,933	77	17.5%	21.6%
Subordinated liabilities	49,513,973	49,471,831	100	1.7%	1.6%
Insurance technical provisions	1,764,237,598	1,740,373,185	101	59.4%	55.8%
Insurance technical provisions for unit-linked insurance contracts	484,419,572	540,135,052	90	16.3%	17.3%
Other provisions	12,941,361	13,201,284	98	0.4%	0.4%
Deferred tax liabilities	0	4,212,732	0	0.0%	0.1%
Other financial liabilities	161,178	1,690,586	10	0.0%	0.1%
Operating liabilities	61,645,547	34,861,554	177	2.1%	1.1%
Lease liabilities	4,191,152	4,643,844	90	0.1%	0.1%
Other liabilities	72,184,993	55,132,093	131	2.4%	1.8%

6. Risk management

6.1 Risk Management

The third quarter was characterised by uncertainty on the financial markets, a high level of inflation and risks related to energy prices. Slowing economic growth in the European Union, combined with interest rate rises, increase the risk of a recession, which may turn into stagflation if inflationary growth continues.

The aforementioned situation in the financial markets affects market risks, which are lower primarily due to lower equity and debt exposures. Credit risks increased due to higher exposure to cash.

The underwriting risks of traditional life insurance contracts are somewhat lower due to higher interest rates, but there are slightly increased risks in pension insurance contracts, where the risk of guaranteed return is in the foreground. The assessment of non-life underwriting risks did not change significantly in the reporting period; however, despite the consistent pursuit of the pricing policy, the risk of an unpredictable adverse claims inflation in this segment continues to persist.

With the rising inflation rate, human resource risks remain in the foreground, along with salary pressures, which also means an increase in the potential employee turnover risk and the potential recruitment risk related to the current shortage of workers in specific occupations.

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

6.2 Internal audit

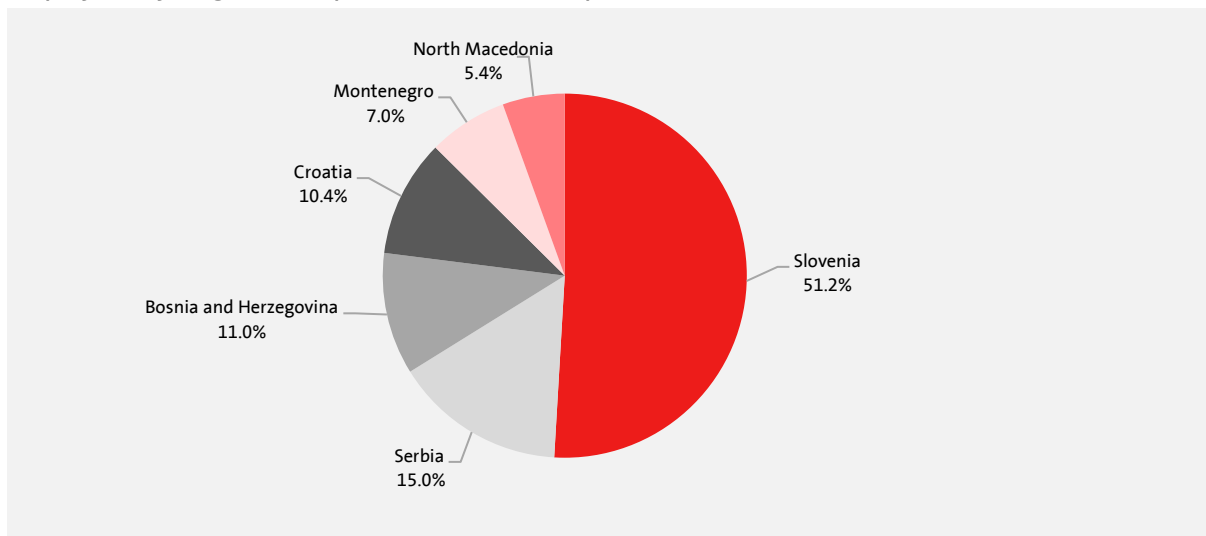
In the first nine months of 2022, the Internal Audit Department complied with its annual work plan. It conducted internal audits of various areas in the Company and the Group. The findings were reported to both the management of the audited areas and to the Company's Management Board. In addition, the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

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

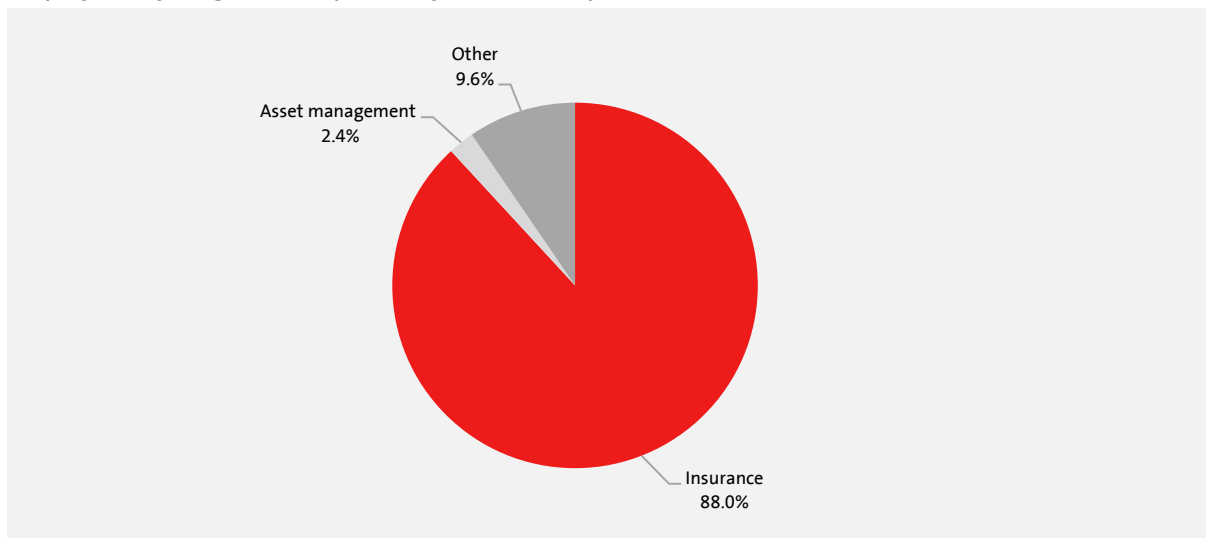
7. Employees of the Triglav Group

The Triglav Group had 5,290 employees as at 30 September 2022, up by 26 employees relative to 31 December 2021. The number of employees increased the most due to new hires at Triglav Osiguranje, Belgrade and Triglav, Zdravstvena zavarovalnica.

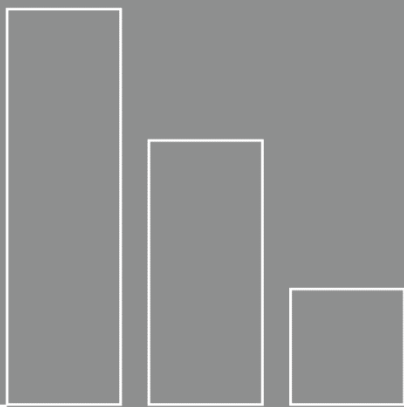
Employees by Triglav Group market as at 30 September 2022



Employees by Triglav Group activity as at 30 September 2022



Accounting Report





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Accounting Report

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Statement of management's responsibility

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

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

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

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

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

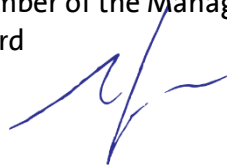
Andrej Slapar
President of the Management
Board



David Benedek
Member of the Management
Board



Uroš Ivanc
Member of the Management
Board



Marica Makoter
Member of the Management
Board



Tadej Čoroli
Member of the Management
Board



Ljubljana, 8 November 2022

1. Financial statements

STATEMENT OF FINANCIAL POSITION	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
ASSETS	4,207,104,538	4,374,353,616	2,967,718,033	3,118,944,094
Intangible assets	115,315,472	107,184,415	72,332,339	67,022,027
Property, plant and equipment	109,375,588	108,655,212	66,837,947	65,143,307
Non-current assets held for sale	640,734	3,812,044	0	0
Deferred tax assets	36,814,872	927,425	31,331,368	0
Investment property	68,648,170	75,110,973	43,710,674	43,840,055
Right of use assets	9,549,519	10,933,109	4,027,155	4,548,298
Investments in subsidiaries	0	0	176,924,131	131,924,683
Investments in associates	37,622,381	36,031,346	41,693,997	41,693,997
- accounted for using the equity method	37,622,381	36,031,346	0	0
- measured at fair value	0	0	41,693,997	41,693,997
Financial investments	2,603,759,852	2,937,700,150	1,640,933,372	1,968,679,979
- loans and deposits	115,984,920	98,104,537	31,686,656	32,521,523
- held to maturity	461,731,219	157,560,733	233,355,973	140,946,233
- available for sale	1,817,726,752	2,137,609,082	1,289,481,775	1,588,390,263
- recognised at fair value through profit and loss	208,316,961	544,425,798	86,408,968	206,821,960
Unit-linked insurance assets	556,901,443	619,617,488	480,750,304	539,417,972
Reinsurers' share of technical provisions	237,249,002	174,839,890	195,585,680	136,077,958
Receivables	305,051,209	212,376,909	167,473,995	105,169,567
- receivables from direct insurance operations	181,370,891	116,855,207	123,227,030	73,516,574
- receivables from reinsurance and co-insurance operations	88,486,646	67,200,932	33,357,477	23,522,340
- current tax receivables	6,746,570	4,127,384	0	564,166
- other receivables	28,447,102	24,193,386	10,889,488	7,566,487
Other assets	6,454,409	4,843,025	2,279,917	1,513,260
Cash and cash equivalents	119,721,887	82,321,630	43,837,154	13,912,991
EQUITY AND LIABILITIES	4,207,104,538	4,374,353,616	2,967,718,033	3,118,944,094
Equity	721,547,309	932,986,869	518,422,659	675,221,933
Controlling interests	717,888,325	930,511,224	518,422,659	675,221,933
- share capital	73,701,392	73,701,392	73,701,392	73,701,392
- share premium	50,304,673	50,283,747	53,412,884	53,412,884
- reserves from profit	421,633,959	421,633,959	404,562,643	404,562,643
- treasury share reserves	364,680	364,680	0	0
- treasury shares	-364,680	-364,680	0	0
- fair value reserve	-123,062,277	77,834,278	-95,686,858	55,884,634
- net profit brought forward	225,899,818	234,588,994	3,540,333	50,944,831
- net profit for the year	72,336,219	75,439,847	78,892,265	36,715,549
- currency translation differences	-2,925,459	-2,970,993	0	0
Non-controlling interests	3,658,984	2,475,645	0	0
Subordinated liabilities	49,513,973	49,471,831	49,513,973	49,471,831
Insurance technical provisions	2,635,218,584	2,576,368,384	1,764,237,598	1,740,373,185
- unearned premiums	467,866,393	370,043,725	311,394,890	246,017,849
- mathematical provisions	1,364,675,145	1,432,613,660	958,801,160	1,008,319,155
- claims provisions	725,704,836	694,498,311	461,761,855	446,567,255
- other insurance technical provisions	76,972,210	79,212,688	32,279,693	39,468,926
Insurance technical provisions for unit-linked insurance contracts	564,638,868	622,303,399	484,419,572	540,135,052
Employee benefits	17,382,006	17,672,133	12,662,189	12,842,304
Other provisions	2,261,708	2,512,536	279,172	358,980
Deferred tax liabilities	0	9,377,034	0	4,212,732
Other financial liabilities	1,814,632	3,085,647	161,178	1,690,586
Operating liabilities	97,582,882	63,341,658	61,645,547	34,861,554
- liabilities from direct insurance operations	25,915,538	19,450,557	14,706,645	10,182,945
- liabilities from reinsurance and co-insurance operations	66,960,097	41,241,465	42,492,323	24,678,609
- current tax liabilities	4,707,247	2,649,636	4,446,579	0
Lease liabilities	10,015,127	11,274,806	4,191,152	4,643,844
Other liabilities	107,129,449	85,959,319	72,184,993	55,132,093

INCOME STATEMENT	Triglav Group		Zavarovalnica Triglav	
	Q1-3 2022	Q1-3 2021	Q1-3 2022	Q1-3 2021
NET PREMIUM INCOME	879,606,042	827,539,307	464,741,172	441,404,774
- gross written premium	1,147,729,456	1,056,197,776	677,357,728	628,008,567
- ceded written premium	-202,733,884	-182,194,501	-176,999,146	-153,486,750
- change in unearned premium reserve	-65,389,530	-46,463,968	-35,617,410	-33,117,043
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	1,659,839	1,217,522	22,865,789	8,159,633
- profit on equity investments accounted for using the equity method	1,659,839	1,217,522	0	0
- other income from investments in subsidiaries and associates	0	0	22,865,789	8,159,633
INCOME FROM INVESTMENTS	54,995,682	97,588,404	30,814,246	69,487,528
- interest income calculated using the effective interest method	24,617,651	25,976,404	13,986,988	14,895,500
- gains on disposals	7,908,330	6,561,374	6,397,549	5,856,846
- other income from investments	22,469,701	65,050,626	10,429,709	48,735,182
OTHER INCOME FROM INSURANCE OPERATIONS	46,050,633	38,179,316	44,529,493	35,439,003
- fees and commission income	37,847,162	31,154,362	39,040,463	30,087,363
- other income from insurance operations	8,203,471	7,024,954	5,489,030	5,351,640
OTHER INCOME	47,301,987	35,154,023	8,923,966	6,294,209
NET CLAIMS INCURRED	561,854,671	528,141,477	269,336,552	274,288,026
- gross claims settled	603,992,399	521,600,646	326,090,657	287,944,665
- reinsurers' share	-41,345,730	-30,192,479	-34,999,696	-26,558,758
- changes in claims provisions	-6,106,365	31,617,640	-21,754,409	12,902,119
- equalisation scheme expenses for supplementary health insurance	5,314,367	5,115,670	0	0
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	-59,247,985	73,053	-42,589,424	-7,616,825
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	-60,136,750	69,522,224	-58,307,873	54,771,596
EXPENSES FOR BONUSES AND DISCOUNTS	8,206,843	16,728,995	6,475,213	6,684,658
OPERATING EXPENSES	216,953,192	197,564,203	137,460,599	126,787,907
- acquisition costs	152,482,754	137,580,966	101,373,013	93,042,164
- other operating costs	64,470,438	59,983,237	36,087,586	33,745,743
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	5,460	89,605	77,160	9,518
- loss on investments accounted for using the equity method	5,460	89,605	0	0
- other expenses from financial assets and liabilities	0	0	77,160	9,518
EXPENSES FROM INVESTMENTS	186,967,228	21,105,690	133,305,732	11,560,787
- loss on impairment of investments	8,671,245	0	5,666,855	0
- loss on disposal of investments	28,679,485	3,770,913	25,977,299	3,571,093
- other expenses from investments	149,616,498	17,334,777	101,661,578	7,989,694
OTHER INSURANCE EXPENSES	44,630,916	39,930,382	20,898,195	19,527,100
OTHER EXPENSES	41,143,034	34,422,277	13,568,577	10,400,697
- expenses from financing	2,026,593	2,065,119	1,694,934	1,709,175
- other expenses	39,116,441	32,357,158	11,873,643	8,691,522
PROFIT BEFORE TAX	89,237,574	92,100,666	91,649,935	64,371,683
Income tax expense	17,112,197	16,915,741	12,757,670	11,837,951
NET PROFIT FOR THE PERIOD	72,125,377	75,184,925	78,892,265	52,533,732
Earning per share	3.17	3.31	-	-
Net profit/loss attributable to the controlling company	72,336,217	74,981,002	-	-
Net profit/loss attributable to the non-controlling interest holders	-210,840	203,923	-	-

	Triglav Group		Zavarovalnica Triglav	
	Q1-3 2022	Q1-3 2021	Q1-3 2022	Q1-3 2021
in EUR				
STATEMENT OF OTHER COMPREHENSIVE INCOME				
Net profit for the period after tax	72,125,377	75,184,925	78,892,265	52,533,732
Other comprehensive income after tax	-201,227,183	-6,304,144	-151,571,492	-5,900,135
Items which will not be transferred in P&L in future periods	0	-28,045	0	-28,045
Actuarial gains/losses for pension plans	0	-28,045	0	-28,045
Items which could be transferred into P&L in future periods	-201,227,183	-6,276,099	-151,571,492	-5,872,090
Fair value gains/losses on available-for-sale financial assets	-255,508,744	-34,136,706	-199,016,018	-33,629,419
– net gains/losses recognized directly in fair value reserve	-234,575,171	-20,524,343	-195,148,350	-20,397,045
– transfers from fair value reserve to income statement	-20,933,573	-13,612,363	-3,867,668	-13,232,374
Liabilities from insurance contracts with DPF	11,541,802	21,796,526	11,541,802	21,796,525
Currency translation differences	46,808	177,193	0	0
Tax on other comprehensive income	42,692,951	5,886,888	35,902,723	5,960,804
COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAX	-129,101,806	68,880,781	-72,679,227	46,633,597
Controlling interest	-128,514,804	68,608,715	-	-
Non-controlling interest	-587,002	272,066	-	-

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 2022	73,701,392	50,283,747	640,340	20,306,673	364,680	-364,680	400,686,946	77,834,278	234,588,994	75,439,847	-2,970,993	930,511,224	2,475,645	932,986,869
Comprehensive income for the period from 1 January 2022 to 30 September 2022	0	0	0	0	0	0	0	-200,896,555	0	72,336,217	45,534	-128,514,804	-587,002	-129,101,806
a) Net profit	0	0	0	0	0	0	0	0	0	72,336,217	0	72,336,217	-210,840	72,125,377
b) Other comprehensive income	0	0	0	0	0	0	0	-200,896,555	0	0	45,534	-200,851,021	-376,162	-201,227,183
Dividend payment	0	0	0	0	0	0	0	0	-84,079,027	0	0	-84,079,027	-22,199	-84,101,226
Allocation of net profit to net profit brought forward	0	0	0	0	0	0	0	0	75,439,845	-75,439,845	0	0	0	0
Changes in consolidation area	0	20,926	0	0	0	0	0	0	-49,994	0	0	-29,068	1,792,540	1,763,472
As at 30 September 2022	73,701,392	50,304,673	640,340	20,306,673	364,680	-364,680	400,686,946	-123,062,277	225,899,818	72,336,219	-2,925,459	717,888,325	3,658,984	721,547,309
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

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 2022	73,701,392	53,412,884	4,662,643	399,900,000	55,884,634	50,944,831	36,715,549	675,221,933
Comprehensive income for the period from 1 January 2022 to 30 September 2022	0	0	0	0	-151,571,492	0	78,892,265	-72,679,227
a) Net profit	0	0	0	0	0	0	78,892,265	78,892,265
b) Other comprehensive income	0	0	0	0	-151,571,492	0	0	-151,571,492
Payment of dividends	0	0	0	0	0	-84,120,047	0	-84,120,047
Allocation of net profit to net profit brought forward	0	0	0	0	0	36,715,549	-36,715,549	0
As at 30 September 2022	73,701,392	53,412,884	4,662,643	399,900,000	-95,686,858	3,540,333	78,892,265	518,422,659
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

CASH FLOW STATEMENT		Triglav Group		Zavarovalnica Triglav	
		Q1-3 2022	Q1-3 2021	Q1-3 2022	Q1-3 2021
A.	OPERATING CASH FLOW				
	Income statement items	151,734,509	189,084,534	88,510,976	100,122,791
	Net written premium for the period	987,343,929	920,721,419	500,358,583	474,521,815
	Investment income (excluding financial income)	19,188,087	18,428,248	7,393,184	8,262,647
	Other operating income (excluding revaluation and provisions reductions) operating revenues and financial income from operating receivables	43,248,527	25,993,054	11,208,895	8,517,785
	Net claims paid	-580,844,350	-493,652,683	-291,090,959	-251,677,311
	Bonuses and rebates paid	-10,334,285	-7,813,341	-6,475,213	-6,684,658
	Net operating expenses excluding depreciation charge and changes in the accrued acquisition expenses	-225,063,484	-209,085,686	-102,369,700	-102,494,721
	Investment expenses (excluding depreciation charge and financial expenses)	-6,002,290	-6,515,718	-5,202,929	-5,162,977
	Other operating expenses excluding depreciation charge (except for revaluations and without increasing provisions)	-58,814,181	-42,096,280	-17,358,416	-12,558,081
	Corporate income tax and other taxes excluded from operating expenses	-16,987,444	-16,894,479	-7,952,469	-12,601,708
	Changes in net current assets-operating balance sheet items	-59,495,520	-62,825,047	-39,712,526	-42,622,041
	Movements in receivables from direct insurance operations	-64,199,235	-45,384,882	-49,692,532	-27,862,830
	Movements in receivables from reinsurance operations	-19,603,494	-24,301,802	-4,117,035	-10,647,415
	Movements in other receivables from (re)insurance operations	-7,962,984	-8,215,013	-5,718,102	-698,426
	Movements in other receivables and assets	-3,405,223	-1,044,436	-811,746	99,802
	Movements in deferred tax assets	-16,703,152	-585,699	0	0
	Movements in inventories	-128,134	-173,965	-88,822	-27,118
	Movements in debts from direct insurance operations	5,407,026	2,493,926	4,507,413	420,804
	Movements in debts from reinsurance operations	28,732,419	18,243,827	17,813,715	4,006,232
	Movements in operating debts	20,975,583	-14,989,373	4,978,018	-9,892,773
	Movements in other liabilities (excluding unearned premiums)	-2,608,326	10,769,980	-6,583,435	1,979,683
	Movements in deferred tax liabilities	0	362,390	0	0
	Net cash from/ (used in) operating activities	92,238,989	126,259,487	48,798,450	57,500,750
B.	CASH FLOWS FROM INVESTING ACTIVITIES				0
	Cash inflows from investing activities	820,071,425	811,116,212	671,420,193	711,417,631
	Cash inflows from interest from investing activities	28,882,779	30,557,020	19,184,453	19,408,130
	Cash inflows from dividends received and profit sharing	5,315,677	12,282,208	26,764,232	11,270,342
	Cash inflows from the disposal of property, plant and equipment	607,662	1,422,816	278,634	315,981
	Cash inflows from the disposal of financial investments	785,265,307	766,854,168	625,192,874	680,423,178
	- Cash inflows from the disposal of investments in subsidiaries and associates	0	0	0	0
	- Other cash inflows from disposal of financial investments	785,265,307	766,854,168	625,192,874	680,423,178
	Cash outflows from investing activities	-788,503,423	-879,076,350	-605,294,137	-726,348,547
	Cash outflows for the purchase of intangible assets	-6,994,912	-5,223,012	-5,506,904	-4,478,490
	Cash outflows for the purchase of property, plant and equipment	-8,155,960	-5,087,242	-5,474,025	-1,936,887
	Cash outflows for the purchase of financial investments	-773,352,551	-868,766,096	-594,313,208	-719,933,170
	- Cash outflows for the purchase of investments in subsidiaries and associates	-35,987	-4,242,381	-44,999,448	-4,292,617
	- Other cash outflows to acquire financial investments	-773,316,564	-864,523,715	-549,313,760	-715,640,553
	Net cash from/ (used in) investing activities	31,568,002	-67,960,138	66,126,056	-14,930,916
C.	CASH FLOWS FROM FINANCING ACTIVITIES				
	Cash inflows from financing activities	0	0	0	0
	Cash outflows from financing activities	-86,415,941	-41,554,841	-85,000,343	-39,518,811
	Cash outflows for paid interest	-324,830	-369,387	-54,728	-46,287
	Cash outflows for payments of short-term financial liabilities	-1,989,888	-2,577,032	-825,568	-822,772
	Cash outflows from dividends paid and profit sharing	-84,101,223	-38,608,422	-84,120,048	-38,649,752
	Net cash from/ (used in) financing activities	-86,415,941	-41,554,841	-85,000,343	-39,518,811
D.	Closing balance of cash and cash equivalents	119,721,887	98,673,955	43,837,154	25,355,245
E1.	Net cash flow for the period	37,391,050	16,744,508	29,924,163	3,051,023
E2.	Foreign exchange differences	9,207	29,783	0	0
F.	Opening balance of cash and cash equivalents	82,321,630	81,899,664	13,912,991	22,304,222

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 2022 has been prepared in accordance with IAS 34 – Interim Financial Reporting.

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

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

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

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

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

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

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

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

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

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

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

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

2.4 Seasonal operations

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

2.5 Segmental analysis of the Triglav Group operations

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION BY SEGMENT

30 September 2022

	Non-life	Life	Health	Other	TOTAL NON-CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
ASSETS	2,248,371,267	2,099,080,485	96,589,668	202,516,656	4,646,558,076	-439,453,538	4,207,104,538
Intangible assets	88,998,179	7,547,422	446,029	18,323,842	115,315,472	0	115,315,472
Property, plant and equipment	91,456,091	10,093,155	1,912,970	5,913,372	109,375,588	0	109,375,588
Non-current assets held for sale	207,917	0	0	432,817	640,734	0	640,734
Deferred tax assets	16,921,083	20,343,049	1,889,696	293,599	39,447,427	-2,632,555	36,814,872
Investment property	46,565,772	1,708,051	0	20,374,347	68,648,170	0	68,648,170
Right of use assets	9,714,962	834,194	502,366	3,281,188	14,332,710	-4,783,191	9,549,519
Investments in subsidiaries	163,223,879	21,451,532	7,500	71,395,813	256,078,724	-256,078,724	0
Investments in associates	37,184,833	437,548	0	0	37,622,381	0	37,622,381
- accounted for using the equity method	37,184,833	437,548	0	0	37,622,381	0	37,622,381
- measured at fair value	0	0	0	0	0	0	0
Financial investments	1,064,599,462	1,421,130,702	79,266,530	40,364,067	2,605,360,761	-1,600,909	2,603,759,852
- loans and deposits	71,258,494	43,215,281	0	3,112,054	117,585,829	-1,600,909	115,984,920
- held to maturity	0	461,731,219	0	0	461,731,219	0	461,731,219
- available for sale	984,352,948	719,006,189	79,266,530	35,101,085	1,817,726,752	0	1,817,726,752
- recognised at fair value through profit and loss	8,988,020	197,178,013	0	2,150,928	208,316,961	0	208,316,961
Unit-linked insurance assets	0	556,901,443	0	0	556,901,443	0	556,901,443
Reinsurers' share of technical provisions	329,627,384	8,307,405	2,943,261	0	340,878,050	-103,629,048	237,249,002
Receivables	342,489,865	9,220,262	6,854,266	17,121,334	375,685,727	-70,634,518	305,051,209
- receivables from direct insurance operations	174,551,303	2,035,134	5,326,608	57,068	181,970,113	-599,222	181,370,891
- receivables from reinsurance and co-insurance operations	144,508,755	86,923	197,367	0	144,793,045	-56,306,399	88,486,646
- current tax receivables	920,712	17,922	0	5,807,936	6,746,570	0	6,746,570
- other receivables	22,509,095	7,080,283	1,330,291	11,256,330	42,175,999	-13,728,897	28,447,102
Other assets	4,449,698	1,042,418	361,652	695,234	6,549,002	-94,593	6,454,409
Cash and cash equivalents	52,932,142	40,063,304	2,405,398	24,321,043	119,721,887	0	119,721,887
EQUITY AND LIABILITIES	2,248,371,267	2,099,080,485	96,589,668	202,516,656	4,646,558,076	-439,453,538	4,207,104,538
Equity	661,147,367	102,662,010	32,681,153	179,957,173	976,447,703	-254,900,394	721,547,309
Controlling interests	661,147,367	102,662,010	32,681,153	179,957,173	976,447,703	-258,559,378	717,888,325
- share capital	119,703,338	75,249,393	20,822,144	103,287,147	319,062,022	-245,360,630	73,701,392
- share premium	43,380,681	39,652,231	0	21,061,946	104,094,858	-53,790,185	50,304,673
- reserves from profit	369,838,432	47,825,525	1,853,961	7,884,580	427,402,498	-5,768,539	421,633,959
- treasury share reserves	0	0	0	364,680	364,680	0	364,680
- treasury shares	0	0	0	0	0	-364,680	-364,680
- fair value reserve	-31,392,453	-99,263,853	-5,444,233	14,277,901	-121,822,638	-1,239,639	-123,062,277
- net profit brought forward	86,573,000	31,916,144	15,665,581	16,144,340	150,299,065	75,600,753	225,899,818
- net profit for the year	74,980,178	8,195,406	-216,300	16,999,346	99,958,630	-27,622,411	72,336,219
- currency translation differences	-1,935,809	-912,836	0	-62,767	-2,911,412	-14,047	-2,925,459
- reserve of disposal group held for sale	0	0	0	0	0	0	0
Non-controlling interests	0	0	0	0	0	3,658,984	3,658,984
Subordinated liabilities	49,513,973	0	0	0	49,513,973	0	49,513,973
Insurance technical provisions	1,282,493,962	1,402,334,959	54,042,133	0	2,738,871,054	-103,652,470	2,635,218,584
- unearned premiums	500,597,265	413,602	3,851,042	0	504,861,909	-36,995,516	467,866,393
- mathematical provisions	0	1,364,675,145	0	0	1,364,675,145	0	1,364,675,145
- claims provisions	749,092,905	22,134,769	18,468,992	0	789,696,666	-63,991,830	725,704,836
- other insurance technical provisions	32,803,792	15,111,443	31,722,099	0	79,637,334	-2,665,124	76,972,210
Insurance technical provisions for unit-linked insurance contracts	0	564,638,868	0	0	564,638,868	0	564,638,868
Employee benefits	13,507,592	2,223,263	865,506	785,645	17,382,006	0	17,382,006
Other provisions	901,679	32,995	97,504	1,229,530	2,261,708	0	2,261,708
Non-current liabilities held for sale and discontinued operations	0	0	0	0	0	0	0
Deferred tax liabilities	573,446	-1,954,309	0	4,025,140	2,644,277	-2,644,277	0
Other financial liabilities	1,988,451	15,996	0	3,087,762	5,092,209	-3,277,577	1,814,632
Operating liabilities	143,315,386	9,041,765	2,586,325	12,278	154,955,754	-57,372,872	97,582,882
- liabilities from direct insurance operations	16,304,736	8,331,675	2,317,907	0	26,954,318	-1,038,780	25,915,538
- liabilities from reinsurance and co-insurance operations	122,360,131	665,640	268,418	0	123,294,189	-56,334,092	66,960,097
- current tax liabilities	4,650,519	44,450	0	12,278	4,707,247	0	4,707,247
Lease liabilities	10,108,987	849,707	510,917	3,491,255	14,960,866	-4,945,739	10,015,127
Other liabilities	84,820,424	19,235,231	5,806,130	9,927,873	119,789,658	-12,660,209	107,129,449

CONSOLIDATED STATEMENT OF FINANCIAL POSITION BY SEGMENT

31 December 2021

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

STATEMENT OF FINANCIAL POSITION BY GEOGRAPHICAL AREA

30 September 2022

	Slovenia	Other	TOTAL NON- CONSOLIDATED	Eliminations	TOTAL CONSOLIDATED
ASSETS	4,100,127,397	546,430,679	4,646,558,076	-439,453,538	4,207,104,538
Intangible assets	92,297,075	23,018,397	115,315,472	0	115,315,472
Property, plant and equipment	72,335,673	37,039,915	109,375,588	0	109,375,588
Non-current assets held for sale	383,358	257,376	640,734	0	640,734
Deferred tax assets	36,793,227	2,654,200	39,447,427	-2,632,555	36,814,872
Investment property	62,921,579	5,726,591	68,648,170	0	68,648,170
Right of use assets	7,908,351	6,424,359	14,332,710	-4,783,191	9,549,519
Investments in subsidiaries	249,867,194	6,211,530	256,078,724	-256,078,724	0
Investments in associates	37,622,381	0	37,622,381	0	37,622,381
- accounted for using the equity method	37,622,381	0	37,622,381	0	37,622,381
- measured at fair value	0	0	0	0	0
Financial investments	2,346,108,631	259,252,130	2,605,360,761	-1,600,909	2,603,759,852
- loans and deposits	58,765,494	58,820,335	117,585,829	-1,600,909	115,984,920
- held to maturity	454,489,885	7,241,334	461,731,219	0	461,731,219
- available for sale	1,639,397,813	178,328,939	1,817,726,752	0	1,817,726,752
- recognised at fair value through profit and loss	193,455,439	14,861,522	208,316,961	0	208,316,961
Unit-linked insurance assets	534,766,577	22,134,866	556,901,443	0	556,901,443
Reinsurers' share of technical provisions	279,813,553	61,064,497	340,878,050	-103,629,048	237,249,002
Receivables	290,813,546	84,872,181	375,685,727	-70,634,518	305,051,209
- receivables from direct insurance operations	129,096,037	52,874,076	181,970,113	-599,222	181,370,891
- receivables from reinsurance and co-insurance operations	127,741,828	17,051,217	144,793,045	-56,306,399	88,486,646
- current tax receivables	6,103,526	643,044	6,746,570	0	6,746,570
- other receivables	27,872,155	14,303,844	42,175,999	-13,728,897	28,447,102
Other assets	3,068,236	3,480,766	6,549,002	-94,593	6,454,409
Cash and cash equivalents	85,428,016	34,293,871	119,721,887	0	119,721,887
EQUITY AND LIABILITIES	4,100,127,397	546,430,679	4,646,558,076	-439,453,538	4,207,104,538
Equity	861,923,010	114,524,693	976,447,703	-254,900,394	721,547,309
Controlling interests	861,923,010	114,524,693	976,447,703	-258,559,378	717,888,325
- share capital	211,194,462	107,867,560	319,062,022	-245,360,630	73,701,392
- share premium	102,205,859	1,888,999	104,094,858	-53,790,185	50,304,673
- reserves from profit	416,213,472	11,189,026	427,402,498	-5,768,539	421,633,959
- treasury share reserves	364,680	0	364,680	0	364,680
- treasury shares	0	0	0	-364,680	-364,680
- fair value reserve	-104,773,717	-17,048,921	-121,822,638	-1,239,639	-123,062,277
- net profit brought forward	140,547,151	9,751,914	150,299,065	75,600,753	225,899,818
- net profit for the year	96,171,103	3,787,527	99,958,630	-27,622,411	72,336,219
- currency translation differences	0	-2,911,412	-2,911,412	-14,047	-2,925,459
Non-controlling interests	0	0	0	3,658,984	3,658,984
Subordinated liabilities	49,513,973	0	49,513,973	0	49,513,973
Insurance technical provisions	2,401,346,114	337,524,940	2,738,871,054	-103,652,470	2,635,218,584
- unearned premiums	384,249,596	120,612,313	504,861,909	-36,995,516	467,866,393
- mathematical provisions	1,269,635,321	95,039,824	1,364,675,145	0	1,364,675,145
- claims provisions	671,523,236	118,173,430	789,696,666	-63,991,830	725,704,836
- other insurance technical provisions	75,937,961	3,699,373	79,637,334	-2,665,124	76,972,210
Insurance technical provisions for unit-linked insurance contracts	542,713,670	21,925,198	564,638,868	0	564,638,868
Employee benefits	14,454,940	2,927,066	17,382,006	0	17,382,006
Other provisions	1,457,486	804,222	2,261,708	0	2,261,708
Deferred tax liabilities	2,025,666	618,611	2,644,277	-2,644,277	0
Other financial liabilities	1,810,305	3,281,904	5,092,209	-3,277,577	1,814,632
Operating liabilities	117,734,814	37,220,940	154,955,754	-57,372,872	97,582,882
- liabilities from direct insurance operations	18,144,518	8,809,800	26,954,318	-1,038,780	25,915,538
- liabilities from reinsurance and co-insurance operations	95,143,717	28,150,472	123,294,189	-56,334,092	66,960,097
- current tax liabilities	4,446,579	260,668	4,707,247	0	4,707,247
Lease liabilities	8,163,044	6,797,822	14,960,866	-4,945,739	10,015,127
Other liabilities	98,984,375	20,805,283	119,789,658	-12,660,209	107,129,449

STATEMENT OF FINANCIAL POSITION BY GEOGRAPHICAL AREA

31 December 2021

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

CONSOLIDATED INCOME STATEMENT BY SEGMENT

	Q1-3 2022				
	Non-life	Life	Health	Other	TOTAL
NET PREMIUM INCOME	533,187,909	193,817,218	152,600,915	0	879,606,042
- gross written premium	796,386,646	198,533,534	152,809,276	0	1,147,729,456
- ceded written premium	-197,976,974	-4,756,910	0	0	-202,733,884
- change in unearned premium reserve	-65,221,763	40,594	-208,361	0	-65,389,530
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	1,659,839	0	0	0	1,659,839
- profit on equity investments accounted for using the equity method	1,659,839	0	0	0	1,659,839
- other income from investments in subsidiaries and associates	0	0	0	0	0
INCOME FROM INVESTMENTS	18,900,367	35,521,841	535,812	37,662	54,995,682
- interest income calculated using the effective interest method	7,279,506	16,938,072	372,456	27,617	24,617,651
- gains on disposals	3,025,475	4,714,319	159,922	8,614	7,908,330
- other income from investments	8,595,386	13,869,450	3,434	1,431	22,469,701
OTHER INCOME FROM INSURANCE OPERATIONS	43,901,282	1,816,550	332,801	0	46,050,633
- fees and commission income	36,056,414	1,790,748	0	0	37,847,162
- other income from insurance operations	7,844,868	25,802	332,801	0	8,203,471
OTHER INCOME	7,582,519	110,216	69,319	39,539,933	47,301,987
NET CLAIMS INCURRED	285,566,677	136,418,802	139,869,192	0	561,854,671
- gross claims settled	333,385,951	138,460,329	132,146,119	0	603,992,399
- reinsurers' share	-40,221,174	-1,125,021	465	0	-41,345,730
- changes in claims provisions	-7,598,100	-916,506	2,408,241	0	-6,106,365
- equalisation scheme expenses for supplementary health insurance	0	0	5,314,367	0	5,314,367
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	387,001	-57,478,462	-2,156,524	0	-59,247,985
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	0	-60,136,750	0	0	-60,136,750
EXPENSES FOR BONUSES AND DISCOUNTS	8,196,249	10,594	0	0	8,206,843
OPERATING EXPENSES	169,840,186	34,639,052	12,473,954	0	216,953,192
- acquisition costs	127,797,812	22,334,498	2,350,444	0	152,482,754
- other operating costs	42,042,374	12,304,554	10,123,510	0	64,470,438
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	3,038	2,422	0	0	5,460
- loss on investments accounted for using the equity method	3,038	2,422	0	0	5,460
- other expenses from financial assets and liabilities	0	0	0	0	0
EXPENSES FROM INVESTMENTS	16,911,939	168,242,417	1,442,947	369,925	186,967,228
- loss on impairment of investments	4,283,383	3,506,616	881,246	0	8,671,245
- loss on disposal of investments	7,818,882	20,377,439	482,820	344	28,679,485
- other expenses from investments	4,809,674	144,358,362	78,881	369,581	149,616,498
OTHER INSURANCE EXPENSES	43,456,749	594,955	579,212	0	44,630,916
OTHER EXPENSES	13,058,003	1,345,916	4,789	26,734,326	41,143,034
- expenses from financing	1,839,188	37,859	0	149,546	2,026,593
- other expenses	11,218,815	1,308,057	4,789	26,584,780	39,116,441
PROFIT BEFORE TAX	67,812,074	7,626,879	1,325,277	12,473,344	89,237,574
Income tax expense	11,990,314	2,268,373	0	2,853,510	17,112,197
NET PROFIT FOR THE PERIOD	55,821,760	5,358,506	1,325,277	9,619,834	72,125,377
Net profit/loss attributable to the controlling company	55,810,980	5,349,651	1,325,277	9,850,309	72,336,217
Net profit/loss attributable to the non-controlling interest holders	10,780	8,855	0	-230,475	-210,840

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

		in EUR	
CONSOLIDATED INCOME STATEMENT BY GEOGRAPHICAL AREA		Q1-3 2022	
	Slovenia	Other	TOTAL
NET PREMIUM INCOME	704,939,421	174,666,621	879,606,042
- gross written premium	921,184,605	226,544,851	1,147,729,456
- ceded written premium	-167,374,559	-35,359,325	-202,733,884
- change in unearned premium reserve	-48,870,625	-16,518,905	-65,389,530
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	1,659,839	0	1,659,839
- profit on equity investments accounted for using the equity method	1,659,839	0	1,659,839
- other income from investments in subsidiaries and associates	0	0	0
INCOME FROM INVESTMENTS	49,130,126	5,865,556	54,995,682
- interest income calculated using the effective interest method	20,075,071	4,542,580	24,617,651
- gains on disposals	7,887,368	20,962	7,908,330
- other income from investments	21,167,687	1,302,014	22,469,701
OTHER INCOME FROM INSURANCE OPERATIONS	38,033,152	8,017,481	46,050,633
- fees and commission income	32,184,484	5,662,678	37,847,162
- other income from insurance operations	5,848,668	2,354,803	8,203,471
OTHER INCOME	41,298,480	6,003,507	47,301,987
NET CLAIMS INCURRED	466,059,903	95,794,768	561,854,671
- gross claims settled	504,712,679	99,279,720	603,992,399
- reinsurers' share	-33,306,147	-8,039,583	-41,345,730
- changes in claims provisions	-10,660,996	4,554,631	-6,106,365
- equalisation scheme expenses for supplementary health insurance	5,314,367	0	5,314,367
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	-64,346,908	5,098,923	-59,247,985
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	-55,422,962	-4,713,788	-60,136,750
EXPENSES FOR BONUSES AND DISCOUNTS	6,469,932	1,736,911	8,206,843
OPERATING EXPENSES	150,480,864	66,472,328	216,953,192
- acquisition costs	101,367,829	51,114,925	152,482,754
- other operating costs	49,113,035	15,357,403	64,470,438
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	5,460	0	5,460
- loss on investments accounted for using the equity method	5,460	0	5,460
- other expenses from financial assets and liabilities	0	0	0
EXPENSES FROM INVESTMENTS	180,339,245	6,627,983	186,967,228
- loss on impairment of investments	8,669,498	1,747	8,671,245
- loss on disposal of investments	28,672,184	7,301	28,679,485
- other expenses from investments	142,997,563	6,618,935	149,616,498
OTHER INSURANCE EXPENSES	39,055,474	5,575,442	44,630,916
OTHER EXPENSES	32,510,360	8,632,674	41,143,034
- expenses from financing	1,744,081	282,512	2,026,593
- other expenses	30,766,279	8,350,162	39,116,441
PROFIT BEFORE TAX	79,909,650	9,327,924	89,237,574
Income tax expense	16,615,925	496,272	17,112,197
NET PROFIT FOR THE PERIOD	63,293,725	8,831,652	72,125,377
Net profit/loss attributable to the controlling company	63,293,725	9,042,492	72,336,217
Net profit/loss attributable to the non-controlling interest holders	0	-210,840	-210,840

	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

2.6 Segmental analysis of Zavarovalnica Triglav's operations

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

in EUR						
STATEMENT OF FINANCIAL POSITION	30 September 2022			31 December 2021		
	Non-life	Life	TOTAL	Non-life	Life	TOTAL
ASSETS	1,480,362,526	1,498,093,635	2,978,456,161	1,425,009,986	1,704,592,224	3,129,602,210
Intangible assets	64,909,107	7,423,233	72,332,340	58,793,824	8,228,203	67,022,027
Property, plant and equipment	58,848,601	7,989,346	66,837,947	57,022,314	8,120,993	65,143,307
Non-current assets held for sale	0	0	0	0	0	0
Deferred tax assets	12,890,705	18,440,663	31,331,368	0	0	0
Investment property	42,935,887	774,787	43,710,674	43,019,770	820,285	43,840,055
Right of use assets	4,027,155	0	4,027,155	4,548,298	0	4,548,298
Investments in subsidiaries	157,444,284	19,479,847	176,924,131	120,444,672	11,480,011	131,924,683
Investments in associates	41,693,997	0	41,693,997	41,693,997	0	41,693,997
- accounted for using the equity method	0	0	0	0	0	0
- measured at fair value	41,693,997	0	41,693,997	41,693,997	0	41,693,997
Financial investments	694,663,266	946,270,105	1,640,933,371	841,558,081	1,127,121,898	1,968,679,979
- loans and deposits	22,017,476	9,669,179	31,686,655	25,488,933	7,032,590	32,521,523
- held to maturity	0	233,355,973	233,355,973	0	140,946,233	140,946,233
- available for sale	672,645,790	616,835,985	1,289,481,775	816,048,831	772,341,432	1,588,390,263
- recognised at fair value through profit and loss	0	86,408,968	86,408,968	20,317	206,801,643	206,821,960
Unit-linked insurance assets	0	480,750,304	480,750,304	0	539,417,972	539,417,972
Reinsurers' share of technical provisions	195,557,967	27,713	195,585,680	135,986,397	91,560	136,077,957
Receivables	171,238,989	6,973,134	178,212,123	113,944,682	1,883,002	115,827,684
- receivables from direct insurance operations	122,979,071	247,958	123,227,029	73,285,008	231,566	73,516,574
- receivables from reinsurance and co-insurance operations	33,357,057	420	33,357,477	23,516,494	5,846	23,522,340
- current tax receivables	0	0	0	564,166	0	564,166
- other receivables	14,902,861	6,724,756	21,627,617	16,579,014	1,645,590	18,224,604
Other assets	2,242,446	37,471	2,279,917	1,463,755	49,505	1,513,260
Cash and cash equivalents	33,910,122	9,927,032	43,837,154	6,534,196	7,378,795	13,912,991
EQUITY AND LIABILITIES	1,480,362,526	1,498,093,635	2,978,456,161	1,425,009,986	1,704,592,224	3,129,602,210
Equity	512,366,025	6,056,635	518,422,660	577,396,816	97,825,117	675,221,933
Controlling interests	512,366,025	6,056,635	518,422,660	577,396,816	97,825,117	675,221,933
- share capital	51,340,540	22,360,852	73,701,392	51,340,540	22,360,852	73,701,392
- share premium	40,344,978	13,067,907	53,412,885	40,344,978	13,067,907	53,412,884
- reserves from profit	359,048,752	45,513,891	404,562,643	359,048,752	45,513,891	404,562,643
- fair value reserve	-7,731,651	-87,955,207	-95,686,858	52,861,390	3,023,244	55,884,634
- net profit brought forward	3,540,333	0	3,540,333	43,310,026	7,634,805	50,944,831
- net profit for the year	65,823,073	13,069,192	78,892,265	30,491,131	6,224,418	36,715,549
Subordinated liabilities	49,513,973	0	49,513,973	49,471,831	0	49,471,831
Insurance technical provisions	778,245,298	985,992,300	1,764,237,598	696,332,340	1,044,040,846	1,740,373,186
- unearned premiums	311,040,926	353,964	311,394,890	245,629,454	388,396	246,017,850
- mathematical provisions	0	958,801,160	958,801,160	0	1,008,319,155	1,008,319,155
- claims provisions	441,255,783	20,506,073	461,761,856	425,072,536	21,494,719	446,567,255
- other insurance technical provisions	25,948,589	6,331,103	32,279,692	25,630,350	13,838,576	39,468,926
Insurance technical provisions for unit-linked insurance contracts	0	484,419,572	484,419,572	0	540,135,052	540,135,052
Employee benefits	10,612,007	2,050,182	12,662,189	10,763,216	2,079,089	12,842,305
Other provisions	262,458	16,714	279,172	342,266	16,714	358,980
Deferred tax liabilities	0	0	0	973,178	3,239,555	4,212,733
Other financial liabilities	161,179	0	161,179	1,690,586	0	1,690,586
Operating liabilities	55,319,776	6,325,771	61,645,547	28,724,774	6,136,780	34,861,554
- liabilities from direct insurance operations	8,386,891	6,319,754	14,706,645	4,053,234	6,129,711	10,182,945
- liabilities from reinsurance and co-insurance operations	42,486,306	6,017	42,492,323	24,671,540	7,069	24,678,609
- current tax liabilities	4,446,579	0	4,446,579	0	0	0
Lease liabilities	4,191,152	0	4,191,152	4,643,844	0	4,643,844
Other liabilities	69,690,658	13,232,461	82,923,119	54,671,134	11,119,071	65,790,206

in EUR

INCOME STATEMENT	Q1-3 2022			Q1-3 2021		
	Non-life	Life	TOTAL	Non-life	Life	TOTAL
NET PREMIUM INCOME	316,486,264	148,254,908	464,741,172	300,915,004	140,489,770	441,404,774
- gross written premium	528,445,105	148,912,623	677,357,728	486,952,940	141,055,627	628,008,567
- ceded written premium	-176,307,116	-692,030	-176,999,146	-152,862,172	-624,578	-153,486,750
- change in unearned premium reserve	-35,651,725	34,315	-35,617,410	-33,175,764	58,721	-33,117,043
INCOME FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	19,153,596	3,712,193	22,865,789	8,159,633	0	8,159,633
- profit on equity investments accounted for using the equity method	0	0	0	0	0	0
- other income from investments in subsidiaries and associates	19,153,596	3,712,193	22,865,789	8,159,633	0	8,159,633
INCOME FROM INVESTMENTS	9,225,247	21,588,999	30,814,246	7,823,337	61,664,191	69,487,528
- interest income calculated using the effective interest method	2,839,259	11,147,729	13,986,988	3,462,340	11,433,160	14,895,500
- gains on disposals	2,226,587	4,170,962	6,397,549	1,255,402	4,601,444	5,856,846
- other income from investments	4,159,401	6,270,308	10,429,709	3,105,595	45,629,587	48,735,182
OTHER INCOME FROM INSURANCE OPERATIONS	40,198,700	4,330,793	44,529,493	31,717,462	3,721,541	35,439,003
- fees and commission income	34,709,706	4,330,757	39,040,463	26,365,888	3,721,475	30,087,363
- other income from insurance operations	5,488,994	36	5,489,030	5,351,574	66	5,351,640
OTHER INCOME	8,314,556	609,410	8,923,966	5,693,885	600,324	6,294,209
NET CLAIMS INCURRED	156,366,593	112,969,959	269,336,552	158,563,321	115,724,705	274,288,026
- gross claims settled	211,919,730	114,170,927	326,090,657	173,542,007	114,402,658	287,944,665
- reinsurers' share	-34,723,643	-276,053	-34,999,696	-26,340,344	-218,414	-26,558,758
- changes in claims provisions	-20,829,494	-924,915	-21,754,409	11,361,658	1,540,461	12,902,119
- equalisation scheme expenses for supplementary health insurance	0	0	0	0	0	0
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS (excluding ULI)	305,689	-42,895,113	-42,589,424	302,466	-7,919,291	-7,616,825
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	0	-58,307,873	-58,307,873	0	54,771,596	54,771,596
EXPENSES FOR BONUSES AND DISCOUNTS	6,475,213	0	6,475,213	6,684,658	0	6,684,658
OPERATING EXPENSES	108,397,597	29,063,002	137,460,599	99,862,810	26,925,097	126,787,907
- acquisition costs	80,960,405	20,412,608	101,373,013	73,958,020	19,084,144	93,042,164
- other operating costs	27,437,192	8,650,394	36,087,586	25,904,790	7,840,953	33,745,743
EXPENSES FROM INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES	77,160	0	77,160	9,518	0	9,518
- loss on investments accounted for using the equity method	0	0	0	0	0	0
- other expenses from financial assets and liabilities	77,160	0	77,160	9,518	0	9,518
EXPENSES FROM INVESTMENTS	12,549,795	120,755,937	133,305,732	3,624,573	7,936,214	11,560,787
- loss on impairment of investments	2,160,465	3,506,390	5,666,855	0	0	0
- loss on disposal of investments	6,491,563	19,485,736	25,977,299	625,205	2,945,888	3,571,093
- other expenses from investments	3,897,767	97,763,811	101,661,578	2,999,368	4,990,326	7,989,694
OTHER INSURANCE EXPENSES	20,349,914	548,280	20,898,195	18,817,978	709,122	19,527,100
OTHER EXPENSES	12,331,157	1,237,420	13,568,577	9,406,411	994,286	10,400,697
- expenses from financing	1,694,860	74	1,694,934	1,709,172	3	1,709,175
- other expenses	10,636,297	1,237,346	11,873,643	7,697,239	994,283	8,691,522
PROFIT BEFORE TAX	76,525,245	15,124,690	91,649,935	57,037,587	7,334,096	64,371,683
Income tax expense	10,702,172	2,055,498	12,757,670	10,431,818	1,406,133	11,837,951
NET PROFIT FOR THE PERIOD	65,823,073	13,069,192	78,892,265	46,605,769	5,927,963	52,533,732

2.7 Significant items of the statement of financial position

Intangible assets

In the reporting period, the book value of intangible assets of the Triglav Group increased by EUR 8.1 million. Long-term deferred acquisition costs have increased by EUR 10 million, while new purchases of licences and software equalled EUR 7.8 million. In the first three quarters of 2022 amortisation reached EUR 9.5 million.

In the reporting period, the book value of intangible assets of Zavarovalnica Triglav increased by EUR 5.3 million. In the separate financial statements, the change mainly refers to the increase in long-term deferred acquisition costs. These have increased by EUR 7.2 million. New purchases of other intangible assets in the amount of EUR 5.5 million primarily relate to the purchase of licences and software. In the first three quarters of 2022 amortisation of intangible assets of Zavarovalnica Triglav amounted to EUR 7.4 million.

Property, plant and equipment

In the first three quarters of 2022 the book value of property, plant and equipment of the Triglav Group increased by EUR 720 thousand. In the reporting period Triglav Group acquired new property, plant and equipment worth EUR 8.6 million and sold it in the carrying amount of EUR 1 million, whereas depreciation of property, plant and equipment amounted to EUR 6.4 million.

In the reporting period, the book value of property, plant and equipment of Zavarovalnica Triglav increased by EUR 1.7 million. In the first three quarters of 2022 Zavarovalnica Triglav acquired new property, plant and equipment worth EUR 5.5 million and sold it in the carrying amount of EUR 221 thousand. In the reporting period, depreciation of property, plant and equipment amounted to EUR 3.6 million.

Investment property

The book value of investment property of the Group decreased by EUR 6.4 million. In the reporting period, the Group purchased investment property in the amount of EUR 1.5 million and sold it in the carrying amount of EUR 7.3 million. In the first three quarters of 2022, depreciation of investment property of the Group amounted to EUR 1.1 million.

In the first three quarters of 2022 the book value of investment property of Zavarovalnica Triglav decreased by EUR 129 thousand. Zavarovalnica Triglav purchased new investment property worth EUR 755 thousand and sold it in the carrying amount of EUR 158 thousand. In the reporting period, depreciation of investment property amounted to EUR 726 thousand.

The carrying amount of real property recognised as non-current assets held for sale decreased by EUR 3.2 million as a result of the sale.

Financial investments

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

In the first nine months of 2022, the carrying amount of the Triglav Group's financial investments decreased by EUR 334 million, and that of Zavarovalnica Triglav by EUR 328 million. The fall in the value of financial investments is to the greatest extent due to the rise in interest rates on the financial markets as well as the fall in value on the stock markets, as a result of which the value of the Triglav Group's financial assets declined by EUR 250 million in the first nine months of 2022 (by EUR 24 million in the corresponding period last year), while the value of Zavarovalnica Triglav's financial assets decreased by EUR 198 million (by EUR 21 million in the corresponding period last year).

The fall in the value of available-for-sale financial assets is also significantly reflected in comprehensive income, which in the first nine months of 2022 was negative at the Group level in the amount of EUR 129 million (compared to EUR 69 million in the corresponding period of 2021). Zavarovalnica Triglav also generated a negative comprehensive income of EUR 73 million in the reporting period, whereas it was positive in the amount of EUR 47 million in the corresponding period last year.

A further drop in the value of the Group's financial assets in the amount of EUR 40 million resulted from a negative net effect of purchase, sale and maturity in the reporting period, whereas it was positive in the amount of EUR 42 million in the corresponding period last year. A similar effect was seen in Zavarovalnica Triglav's financial assets. In the first nine months of 2022, the net effect of purchase, sale and maturity was negative in the amount of EUR 115 million, whereas it was positive in the amount of EUR 11 million in the corresponding period last year.

Triglav Group	in EUR			
	Carrying amount		Fair value	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Loans and deposits	115,984,920	98,104,537	117,032,320	99,906,383
Held to maturity	461,731,219	157,560,733	445,355,400	191,798,392
Available for sale	1,817,726,752	2,137,609,082	1,817,626,752	2,137,609,082
Investments recognised at fair value	208,316,961	544,425,798	208,316,961	544,425,798
TOTAL	2,603,759,852	2,937,700,150	2,588,331,433	2,973,739,655

Zavarovalnica Triglav	in EUR			
	Carrying amount		Fair value	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Loans and deposits	31,686,656	32,521,523	31,136,720	32,135,431
Held to maturity	233,355,973	140,946,233	235,916,141	173,901,172
Available for sale	1,289,481,775	1,588,390,263	1,289,481,775	1,588,390,263
Investments recognised at fair value	86,408,968	206,821,960	86,408,968	206,821,960
TOTAL	1,640,933,372	1,968,679,979	1,642,943,604	2,001,248,826

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

Triglav Group

Values as at 30 September 2022						in EUR
	L&R	HTM	AFS	FVTPL	Total	
Equity instruments	0	0	199,780,055	63,127,974	262,908,029	
Debt instruments	7,614,014	461,731,219	1,616,354,662	145,188,987	2,230,888,882	
Derivative financial instruments	0	0	0	0	0	
Loans	108,370,906	0	1,592,035	0	109,962,941	
Total	115,984,920	461,731,219	1,817,726,752	208,316,961	2,603,759,852	

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

Zavarovalnica Triglav

Values as at 30 September 2022						in EUR
	L&R	HTM	AFS	FVTPL	Total	
Equity instruments	0	0	160,180,676	17,579,301	177,759,977	
Debt instruments	6,029,009	233,355,973	1,127,709,064	68,829,667	1,435,923,713	
Derivative financial instruments	0	0	0	0	0	
Loans	25,657,647	0	1,592,035	0	27,249,682	
Total	31,686,656	233,355,973	1,289,481,775	86,408,968	1,640,933,372	

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

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.

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
Equity instruments	536,375,146	594,267,074	475,103,330	529,598,379
Debt instruments	20,526,297	25,350,414	5,646,974	9,819,593
Cash of the KSNT fund	7,737,425	2,685,911	3,669,268	717,080
Total unit-linked insurance assets	564,638,868	622,303,399	484,419,572	540,135,052
Insurance technical provisions for unit-linked life insurance assets	564,638,868	622,303,399	484,419,572	540,135,052

Both the Triglav Group and Zavarovalnica Triglav disclose the cash of the KSNT fund in the statement of financial position under “cash and cash equivalents”.

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 2022				in EUR
	Level 1	Level 2	Level 3	Total
Equity securities	159,616,707	1,345,598	103,537,759	264,500,064
Debt securities	416,000,166	1,345,534,588	8,895	1,761,543,649
Derivative financial instruments	0	0	0	0
Unit-linked financial assets	540,738,573	15,826,922	335,948	556,901,443
Total	1,116,355,446	1,362,707,108	103,882,602	2,582,945,156

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

In the first nine months of 2022, the Triglav Group reclassified financial assets of EUR 230 million (compared to Q1-2 2021: EUR 625 million) from Level 1 to Level 2 and financial assets of EUR 210 million (compared to Q1-3 2021: EUR 101.7 million) from Level 2 to Level 1. Financial assets of EUR 764 thousand were reclassified from Levels 1 and 2 to Level 3.

Zavarovalnica Triglav

As at 30 September 2022				in EUR
	Level 1	Level 2	Level 3	Total
Equity securities	84,534,423	0	94,817,589	179,352,012
Debt securities	343,183,969	853,354,762	0	1,196,538,731
Derivative financial instruments	0	0	0	0
Unit-linked financial assets	476,030,446	4,719,858	0	480,750,304
Investments in associates	0	0	41,693,997	41,693,997
Total	903,748,838	858,074,620	136,511,586	1,898,335,044

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

In the first nine months of 2022, Zavarovalnica Triglav reclassified financial assets of EUR 163.8 million (compared to Q1-3 2021: EUR 483 million) from Level 1 to Level 2 and financial assets of EUR 189.6 million (compared to Q1-3 2021: EUR 71.5 million) from Level 2 to Level 1. No financial assets were reclassified from Levels 1 and 2 to Level 3.

Value assessment techniques and inputs used for measurement purposes

Financial investment type	Value assessment method	Material parameters	Parameter weight applied	Fair value
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 indices		Level 2
Debt securities – compound with exposure to stock markets	Stochastic model	EUR SWAP interest rate curve, issuer credit spreads, comparable issuer credit spreads, interest rate volatility, volatility indices		Level 2
Derivatives	Black-Scholes model	Index volatility		Level 2
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 1.31%	Level 2
Debt securities - companies and financial institutions	Cash flow discounting according to amortisation schedule	Republic of Slovenia interest rate yield curve, issuer credit spreads	yield curve issued by Republic of Slovenia (Bloomberg ID: I259 Currency); credit spread between 1.77% and 4.38%	Level 2
Equity securities	Cash flow discounting	g (growth rate during constant growth period)	2.0%	Level 3
		EBIT margin (constant growth period)	16.10% - 36.11%	
		Discount rate	9.29% - 11.18%	
		Lack of marketability discount	6.50% - 18%	
		NAV method	Real property price changes	
Market approach	MVIC/EBITDA			
Equity investment in associates	Equity method	Accumulated gains and losses		Level 3
Real property for own use	Income approach, market approach, land residual method (analysis of the most economical use of development)	Capitalisation rate, market prices of comparable real property	7.5% - 15% depending on risk/location	Level 3
Investment property			Market values based on information available	

Changes of Level 3 financial assets

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	2022	2021	2022	2021
Opening balance as at 1 January	92,768,593	71,939,935	126,775,924	97,319,449
Purchases	6,332,249	24,726,791	6,122,970	26,096,066
Disposals	-2,138,696	-13,013,866	-2,138,470	-12,562,731
Revaluations through income statement	414,305	224,407	8,410	434,704
Revaluations through Equity	5,742,752	3,360,212	5,742,752	3,360,149
Transfers from Level 1 and Level 2	763,753	0	0	0
Merger	0	-299,404	0	0
Exchange rate difference	-354	3,188	0	0
Closing balance as at 30 September	103,882,602	86,941,263	136,511,586	114,647,637

The value of the Triglav Group's financial assets classified into Level 3 decreased in the first nine months of 2022 primarily due to lower payments into venture capital funds. Disposals relate entirely to payouts from these funds. Revaluation through capital is the result of the favourable movement of the value of alternative funds in the reporting period.

Subordinated debt instruments

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

Contingent liabilities

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

Distribution of accumulated profit

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

2.8 Changes in equity stakes in subsidiaries and business combinations

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

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

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

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

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

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

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

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

Capital increase of Triglav, pokojninska družba d.d.

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

The first consolidation of Triglav Fondovi d.o.o.

In the third quarter of 2022, Triglav Fondovi d.o.o. was for the first time included in the Triglav Group's consolidated financial statements under the full consolidation method. Up to and including the first half of 2022, the company was included in the consolidated financial statements using the equity method due to immateriality. Due to the nature and scope of business, the company may become material for the consolidated financial statements in the future, therefore, with the aim of greater transparency, it became subject to full consolidation. As a result of the first consolidation of said company, the Triglav Group's balance sheet total as at 30 September 2022 increased by EUR 3.9 million and, consequently, the minority interests increased by EUR 1.8 million. There were no effects on the consolidated income statement from this transaction.

The capital increase of Triglav upravljanje nekretninama d.o.o., Sarajevo

Triglav Osiguranje d.d., Sarajevo and Autocentar BH d.o.o. increased the capital of Triglav upravljanje nekretninama d.o.o., Sarajevo with in-kind contributions in the total amount of EUR 577 thousand. Through this capital increase, due to disproportionate contributions, the participating interests changed as follows: Triglav osiguranje d.d., Sarajevo became a 25.13% (previously 100%) owner of Triglav upravljanje nekretninama d.o.o., Sarajevo, while Autocentar BH d.o.o. is the 74.85% owner of said company (before the capital increase it did not have any participating interest in the company). The Triglav Group's participating interest did not change

with the aforementioned capital increase. The capital increase did not have an impact on the Group's consolidated financial statements.

Capital increase of Triglav osiguranje d.d., Banja Luka

Triglav INT d.o.o. increased the capital of Triglav osiguranje d.d., Banja Luka through the in-cash contribution of EUR 1 million. With the capital increase, Triglav INT d.o.o. remained a 100% owner of said company. The capital increase had no impact on the Group's consolidated financial statements.

2.9 Related party transactions

Revenues of the Management and Supervisory Board

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

	in EUR						
First and last name	Fixed remuneration – gross (1)*	Variable remuneration (bonuses) – gross (2)	Total gross (3=1+2)	Total remuneration – net (4)	Insurance premium – benefits and SVPI (5)**	Other benefits (6)***	Total benefits and SVPI (7=5+6)
Andrej Slapar	158,406	56,210	214,616	80,838	55,999	6,577	62,576
Uroš Ivanc	150,600	53,399	203,999	79,865	40,936	750	41,686
Tadej Čoroli	150,600	53,399	203,999	79,062	40,935	3,609	44,544
Barbara Smolnikar	150,869	53,399	204,268	78,702	40,882	3,796	44,678
David Benedek	150,600	34,786	185,386	70,696	40,937	4,508	45,445
Marica Makoter	150,600	53,399	203,999	78,395	40,937	3,261	44,198
TOTAL	911,675	304,592	1,216,267	467,558	260,626	22,501	283,127

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

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

*** Other benefits include company cars.

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

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

in EUR			
Liabilities as at 30 September 2022			
First and last name	Deferred variable remuneration (bonuses) – gross (1)	Fixed remuneration (salary) – gross, jubilee benefits and reimbursement (2)	Total liabilities (3=1+2)
Andrej Slapar	62,870	17,601	80,471
Uroš Ivanc	59,727	16,792	76,519
Tadej Čoroli	59,727	16,735	76,462
Barbara Smolnikar	59,727	16,774	76,501
David Benedek	56,303	16,902	73,205
Marica Makoter	59,727	16,719	76,446
TOTAL	358,081	101,523	459,604

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

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

in EUR

First and last name	Flat-rate remuneration – gross (1)	Attendance fees – gross (2)	Total gross (1+2)	Total net	Travel expenses – gross	Travel expenses – net
Andrej Andoljšek	17,500	1,595	19,095	13,888	2,593	1,886
Branko Bračko	14,750	1,595	16,345	11,888	692	503
Tomaž Benčina	13,750	2,255	16,005	11,640	622	452
Peter Kavčič	15,000	2,695	17,695	12,870	1,336	972
Igor Stebernak	12,500	2,475	14,975	9,865	316	208
Jure Valjavec	12,500	2,255	14,755	10,731	240	175
Peter Celar	12,500	2,255	14,755	10,731	429	312
Branko Gorjan	12,500	1,595	14,095	10,251	240	175
Igor Zupan	12,500	2,475	14,975	10,891	240	175
Luka Kumer*	5,000	1,375	6,375	4,637	0	0
TOTAL	128,500	20,570	149,070	107,392	6,710	4,858

* External members sitting on committees and the Supervisory Board.

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

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

* External members sitting on committees and the Supervisory Board.

Transactions with subsidiaries

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

	in EUR	
	30 September 2022	31 December 2021
ASSETS		
Right of use Asset	780,674	888,293
Shares	176,924,131	131,924,683
Debt securities and loans	1,240,858	2,146,807
Insurance premium receivables from policyholders	2,651	10,027
Premium receivable from re-insurance	6,676,168	7,002,697
Receivables from co-insurers' share in claim	721	2,630
Receivables from re-insurers' share in claim	10,819,506	6,478,503
Other short-term receivables from insurance operation	110,762	228,795
Short term receivables from financing	2,430,076	21,531
Other short-term receivables	667,628	752,713
Short-term deferred expenses	79,529	30,732
LIABILITIES		
Liabilities to policyholders	3,032	17,925
Liabilities to agents and brokers	437,127	419,562
Liabilities for co-insurance premiums	33,971	24,248
Liabilities for re-insurance premiums	15,392,613	10,967,485
Liabilities for re-insurers' share in claims	3,505,086	5,909,345
Other short-term liabilities	197,986	174,610
Lease liabilities	812,547	915,166

	in EUR	
	Q1-3 2022	Q1-3 2021
INCOME AND EXPENSES		
Gross written premium and active reinsurance premium	18,631,420	27,821,860
Outward re-/co-insurance premium	-84,259,365	-65,273,936
Total net income from insurance operations	-65,627,945	-37,452,076
Reinsurance commission income	21,002,077	13,751,596
Other income from insurance operations	1,016,175	1,078,011
Interest income	31,941	158,696
Other insurance income	843,951	787,812
Fees and commission income	4,047,743	3,464,427
Income from land and buildings	665,439	525,886
Other income	425,957	432,329
Dividends	22,701,768	8,000,000
Other income from financial assets	68,735	938
Total other income	50,803,786	28,199,695
Gross claims settled	8,824,128	1,378,089
Re-/co-insurers' share in gross claim	-23,183,510	-20,822,483
Total net claims incurred	-14,359,382	-19,444,394
Expenses for reinsurance premiums	-4,327,410	-3,387,770
Other financial expenses	-77,160	-9,518
Interest expenses	-15,341	-15,465
Depreciation of right of use assets	-90,701	-92,484
Total other expenses	-4,510,612	-3,505,237
TOTAL INCOME/EXPENSES	-24,672,929	-25,191,538

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 2022	31 December 2021	30 September 2022	31 December 2021	
ASSETS					
Shares	37,622,381	36,031,346	41,693,997	41,693,997	
Receivables from insurers	1,499	8,857	1,499	8,693	
LIABILITIES					
Liabilities to agents and brokers	7,086	2,250	6,943	4,446	
Other short - term liabilities	752	1,561	0	0	
Accrued expenses	626	450	0	0	

	Triglav Group		Zavarovalnica Triglav		in EUR
	Q1-3 2022	Q1-3 2021	Q1-3 2022	Q1-3 2021	
Gross written premium	69,463	84,276	69,463	82,804	
Income from dividends	0	0	63,345	0	
TOTAL INCOME	69,463	84,276	132,808	82,804	
Gross claims settled	-2,567	-6,352	-2,567	-6,352	
Acquisition costs	-1,648	-1,504	0	0	
Other expenses	-30,000	0	0	0	
TOTAL EXPENSES	-34,215	-7,856	-2,567	-6,352	

Transactions with shareholders and shareholder-related companies

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

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

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

2.10 Significant events after the reporting date

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

The following changes in the Management Board of Zavarovalnica Triglav d.d. are considered a significant non-adjusting event. At its session on 17 October 2022, the Supervisory Board of Zavarovalnica Triglav agreed with the proposal of the President of the Management Board to appoint Blaž Jakič a new Management Board Member and approved the agreement on the termination of the term of office of the Management Board Member David Benedek. Blaž Jakič was appointed for a five-year term of office. The decision will enter into force upon the fulfilment of the conditions precedent, including obtaining the authorisation of the Slovenian Insurance Supervision Agency to perform the function of a management board member. The term of office of the Management Board Member Barbara Smolnikar ended on 17 October 2022.