

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

Ljubljana, March 2026



Solvency and Financial Condition Report

Zavarovalnica Triglav, d.d.,
2025

triglav

Skupina Triglav
triglav.eu

This document is a translation of the original Slovenian version and is intended to be used for informational purposes only. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the Slovenian original is binding.

Zavarovalnica Triglav, d.d.

€ 479.7 million

Solvency capital requirement

€ 113.6 million

Net profit in 2025

€ 1,910.7 million

Gross written premiums in 2025

€ 151.5 million

Minimum capital requirement

€ 2,427.6 million

Investments

€ 1,242.9 million

Eligible own funds

259%

Solvency ratio

MEMBERS OF THE MANAGEMENT BOARD OF ZAVAROVALNICA TRIGLAV

President of the Management Board:

Andrej Slapar



Members of the Management Board:

Uroš Ivanc



Tadej Čoroli



Marica Makoter



Blaž Jakič



Ivica Vulić



Ljubljana, March 2026

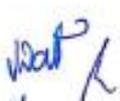


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Summary

Summary

Solvency and Financial Condition of Zavarovalnica Triglav, d.d. for 2025 (hereinafter: Company's SFCR) has been prepared in accordance with the Insurance Act, Solvency II Directive¹, the Commission Delegated Regulation² (hereinafter: Delegated Regulation), the Commission Implementing Regulation³ and the Guidelines on reporting and public disclosure EIOPA-BoS-15/109. The structure of the report follows Annex XX of the Delegated Regulation and covers the financial year 2025. All calculations are prepared as at 31 December 2025 and 31 December 2024. The amounts in the tables are presented in thousands of euros, in line with Article 2 of the Implementing Regulation. Due to rounding, the numbers presented may not add up precisely to the totals, and percentages may not precisely reflect the absolute figures. Information is provided in sufficient detail to provide the reader with a comprehensive view of the solvency and financial condition of Zavarovalnica Triglav.

Zavarovalnica Triglav is a public limited company with its headquarters in Slovenia where it holds the leading position on the insurance market with a 32.4 percent market share (34.2 percent the year before). The beginnings of its operations go back 126 years. Zavarovalnica Triglav (hereinafter: the Company) is the parent company of the Triglav Group (hereinafter: the Group) that includes 29 subsidiaries, 10 associated companies and 13 joint ventures in addition to the Company at the end of 2025. The Group operates in six countries of the broader Adria region. The Group and thereby the Company as well as the subsidiary Pozavarovalnica Triglav Re, d.d. (hereinafter: Pozavarovalnica Triglav RE) are rated by two renowned ratings agencies, S&P Global Ratings and AM Best. In 2025, S&P Global Ratings upgraded the Group's financial strength and credit rating from "A" to "A+", and AM Best affirmed its "A" credit rating. Both assessments have a stable medium-term outlook, which confirms the financial stability, high capital adequacy, and profitability of the Group's operations. The Company's activities are supervised by the Slovenian regulator Insurance Supervision Agency, and its external auditor for the financial year 2025 is the audit company Deloitte revizija d.o.o.

The strategic activities of the Company include the **insurance activities and asset management activities**. As part of its insurance activities, the Company concludes non-life, health, life, and pension insurance as well as the reinsurance activity. It operates primarily on the Slovenian market, and as of 2025, the Company, in cooperation with the Italian insurance agency Prima Assicurazioni S.p.A (hereinafter: Prima), has expanded its operations to the Italian motor vehicle insurance market, which has significantly increased the overall scope of the Company's business.

The Company is managed and governed according to a two-tier system of governance including the General Meeting of Shareholders, the Supervisory Board, and the Management Board. At the end of 2025, the Management Board comprised five members. The Supervisory Board was

¹ Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)

² Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)

³ Commission Implementing Regulation (EU) 2023/894 of 4 April 2023 laying down implementing technical standards for the application of Directive 2009/138/EC of the European Parliament and the Council with regard to the templates for the submission by insurance and reinsurance undertakings to their supervisory authorities of information necessary for their supervision and repealing Implementing Regulation (EU) 2015/2450

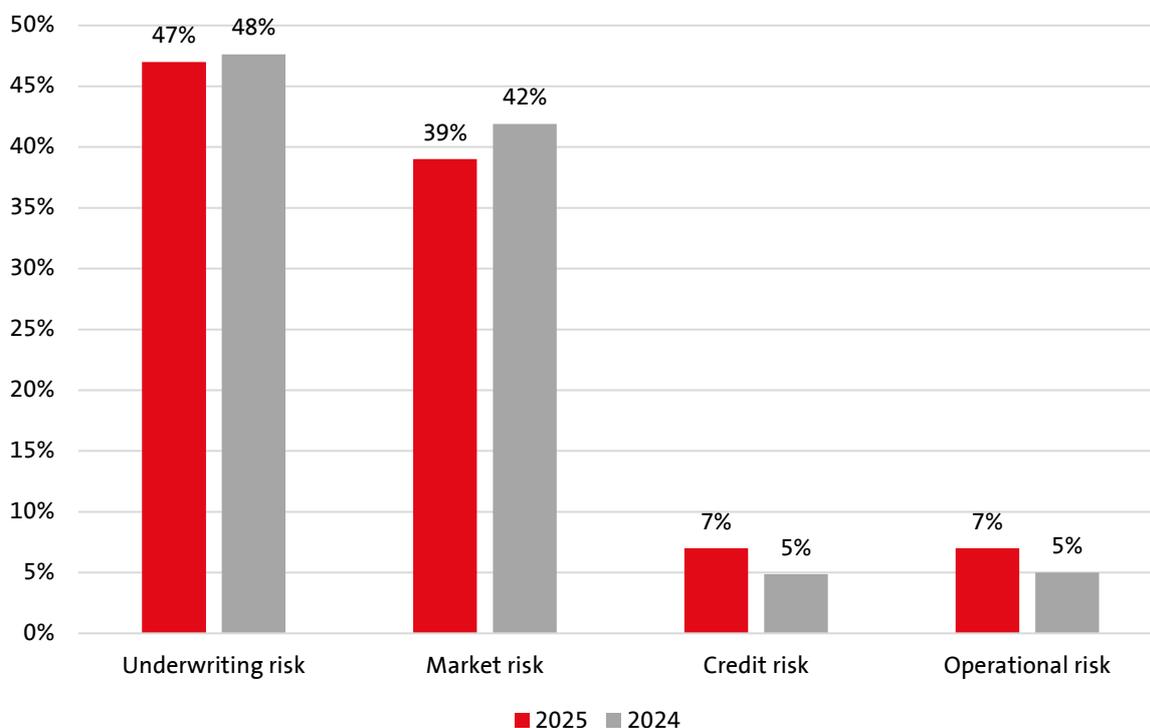
composed of seven members at the end of 2025 with one of them serving as employee representative. The Company's system of governance also includes four key functions that report directly to the Management Board (risk management function, compliance function, internal audit function, and actuarial function) and nine risk management system committees that are appointed by the Management Board. Their work is placed into the second line of defence of the three lines of defence model of risk management. The work of the Company's committees is described in detail in Section B.3.4 of this report.

In 2025, the Company operated successfully and profitably in all business segments. With the aim of simplifying and optimising the Group's operations, in 2025 the Company transferred the entire activity of voluntary supplementary pension insurance in the savings phase (hereinafter also: PDPZ) and management of backing funds from the Company to the specialised subsidiary Triglav, pokojninska družba, d.d. (hereinafter: Triglav, pokojninska družba).

Regarding risks, the Company ended 2025 within the set targets, and with capital adequacy within the target range. The Company regularly monitors risk profile and actively upgrades individual areas of the risk management system, especially where elevated risk or higher exposures are detected.

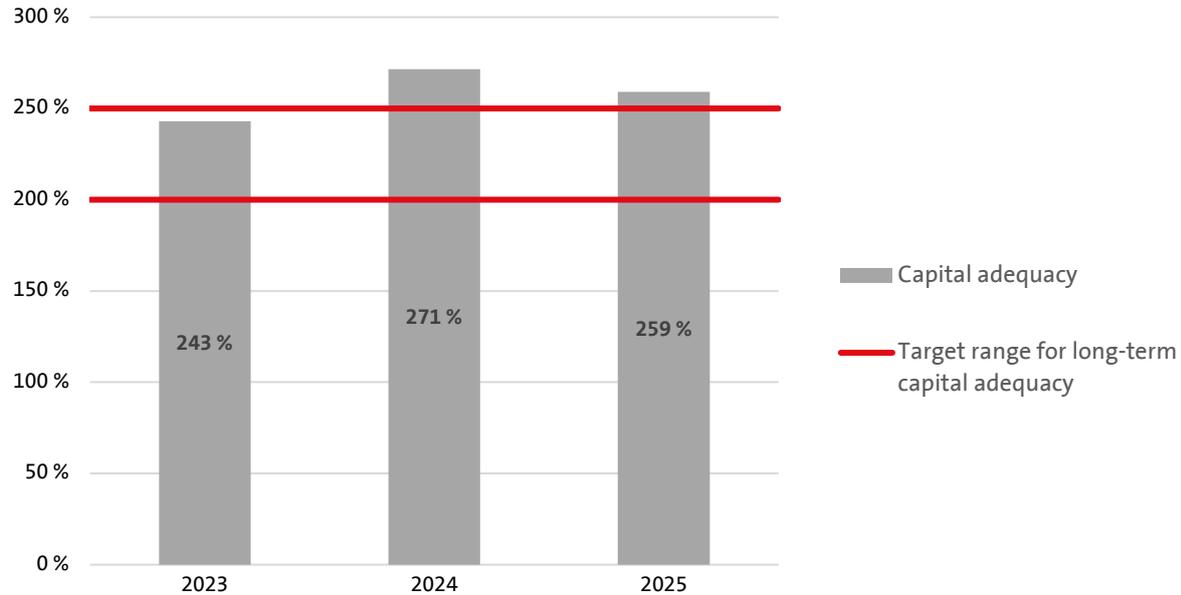
The risk profile of the Company as at 31 December 2025 changed compared to the previous year, mainly due to commencement of business operations on the Italian market. The share of market risk decreased as well as the share of underwriting risk. The share of credit risk and operational risk increased slightly compared to the previous year. In terms of volume, the Solvency Capital Requirement increased by EUR 63.3 million compared to the previous year. Additional information on risk assessment is presented in Section C of this report.

Chart 1: Company's risk profile



Capital adequacy or solvency ratio is calculated according to the standard formula of Delegated Regulation (hereinafter: standard formula) as the ratio of eligible own funds to the Solvency Capital Requirement. The Company was adequately capitalized as at 31 December 2025. It had sufficient eligible own funds to cover both the Solvency Capital Requirement (the ratio stood at 259 percent) and the Minimum Capital Requirement (the ratio stood at 740 percent). The Company does not use any adjustments or simplifications in determining capital adequacy.

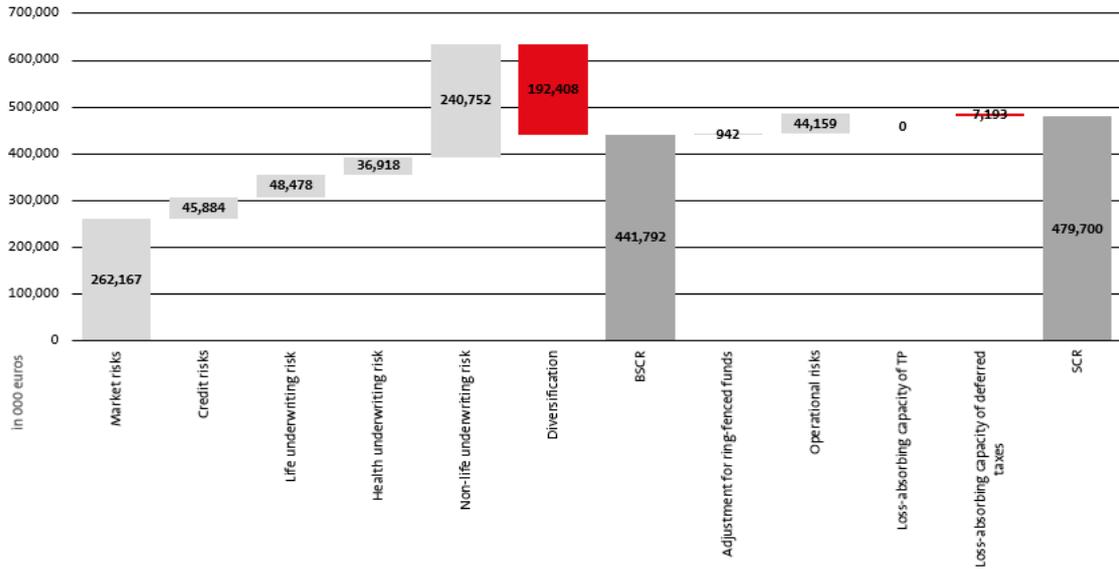
Chart 2: Company's Capital adequacy



Eligible own funds are calculated as the difference between assets and liabilities whereby the entire balance sheet is valued at fair value. The difference between assets and liabilities is composed of the Company's share capital (EUR 73.7 million), the reconciliation reserve (EUR 1,017.0 million), and subordinated liabilities as Tier 2 own funds (EUR 152.2 million). The Company did not have net deferred tax assets as Tier 3 own funds in 2025. The calculation of eligible own funds considers the dividend policy guidelines. The Company holds the highest quality own funds and thus classifies its entire share capital and the reconciliation reserve as Tier 1 own funds, while it classifies subordinated bonds as Tier 2 own funds.

The **Solvency Capital Requirement** of the Company is calculated using the standard formula, without any simplification. It represents the sum of capital requirements of its main risks and accounts for the diversification between them. The Company has a ring-fenced fund, i.e. PDPZ renta⁴, for which risks are calculated separately for each risk type under the standard formula and are presented in more detail in Section E of this report.

⁴ Prostovoljno dodatno pokojninsko zavarovanje v izplačevanju.

Chart 3: Structure of the Company's Solvency Capital Requirement

At the end of 2025, 86.7 percent of the Company's undiversified Solvency Capital Requirement derived from underwriting and market risk. Most of its own funds are classified, in terms of quality, as Tier 1 own funds. In 2025, the Company recorded strong operating performance, maintained its capital strength, and carefully followed the outlined strategic guidelines and objectives in its operations.

A.

Business and performance

- A.1 Business
- A.2 Underwriting performance
- A.3 Investment performance
- A.4 Performance of other activities
- A.5 Any other information

The background image shows a mountainous landscape with hikers on a rocky trail. A large, semi-transparent circular graphic is overlaid on the left side of the page, containing the text and list. The overall color palette is warm, with shades of orange, brown, and grey.

Business and performance

- A.1 Business
- A.2 Underwriting performance
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- A.5 Any other information

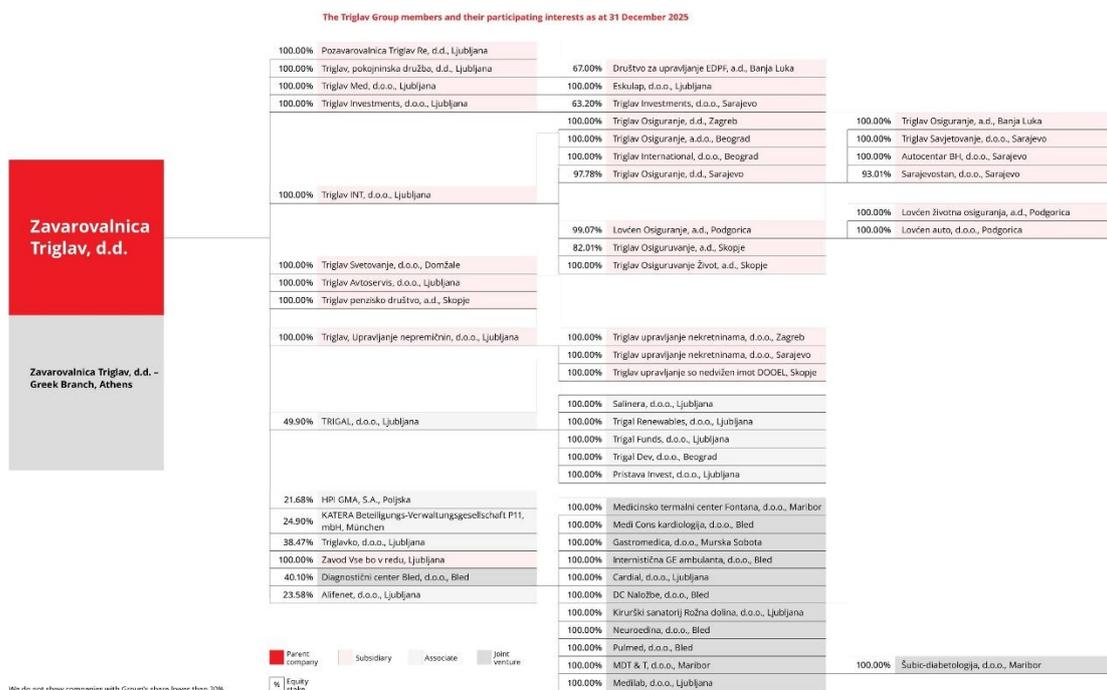
A. Business and performance

A.1 Business

A.1.1 About the Company

Zavarovalnica Triglav, d.d., with headquarters in Ljubljana, Miklošičeva 19, is the parent company of the Group, which comprises 29 subsidiaries, 10 associated companies and 13 joint ventures in addition to the Company. Below is the schematic presentation of the Group's subsidiaries and associated companies as well as their respective participating interests as at 31 December 2025.

Figure 1: Schematic of the Group's subsidiaries and associated companies and their respective participating interests as at 31 December 2025



The Company performs the insurance and reinsurance activities as well as asset management activity. As part of its insurance business, the Company offers non-life, health, life, and pension insurance. The Company operates primarily on the Slovenian market however, it also operates in the broader international environment through partnerships with foreign companies involved in insurance agency and brokerage as well as reinsurance. The Company held a market leader position in Slovenia with a market share of 32.4 percent at the end of 2025 (34.2 percent share in 2024).

In addition to insurance and reinsurance activities, the Company also conducts activity of asset management which includes management of insurance portfolios (assets backing liabilities and backing funds, saving of clients via insurance services and investments in the Company's mutual funds. Asset management assures adequate funds for the payment of contractual liabilities and the maintenance of capital adequacy.

A.1.2 Supervisory body

The Company's supervisory body is:

Insurance Supervision Agency (hereinafter: AZN),
Trg republike 3,
1000 Ljubljana,
Slovenia

A.1.3 External audit

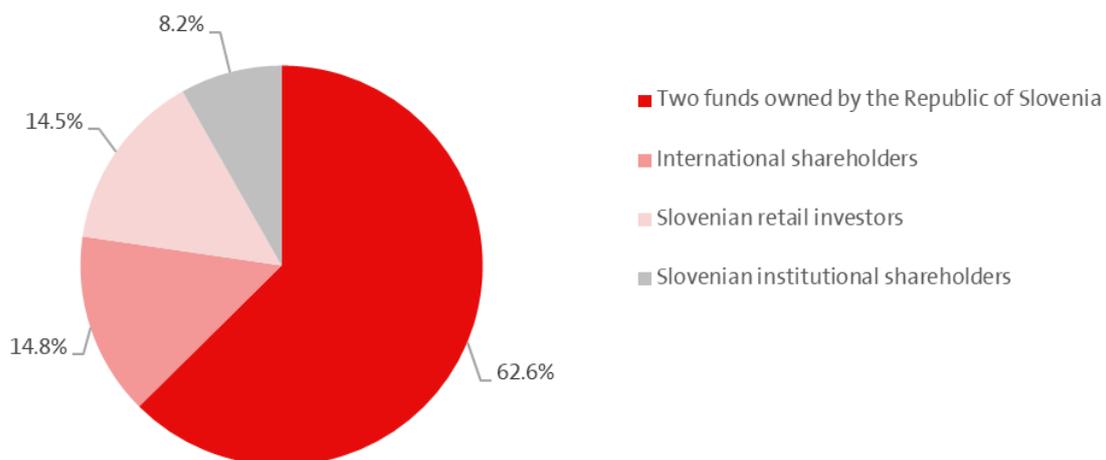
Based on the resolution of the General Meeting of Shareholders of the Company (hereinafter: General Meeting of Shareholders), the following audit firm was appointed as the external auditor of the Company for the 2025 financial year:

Deloitte revizija d.o.o.,
Dunajska cesta 165,
1000 Ljubljana,
Slovenia

A.1.4 Shareholder structure of the Company

There were no significant changes in the Company's shareholder structure in 2025. The largest shareholders, funds owned by the Republic of Slovenia (Pension and Disability Insurance Institute of Slovenia (ZPIZ) - 34.47 percent ownership stake and Slovenian Sovereign Holding (SDH) - 28.09 percent ownership stake) maintained unchanged ownership shares, while the third largest shareholder, Croatian pension fund (visible in the fiduciary account of its custodian bank) increased its investment by 1.6 percentage point to 8.4 percent. According to the data available, these three shareholders are the sole holders of qualifying holdings in the Company as at 31 December 2025.

Chart 4: Company's shareholder structure as at 31 December 2025



At the end of the year, the Company had 8,748 shareholders, around 30 of which were international banks with fiduciary accounts held by their clients and international institutional investors mostly from Europe and the USA. They held a 14.8 percent stake (a decrease of 1.1 percentage points compared to previous year), while the stake of Slovenian institutional shareholders stood at 8.2 percent (a 0.4 percentage points increase compared to previous year). In recent years, a gradual growth of ownership by Slovenian retail investors was observed which continued in 2025, as their stake increased by 0.7 percentage points to 14.5 percent.

A.1.5 Significant events in 2025

- **Strong performance:** The Group exceeded the planned annual profit by the end of the year. Total volume of operations increased in all business segments apart from Health segment. The Company's operations are presented in more detail in the business part of Annual Report of the Triglav Group and Zavarovalnica Triglav d.d., 2025 (hereinafter: Annual Report)⁵, Section 8.
- **Dividend payment:** At the General Meeting of Shareholders in June, the shareholders adopted the proposed resolution of the Management Board and the Supervisory Board to pay out a dividend of EUR 2.8 gross per share for a total value of EUR 63.7 million. At the end of the year, this represented a dividend yield of 4.7 percent. This is presented in more detail in the business part of Annual Report, Section 6.4.
- **High credit rating confirmed:** S&P Global Ratings upgraded the Group's financial strength rating and credit rating from "A" to "A+" in June, while AM Best affirmed an "A" rating in October. Both estimates have a stable medium-term outlook. This is presented in more detail in the business part of Annual Report, Section 6.6.
- **Corporate governance:** The General Meeting of Shareholders appointed Andrej Andoljšek and Barbara Cerovšek Zupančič as members of the Supervisory Board, shareholder representatives. Members of the Supervisory Board, employee representatives, Janja Strmljan Čevnja and Aleš Košiček, submitted their resignation statements in March 2025. In September, the Supervisory Board took note of the proposal of the Works Council and appointed Ivica Vulić as a member of the Management Board, Workers Director. He began his five-year term as a member of the Management Board in January 2026. In November, the Works Council elected Rudi Lipovec to the Company's Supervisory Board as an employee representative. This is presented in more detail in the business part of Annual Report, Section 5.3.
- **Business optimization in the Asset management segment:** To simplify and optimize the Group's operations, the entire activity of voluntary supplementary pension insurance in the savings phase and management of backing fund transferred from the Company to the specialized subsidiary Triglav, pokojninska družba. The proposed spin-off was also approved by the General Meeting of Shareholders. The spin-off was entered in the court register on 1 October 2025. More details are available in the business part of Annual Report, Section 2.7.
- **Internationalisation of operations:** In line with the strategic ambition of internationalisation of operations, the Group has expanded the scope of operations in

⁵ Annual Report is published on the Company's website: <http://www.triglav.eu>.

foreign markets. In cooperation with Prima and reinsurance company Ageas Re, it started operating on the Italian motor vehicle insurance market in June. The impact of the new business operation significantly increased the total volume of Group's operations on an annual level. In August 2025, AXA entered into an agreement to acquire a 51 percent stake in Prima. The acquisition of the stake was conditional on the fulfilment of customary conditions precedent and obtaining regulatory approvals and was completed in November 2025. In July 2025, the management body of the Company decided to acquire up to 24.8 percent ownership in the fast-growing Insurtech company HPI GMA S.A., with which the Group participates in the Polish motor vehicle insurance market, through a capital investment over the next 24 months. By the year end, it acquired a 21.68 percent stake in the company, and the European Bank for Reconstruction and Development (EBRD) will also become its minority owner. With this investment, the Group aims to consolidate its operations on the Polish market. More details are available in the business part of Annual Report, Section 4.

A.2 Underwriting performance

The Company's net profit increased by 15.7 percent compared to the previous year, mainly due to an increase in the non-life insurance segment. The combined non-life ratio stood at 92.9 percent at the end of 2025, an increase of 0.7 percentage points compared to 2024. The main reason for it is the higher claims ratio.

Table 1: Company's operating performance

	In EUR thousand	
	2025	2024
Profit before tax	142,135	117,584
Net profit	113,616	98,232
Non-life insurance	93,292	77,504
Life insurance with pension insurance	20,324	20,728
Combined non-life ratio	92.9%	92.2%
ROE	14.8%	13.8%

In 2025 the Company's gross written premium from insurance, co-insurance and reinsurance amounted to EUR 1,910.7 million and increased by EUR 805.9 million compared to 2024. Premium growth in the Motor vehicle liability insurance line of business increased by EUR 526.3 million and stems mostly from business on Italian market.

Gross claims incurred in 2025 totalled EUR 812.0 million and increased by EUR 253.4 million compared to 2024. The largest difference is in the Motor vehicle liability insurance line of business. Expenses incurred in 2025 amounted to EUR 471.1 million and are higher by EUR 144.6 million compared to 2024.

The following table presents gross written premiums from insurance, co-insurance and reinsurance, gross claims incurred, and expenses incurred by significant lines of business for solvency purposes. Other lines of business are presented in template S.05.01.02 of the annex to this report.

Table 2: Company's premium and expenses by significant lines of business for solvency purposes

	In EUR thousand	
	2025	2024
Gross written premiums from insurance, co-insurance and reinsurance contracts	1,910,701	1,104,825
- Non-life insurance including health insurance	1,739,242	927,999
Motor vehicle liability insurance	701,182	174,877
Fire and other damage to property insurance	254,671	242,290
Other motor insurance	238,836	177,679
Other non-life and health lines of business	544,553	333,152
- Life insurance	171,459	176,826
Index-linked and unit-linked insurance	125,462	131,597
Insurance with profit participation	35,734	35,485
Other life insurance	10,263	9,743
Gross claims incurred	811,980	558,598
- Non-life insurance including health insurance	643,799	379,917
Motor vehicle liability insurance	200,600	87,050
Other motor insurance	98,501	106,105
Non-proportional property reinsurance	87,398	9,966
Other non-life and health lines of business	257,300	176,796
- Life insurance	168,181	178,681
Insurance with profit participation	91,119	93,625
Index-linked and unit-linked insurance	75,145	79,290
Other life insurance	2,270	2,724
Annuities from non-life insurance contracts	-353	3,042
Expenses incurred	471,111	326,528
- Non-life insurance including health insurance	441,396	296,213
Motor vehicle liability insurance	169,667	57,015
Fire and other damage to property insurance	76,505	82,381
Other motor insurance	53,691	51,323
Other non-life and health lines of business	141,532	105,495
- Life insurance	29,715	30,315
Index-linked and unit-linked insurance	22,405	20,306
Other life insurance	4,901	3,767
Insurance with profit participation	2,408	6,228
Health insurance	0	14
- Other expenses	42,674	4,232

The Company concludes non-life insurance mainly in Slovenia and Italy, while life insurance is sold exclusively in Slovenia. In Slovenia, it generates approximately 47.4 percent of gross written premium and makes 61.6 percent of all claims payments, while in Italy it generates approximately 36.5 percent of gross written premium and makes 14.6 percent of all claims payments. Compared to 2024, the share of gross written premium in Italy, in relation to the total gross written premium, increased by 36.1 percentage points.

Table 3: Geographic distribution of the Company's premium and expenses

	In EUR thousand	
	2025	2024
Gross written premiums from insurance, co-insurance and reinsurance contracts	1,910,701	1,104,825
Slovenia	904,761	886,121
Italy	698,215	5,388
United Kingdom	92,658	32,882
Poland	60,739	56,330
Greece	30,724	26,126
Germany	24,319	20,756
Other countries	99,285	77,221
Gross claims incurred	811,980	558,598
Slovenija	500,165	479,047
Italy	118,192	6,605
United Kingdom	72,831	3,634
Poland	36,539	22,011
Greece	20,278	25,101
Germany	9,442	5,492
Other countries	54,534	16,707

Detailed quantitative data on the Company's operations according to geographic distribution is presented in template S.04.05.21 in the annex to this report.

A.3 Investment performance

The Company's investment policy remains prudent with most of the portfolio investments being debt securities. Their characteristics are closely matched to liabilities deriving from non-life and life insurance. The main factors affecting Company's investment performance are the structure of investment portfolio and the financial markets' trends. This Section presents the Company's investment result by individual investment classes including a year-on-year comparison. The investment result was also published in the accounting part of Annual Report, Section 3.4.

2025 was a relatively calm and successful year for financial markets. Compared with the end of 2024, the euro risk-free interest rate curve declined in its short-term part and increased in the long-term part. The euro risk-free rate curve is taking its typical upward shape. Credit spreads continued their downward trend from previous years and continued to decline amid relatively low volatility, except for government bonds of the highest credit quality, where credit spreads increased slightly. Equity markets recorded significant returns as well.

Favourable conditions in financial markets - stable and relatively high interest rates, narrowing credit spreads and positive trends in equity markets - were the main factors contributing to a positive investment result in 2025. Nevertheless, it was significantly lower than in 2024, mainly due to the average growth of equity markets compared to the above-average growth in 2024.

The highest return was achieved on net interest. Interest rate levels have a positive impact on interest income, which has been increasing for several years and has also surpass the interest

income in the previous year. The largest growth compared to the previous year was recorded by government bonds, which is mainly due to the larger volume of this investment class.

Dividends also contribute to a positive investment result. In 2025, there were no significant changes in the equity portfolio, therefore the dividend yield remains comparable to the previous year. The net profit or loss category comprises gains and losses from sale and permanent impairments in line with International Financial Reporting Standards (hereinafter: IFRS). The item decreased materially compared to the year before mainly due to lower stock market growth compared to 2024.

Exchange rate differences contributed positively to other financial income. In 2025 the Company used derivatives to hedge currency risk, with alternative investments (private funds) contributing to the bulk of other financial income.

The unrealised gains and losses category relates to investments classified under the accounting group financial investments measured at fair value through other comprehensive income and to financial investments measured at fair value through profit or loss that were not subject to actual realisation through sales in 2025. The greatest impact was achieved in collective investment undertakings, which was supported by the positive movement of the stock markets, and an additional positive impact was the result of credit spread contraction of corporate bonds. In the opposite direction, long-term securities had a negative impact due to an increase in risk-free interest rates in the long-term part of the curve. The leases income result did not change significantly compared to the previous year.

Table 4: Performance of the Company's investment activities for financial reporting purposes

2025						
	In EUR thousand					
	Net interest	Dividends	Net profit or loss	Other net financial income	Unrealised gains and losses	Leases
Investments	34,402	2,447	3,527	5,168	15,075	6,401
Property	0	0	2,072	0	0	6,401
Equities	0	166	788	0	45	0
Government bonds	20,923	0	-1,516	66	-10,198	0
Corporate bonds	12,616	0	-248	0	4,393	0
Collective investment undertakings	0	2,281	2,868	4,032	20,833	0
Loans	419	0	-105	0	0	0
Deposits, cash and cash equivalents	390	0	0	0	0	0
Derivatives	0	0	-332	1,479	2	0
Other	54	0	0	-409	0	0
2024						
	In EUR thousand					
Investment performance	Net interest	Dividends	Net profit or loss	Other net financial income	Unrealised gains and losses	Leases
Investments	29,071	2,020	32,181	2,258	89,377	6,480
Property	0	0	1,384	0	0	6,480
Equities	0	216	0	0	185	0
Government bonds	17,449	0	931	142	5,778	0

Corporate bonds	10,987	0	-600	0	13,641	0
Collective investment undertakings	0	1,804	30,476	2,456	69,803	0
Loans	92	0	-11	0	0	0
Deposits, cash and cash equivalents	479	0	1	0	0	0
Derivatives	0	0	0	3	-30	0
Other	64	0	0	-343	0	0

The Company did not invest in securitized products.

A.4 Performance of other activities

A.4.1 Other income and expenses

The Company's other income comprising other operating income and other income totalled EUR 14.4 million in 2025, compared to EUR 15.0 million in 2024. Most other operating income in the amount of EUR 4.2 million in 2025 relate to the sale of investment property and fixed assets, and lease income in the amount of EUR 6.4 million.

The Company's other expenses comprising other operating expenses and other expenses in 2025 totalled EUR 31.7 million. The largest share of the abovementioned expenses refers to expenses for employee benefits in the amount of EUR 19.8 million, non-attributable insurance expenses in the amount of EUR 6.2 million, and depreciation and other expenses from investment properties in the amount of EUR 4.4 million.

Other net income from discontinued operations in 2024 amounted to EUR 11.0 million. It mainly related to the recognition of a reimbursement by the Slovenian Ministry of Health for the difference between the amount of costs paid to health service providers and the value of health service revenue from supplementary health insurance of EUR 11.0 million. There was no income from discontinued operations in 2025. Detailed information on the Company's other operating income and expenses and other income and expenses is presented in the accounting part of the Annual Report, Sections 3.7.6 and 3.7.14.

Table 5: Net other operating income/expenses and net other income/expenses for financial reporting purposes

	In EUR thousand	
	2025	2024
Net other operating income/expenses from continuing operations	-18,105	-15,862
Other operating income	12,936	12,830
Other operating expenses	-31,040	-28,692
Other net income/expenses from discontinued operations	0	-60
Other net income/expenses from continuing operations	872	1,844
Other income	1,513	2,196
Other expenses	-641	-352
Other net income/expenses from discontinued operations	0	11,022

A.4.2 Lease agreements

In the reporting period, the Company concluded several lease agreements as lessor/landlord and as lessee/tenant. Among the contractual relationships where the Company acted as the lessor/landlord, only investment property was considered material. Of the total value of investment properties of EUR 40.4 million, lease income amounted to EUR 6.4 million in 2025. The Company acted as the tenant/lessee when renting business premises and parking spaces, leasing software and data lines, leasing multi-function devices and renting cars.

As at 31 December 2025, the right-of-use assets in the amount of EUR 4.0 million was recognised by the Company. The total annual depreciation expense of these assets was EUR 1.4 million, while interest expenses amounted to EUR 0.2 million. Expenses for leases not accounted according to IFRS 16, i.e. short-term leases and low-value leases, totalled EUR 0.6 million in 2025.

A.5 Any other information

Following the balance sheet date, there has been an escalation of geopolitical tensions in the Middle East, including Iran-related events. In the stress scenarios carried out in the own risk and solvency assessment process, public announcements and reports, the Company has already highlighted geopolitical risks as important, as they may affect its operations in the short term, mainly due to potential changes in the financial investments' value. Both the Company and the Group have exposure arising from insurance business in the Middle East, which they do not assess as material due to adequate reinsurance protection.

All other important information relating to business and performance of the Company is disclosed in Sections A.1 through A.4.



B.

System of governance

- B.1** General information on the system of governance
- B.2** Fit and proper requirements
- B.3** Risk management system including the own risk and solvency assessment
- B.4** Internal control system
- B.5** Internal audit function
- B.6** Actuarial function
- B.7** Outsourcing
- B.8** Any other information

B. System of governance

B.1 General information on the system of governance

A two-tier system of governance including the following bodies is set up at the Company: General Meeting of Shareholders, the Management Board and the Supervisory Board. The bodies operate in accordance with the laws and other regulations, the Company's Articles of Association and their respective rules of procedure.

The Company has a governance system in place, based on risk management system, which is adapted to the business principles, strategic objectives and risk profile of the Company. For this purpose, it has a clear organisational structure in place with defined competences and authorisations and established reporting lines, an adopted internal control system, a business continuity system and an outsourcing policy in cases where the Company outsources individual operational functions or activities or parts thereof with the aim of ensuring an optimal and cost-effective level of its services. The Company may organise its operations in individual countries within the framework of a branch, whereby the branches are subject to the same governance system and are part of the same organisational structure as is the case for the entire Company.



In addition to the governing bodies, the Company's system of governance includes four key functions: the risk management function, the actuarial function, the compliance function, and the internal audit function. They are organised at the Company as independent organisational units, which perform their duties and responsibilities independently from one another and from other organisational units of the Company. Key functions are presented in more detail in Sections B.3.3, B.4.1, B.5 and B.6.

The system of governance also includes committees, the members of which are appointed and recalled by the Management Board. These committees differ from one another in terms of their purpose, composition and powers, while their decisions are binding. Committees within the risk management system are presented in more detail in Section B.3.4.

B.1.1 Governing bodies of the Company

B.1.1.1 Management Board

The Management Board governs and manages the Company independently and at its own responsibility. It represents and presents the Company without limitation. The Company is always represented and presented in legal transactions by two Management Board members jointly, i.e. the President and a member. The Management Board has at least three and no more than six members, one of whom is the President. The President of the Management Board proposes the appointment or recall of all or individual Management Board members to the

Supervisory Board. The Company has a Workers Director whose position is Management Board member.

The main powers and tasks of the Management Board are as follows: compliant management and organisation of the Company's operations, representation of the Company vis-à-vis third parties, responsibility for legality of operations, adoption of the development strategy of the Company and the annual plan of operations, reporting to the Supervisory Board on the performance of both the Company and the Group.

On 24 September 2025, the Company's Supervisory Board appointed Ivica Vulić as a member of the Management Board, Workers Director, at the proposal of the Works Council. He was appointed for a five-year term of office, with the decision entering into force on the date of obtaining the authorisation of the AZN to perform the function of a Management Board member.

As at 31 December 2025, the Management Board composition was as follows:

Table 6: Composition and competences of the Company's Management Board members as at 31 December 2025

First and last name	Function	Area of work within the Management Board
Andrej Slapar	President of the Management Board	Manages and directs the work of the Management Board and the operation of the Internal Audit Department. It is responsible for Corporate Accounts Division, Non-Life Insurance Department, Corporate and Legal Affairs Division and Health Insurance Division. It is also responsible for the operation of Arbitration and the GIZ Nuclear Pool as well as for preparation and implementation of the Group's strategy
Uroš Ivanc	Member of the Management Board	In charge of Finance, Accounting and Controlling Division as well as the Triglav Group Subsidiary Management Division, Investment Department and Actuarial Affairs Department. Also responsible for mergers and acquisitions (M&A), investor relations (IR) and relations with credit rating agencies.
Tadej Čoroli	Member of the Management Board	In charge of Non-Life Insurance Claims Division, Insurance Sales Division and International Operations Division.
Marica Makoter	Management Board member - Workers Director	Represents the worker's interests as set out in the Worker Participation in Management Act. In charge of Back Office Division, Human Resource Management Division, Marketing and Corporate Communications and Client Experience Division, Process, General Affairs and Project Management Division. Also responsible for Compliance Office.
Blaž Jakič	Member of the Management Board	In charge of Life Insurance Department, IT Division, Risk Management Department and Outward Reinsurance Department. Also responsible for money laundering prevention, Bank assurance section and environmental, social and corporate sustainable development (ESG) activities.

Other information on the Company's Management Board is presented in more detail in the business part of Annual Report, in Section 5.3.2.

B.1.1.2 General Meeting of Shareholders

Shareholders exercise their rights at the General Meeting of Shareholders which is convened no less than once a year. The powers and operation of the General Meeting of Shareholders are set out in the Companies Act (ZGD-1) and the Company's Articles of Association. A shareholder

registered in the share register kept by the Central Securities Clearing Corporation (KDD) as the holder of the shares at the end of the seventh day prior to the General Meeting of Shareholders' session may participate in the General Meeting of Shareholders. They may exercise their voting right provided they announce their participation no later than by the end of the fourth day prior to the date of the General Meeting of Shareholders. The rights and obligations afforded to the shareholders by the shares as well as the explanations on the limitations on share transfers and the attainment of the qualified share are presented in greater detail in the business part of the Annual Report, Section 6.2.

B.1.1.3 Supervisory Board

Pursuant to the Articles of Association, the Company's Supervisory Board is composed of nine members, six of whom are shareholder representatives and three are employee representatives. The members of the Supervisory Board - shareholder representatives are elected by the General Meeting of Shareholders. The Members of the Supervisory Board who act as employee representatives are elected by the Company's Works Council, which informs the Company's General Meeting of Shareholders of its decision. The Chair and Vice Chair act as shareholder representatives. The term of office of Supervisory Board members is four years, whereby they may be re-elected without limitation.

The Supervisory Board supervises the Company's management. In addition to the powers under the Companies Act and the Insurance Act (hereinafter: ZZavar-1), the Supervisory Board grants its consent to the decisions of the Management Board where the stake of the Company or the value exceeds the limit set in the Rules of Procedure of the Supervisory Board, i.e. in the establishment of companies with share capital in Slovenia and abroad, the acquisition or sale of the Company's stakes in foreign or domestic companies (except if these are equity holdings for which the conventional portfolio management approach is applied), the issue of debt securities of the Company and long-term borrowing from domestic and foreign banks, the acquisition and sale of the Company's property as well as investment in its property. The Supervisory Board also grants its consent to the appointment and dismissal of the Internal Audit Department Director as well as to the granting and revoking authorisations of the Company's key function holders. It also grants consent to the Management Board for the business strategy and financial plan of the Company as well as the overarching internal acts of the system of governance. The Supervisory Board also sets the remuneration of the President and members of the Management Board and works with the Management Board to set the remuneration of the Internal Audit Department Director.

When supervising the management of the Company's business operations, the Supervisory Board in particular supervises the adequacy of procedures and effectiveness of the work of the Internal Audit Department, considers the findings of the AZN, tax inspection and other supervisory authorities in procedures for the Company's supervision, verifies annual and other financial reports of the Company and prepares a reasoned opinion thereto, provides grounds for its opinion on the Internal Audit Department's annual report to the General Meeting of Shareholders and compiles a written report for the General Meeting of Shareholders, reviews the proposal for the appropriation of distributable profit and compiles a written report for the General Meeting of Shareholders, reviews the compiled annual report which was submitted by

the Management Board, takes a position on the audit report and draws up a written report for the General Meeting of Shareholders by including potential comments or approving it.

The Supervisory Board has a key role in the risk management system as it is a primary stakeholder, to which all three lines of defence report, and simultaneously the entity responsible for the functioning of the three lines of defence system within the risk management system and control processes. As part of its supervisory work, it is regularly briefed on the effectiveness and performance of the functioning of the risk management system. The Supervisory Board appoints and may also recall the members of the Management Board. In doing so, it strives to ensure the continuity of their work through prudent and timely selection of the President and, at the President's proposal, also the selection of other members of the Management Board. The Supervisory Board decides with the majority of the votes cast by the members present.

The term of office of the members of the Supervisory Board, Andrej Andoljšek and Tomaž Benčina, shareholder representatives, expired on 14 June 2025. The General Meeting of Shareholders reappointed Andrej Andoljšek and a new member Barbara Cerovšek Zupančič, both as shareholder representative, whose term of office began on 15 June 2025.

Janja Strmljan Čevnja, member of the Supervisory Board, employee representative, resigned from the position of member of the Supervisory Board as of 13 March 2025, as well as Aleš Košiček, Member of the Supervisory Board, employee representative, on 25 March 2025. The Works Council elected Rudi Lipovec as a member of the Supervisory Board, employee representative, for a four-year term of office, which began on 7 November 2025.

The composition of the Supervisory Board in the 2025 financial year was as follows:

Table 7: Supervisory Board members in the 2025 financial year

Name and surname	Function
Andrej Andoljšek	Chair, shareholder representative
Tim Umberger	Vice Chair, shareholder representative
Tomaž Benčina	Member, shareholder representative (up until 14 June 2025)
Monica Cramér Manhem	Member, shareholder representative
Barbara Nose	Member, shareholder representative
Rok Ponikvar	Member, shareholder representative
Barbara Cerovšek Zupančič	Member, shareholder representative (as of 15 June 2025)
Rudi Lipovec	Member, employee representative (as of 7 November 2025)
Aleš Košiček	Member, employee representative (up until 25 March 2025)
Janja Strmljan Čevnja	Member, employee representative (up until 13 March 2025)

SUPERVISORY BOARD COMMITTEES

The Supervisory Board may appoint one or several committees, which prepare proposed resolutions of the Supervisory Board, assure their realisation and perform other expert tasks. A committee or commission may not decide on issues that fall under the competence of the Supervisory Board.

In 2025, the following committees operated in the Company: Audit Committee, Appointment and Remuneration Committee, Strategy Committee, Risk Committee and Nomination Committee operating as a temporary committee of the Supervisory Board. Committees and the

board prepare proposed resolutions, ensure their implementation and perform other expert tasks.

Table 8: Composition and competences of Supervisory Board committees as at 31 December 2025

Supervisory Board committee	Competences
AUDIT COMMITTEE Composition: - Barbara Nose, committee Chair - Barbara Cerovšek Zupančič, member - Katarina Sitar Šuštar, independent external expert	<ul style="list-style-type: none"> - monitoring the financial and sustainability reporting process, preparing reports, and drafting proposals for ensuring its comprehensiveness; - monitoring the efficiency and effectiveness of internal controls, internal audit, and risk management systems; - monitoring the obligatory audit of annual and consolidated financial statements and reports on the audit findings to the Supervisory Board; - in charge of the auditor selection procedure, proposes a candidate to the Supervisory Board to audit the Company's annual report and participates in the drafting of an agreement between the auditor and the Company; - monitoring and reviewing the independence of the auditor for the annual report, in particular the provision of additional non-audit services, - monitoring the quality of the auditor's auditing in accordance with the Guidelines for the Audit Committee, for monitoring the quality of external auditing adopted by the Agency for Public Oversight of Auditing and the Slovenian Directors' Association; - supervising the integrity of financial information provided by the Company and evaluating the drafting of the annual report, including a draft proposal for the Supervisory Board; - cooperating with the Internal Audit Department, monitoring its quarterly reports, examining its internal acts and rules on the functioning of the Internal Audit Department and the annual plan of the Internal Audit Department; - examining the decision on the appointment, dismissal and remuneration of the Internal Audit Department Director. - monitoring annual compliance reports and reports on concluded contracts with audit firms and companies from audit company networks.
APPOINTMENT AND REMUNERATION COMMITTEE Composition: - Andrej Andoljšek, committee Chair - Tim Umberger, member - Rok Ponikvar, member	<ul style="list-style-type: none"> - proposing criteria for membership in the Management Board; - proposing the policies on remuneration, reimbursement and other benefits for the Management Board members; - carrying out a preliminary consideration of proposals made by the President of the Management Board related to the management of the Company; - performance of the fit and proper assessments of the Management and Supervisory Board members; - providing support for and drafting proposals on matters related to the Supervisory Board (e.g. conflicts of interest, design and implementation of a remuneration system for the Supervisory Board members, evaluation of its work in accordance with the Corporate Governance Code).
STRATEGY COMMITTEE Composition: - Tim Umberger, committee Chair - Andrej Andoljšek, member	<ul style="list-style-type: none"> - drafting and discussing proposals for the Supervisory Board regarding the Group's strategy; - monitoring the implementation of the strategy

- Monica Cramér Manhem, member - Barbara Nose, member - Rok Ponikvar, member - Barbara Cerovšek Zupančič, member	- drafting and discussing proposals and opinions for the Supervisory Board related to the Group's strategic development or planning.
RISK COMMITTEE Composition: - Monica Cramér Manhem, committee Chair - Barbara Nose, member - Rok Ponikvar, member - Jure Vehovec, external member - Jörgen Olsen, external member	- monitoring the operation and suitability of the risk management system; - advising the Supervisory Board on the overall current and future risk appetite of the Company and on the risk management strategy; - supervising the implementation of the capital management strategy and material risks; - considering key internal acts and other documents in the area of risk management that have been submitted to, or are being considered or approved by, the Supervisory Board; - considering the annual capital adequacy calculation reports under Solvency II, the Solvency and Financial Condition Reports (SFCR) of the Company and the Group for each year, Own Risk and Solvency Assessment Report, the regular reports on the risk profile of the Company and the Group, and other reports, if any, related to risk management; - controlling disclosures and considering the reports of the credit rating agencies for the year.

The Nomination Committee was formed on 19 November 2024 due to the expiry of the term of office of Supervisory Board members Andrej Andoljšek and Tomaž Benčina in 2025. The committee functioned until the election of new members, shareholder representatives, at the Company's General meeting on 3 June 2025. It included Tim Umberger (president), Rok Ponikvar and Aleš Košiček (members), and external member Mateja Lovšin Herič.

Its responsibilities were:

- Preparation of criteria for the selection of shareholders' representatives, unless otherwise determined by the Supervisory Board;
- recording candidates for Supervisory Board's members;
- call on the Appointment and Remuneration Committee to carry out the fit and proper assessment of the candidates;
- submitting a proposal for the appointment of one or more candidates for shareholder representative member to the Supervisory Board, together with the proposed assessment of the competence and suitability of the candidates for members of the Supervisory Board.

Other information on the Company's Supervisory Board is presented in the business part of Annual Report, in Section 5.3.3.

B.1.2 Remuneration policy

Remuneration of the Company's employees is arranged and regulated in accordance with the Remuneration Policy of Zavarovalnica Triglav, d.d. (hereinafter: Remuneration Policy), which is established as one of the policies by way of which the Company implements a resilient and reliable management system and ensures business integrity and transparency.

The Remuneration Policy applies to the Supervisory Board, the Management Board, executives, key function holders and other employees on individual contracts as well as other employees of the Company. The remuneration of the members of the Supervisory Board and its committees (except for the remuneration of members - external experts) is determined by the decisions of the General Meeting of Shareholders, and the remuneration of the Management Board is determined by the Supervisory Board. The remuneration of the key function holder of internal audit is determined by the Management Board and the Supervisory Board, and the remuneration of other employees is determined by Management Board. Employee remuneration is determined in proportion to the complexity, characteristics, scope of tasks or functions, powers, responsibilities and experience, considering the scope of the Company's business operations, the results achieved and comparability with the remuneration of employees in comparable companies, and in such a way that employees are encouraged to take decisions or conduct themselves in a manner that leads to the realisation of the objectives of the Company and suitable risk management.

SUPERVISORY BOARD

The remuneration of the members of the Supervisory Board and its committees is set by the General Meeting of Shareholders by way of a resolution. The remuneration consists of the remuneration for the performance of the function, bonuses for the performance of the function of Chair and Vice Chair and members of the committees of the Supervisory Board, attendance fees for attendance at the meetings, possible travel and accommodation costs. The remuneration of Supervisory Board members must be proportionate to their respective duties and the financial position of the Company and the Group. The remuneration of the Chair and members of the Supervisory Board must be such that the criteria of complexity are considered, which reflect the complexity of the operations of the Company and the Group (balance sheet total, generated net premium income, average number of employees in the last financial year, organisational complexity, internationalisation of business, complexity of direct economic environment, complexity of key products, regulation of activities and the like) and that they are comparable to the remuneration of other members of the supervisory bodies of comparable insurance groups, thereby pursuing risk management in terms of the stability and suitability of the composition of the Supervisory Board. The members of the Supervisory Board are not entitled to profit sharing.

External members of committees are paid for their work in the committees from the funds allocated for the work of the Supervisory Board. The amount of remuneration of external members is determined by the Supervisory Board in the appropriate ratio to the remuneration of the Supervisory Board's members and is not tied to the resolution of the General Meeting of Shareholders.

MANAGEMENT BOARD

The remuneration of the Management Board is determined in proportion to their duties and responsibilities, the volume of the Company's and the Group's business as well as the financial position and operating results and consists of the basic salary (fixed part of pay), a variable part of pay and other rights and benefits as set out in the Remuneration Policy. During the validity of the Act Governing the Remuneration of Managers of Companies with Majority Ownership Held by the Republic of Slovenia or Self-Governing Local Communities and the implementing

regulations issued on its basis, the limitations laid down in the said act are considered. Members of the Management Board are entitled to the use of assets owned by the Company (use of company car, company mobile phone, laptop and tablet all for business and private purposes), the right to a managerial check-up with a preventive health programme, the right to collective accident insurance under the conditions applicable to all employees, the right to pension insurance (Voluntary Supplementary Pension Insurance - PDPZ) in the amounts and under the conditions laid down for all employees, Collective Voluntary Pension Insurance - PPZ, in accordance with, or up to, the maximum amount laid down in the internal acts), the right to payment of a liability insurance premium, the right to supplementary health insurance, the right to reimbursement of education expenses and the right to reimbursement of subscriptions related to the performance of duties. No special retirement schemes or early retirement schemes apply to Management Board members.

EXECUTIVE EMPLOYEES AND OTHER EMPLOYEES WORKING UNDER INDIVIDUAL CONTRACTS

The basic salary (fixed part of pay) for executives and other employees working under individual agreements is stipulated in the employment contract, whereby the minimum and maximum basic gross salary for each group is set in accordance with internal rules. Executives and other employees on individual contracts, with the exception of employees holding the posts of Regional Director for Corporate Clients, Head of Business Unit I and Head of Business Unit II, are entitled to a variable remuneration comprising a work performance-based component and a business performance-based component, which is paid out annually. The post of Regional Director for Corporate Clients, Head of Business Unit I and Head of Business Unit II are subject to a performance-based remuneration scheme laid down in a specific decision issued by the competent Executive Director for Insurance Sales. These employees are also entitled to a business performance-based component of their salary.

EMPLOYEES WORKING UNDER A COLLECTIVE AGREEMENT

The basic salary of employees working under a collective agreement is determined by considering the qualifications and responsibilities required by the position of employment as well as how demanding the position of employment is. If they exceed the predetermined targets and expectations, they are entitled to a work performance-based part of pay (variable part of pay). The wage bill for the payment of the work performance-based part of pay is set by the Management Board in observance of operating results. In accordance with the criteria determined by the Management Board and subject to good results, workers are entitled to the operating performance-based part of pay – annual bonus.

All employees at the Company can join the collective supplemental Voluntary Supplementary Pension Insurance (PDPZ) and voluntary pension insurance (PPZ). The Company pays the premium as a proportion of the employee's gross salary for each employee in accordance with the agreement reached with the employee representatives. Collective voluntary supplementary pension insurance represents the collection of funds on the members' personal accounts with the aim of providing them with the disbursement of a supplementary old age pension from retirement onwards. Voluntary supplementary pension insurance represents saving to acquire a monthly pension payment that is paid out either from a particular date onward or from the date of retirement until the end of one's life, but for no less than 10 years.

B.1.3 Related party transactions

Related parties of the Company include:

- shareholders who have a significant influence on the operations of the Company;
 - Pension and Disability Insurance Institute of Slovenia (hereinafter: ZPIZ),
 - Slovenian Sovereign Holding (hereinafter: SDH),
- Management Board members and their immediate family members and companies related through them, in which they have a significant influence on decision-making or are appointed to their management or supervisory body;
- Supervisory Board members and their immediate family members and companies related through them, in which they have a significant influence on decision-making or are appointed to their management or supervisory body.

Related party transactions are presented in more detail in the accounting part of Annual Report, Section 4.4. The only materially significant transaction with related parties in 2025 was the distribution of dividends to the largest owners of the Company. The Company paid a total of EUR 39.7 million to the two largest owners, of which EUR 21.9 million to ZPIZ and EUR 17.8 million to SDH.

B.2 Fit and proper requirements

In accordance with the requirements prescribed in the Solvency II Directive, Delegated Regulation, ZZavar-1 and EIOPA's Preparatory Guidelines on System of Governance, which require that the persons who manage or supervise the Company or perform work in key functions are appropriately fit (professionally qualified) and proper (of good repute and integrity).

The fit and proper assessment of the members of the Management Board, Supervisory Board, member of the Audit Committee who acts as an independent expert and is qualified in the fields of accounting and auditing and external members of other Supervisory Board's committees as well as the fit and proper assessment of the Management Board and Supervisory Board as a collective body is implemented prior to the appointment for the term of office (initial assessment), periodically (usually once a year) after the appointment of an individual member without prior assessment (subsequential assessment) and in case of circumstances that raise doubts as to the fit and proper status of Management Board and Supervisory Board members (extraordinary assessment).

As part of the assessment, Management Board and Supervisory Board members are assessed in terms of the meeting of criteria regarding fit (professional qualifications, experience, competences) and proper (clean criminal record, professional reputation, goodwill, personal integrity, financial strength) criteria. As part of the assessment of the Management Board and Supervisory Board as collective bodies, the Company checks whether all members possess collective knowledge and experience related to insurance and financial markets, the business strategy and business models, governance systems, financial and actuarial analyses, risk management and regulative frameworks as well as other legal requirements that are binding on

the Company, including sustainability reporting, cybersecurity and resilience and business continuity, tax reporting, business intelligence (BI) and artificial intelligence (AI) systems, information and communication technology (hereinafter: ICT) systems and any other requirements from competent authorities.

The fit and proper assessment of key function holders and their deputies is performed prior to the granting of the authorisation to an individual key function holder (initial assessment), periodically (once a year during the validity of the authorisation) and extraordinarily (upon the occurrence of circumstances that raise doubt as to the fit and proper status). As part of the assessment, the fitness (professional qualifications, specialised knowledge, experience and competences) and propriety criteria (clean criminal record, professional reputation, goodwill, personal integrity, financial strength) are verified, while the key function holders and their deputies are obliged to disclose by way of a statement the information on the actual or potential conflict of interest as well as the circumstances that create or could create the appearance of a conflict of interest. Key function holders and their deputies must meet the following conditions in addition to the above fitness conditions that are general in nature and apply to everyone:

Actuarial function holder and their deputy must possess the knowledge in the field of actuarial science and financial mathematics in accordance with the requirements of the AZN or be a full member of the International Actuarial Association – IAA and European Actuarial Association. They must have at least five years of experience in the actuarial field and must have performed the actuarial function and tasks of a certified actuary on a comparable portfolio for at least the last two years prior to certification.

Risk management function holder and their deputy must possess the knowledge on the application of risk management models and methods as well as no less than five years of work experience.

Compliance function holder and their deputy must possess no less than five years of work experience.

Internal audit function holder and their deputy must possess no less than five years of work experience in the field of auditing or ten years of experience in a related activity as well as the title of certified internal auditor pursuant to the act governing auditing and are registered on the list of active audited internal auditors or hold a comparable professional title in the field of internal auditing⁶.

B.3 Risk management system including own risk and solvency assessment

B.3.1 Description of the risk management system

The risk management system consists of internal rules, competencies, processes and activities that enable the Company to quickly identify, assess and adequately control the assumed and

⁶ An already appointed holder of a key internal audit function and/or his/her deputy, who has not acquired the title of certified internal auditor, but at the time of appointment held the title of auditor or certified auditor and five years of professional experience in performing internal audit tasks in an insurance company, must obtain the title of certified internal auditor within the time limit set by ZZavar-1D.

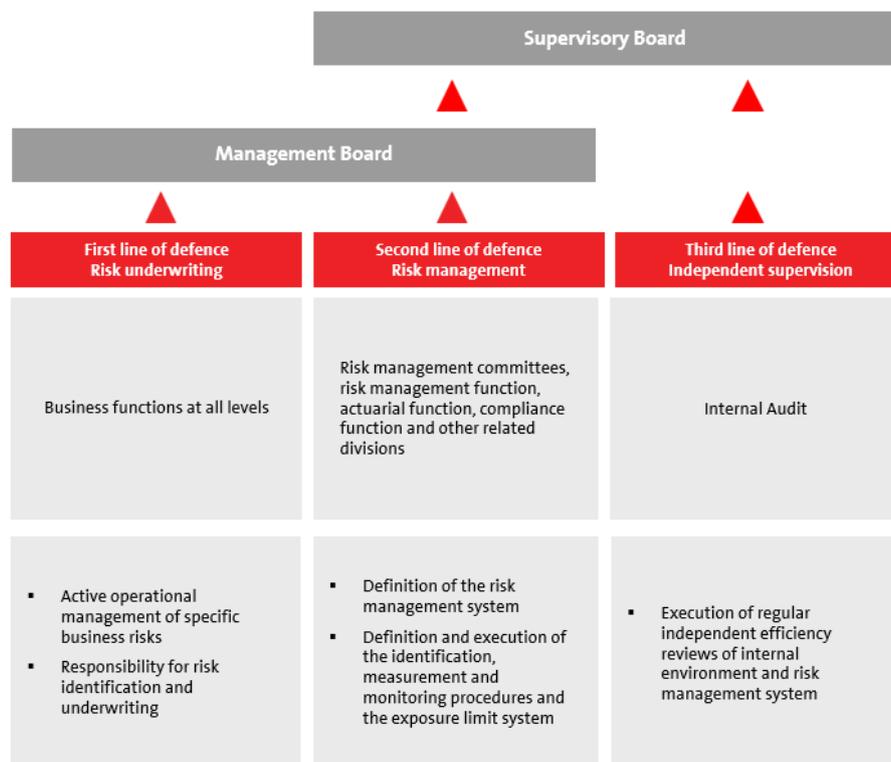
emerging risks, which ensures an appropriate risk profile within certain levels in the Risk Appetite Statement. The risk management system at the Company covers all areas, focusing on those having a material impact on the business operations and capital adequacy.

The objective of the risk management system is to ensure the realisation of the Company's strategic goals, its mission and its vision. The Company has determined a certain level of risks measured by the level of potential loss that it is still willing to assume at a particular level of profitability in the course of its business operations so as to attain the set business objectives and strategic goals. When managing risk, the principle of optimal management of the ratio between risk exposure and returns and the principle of optimal cost-benefit ratio are pursued.

The four key functions play an important role in the risk management system as they actively ensure coordinated work of the Company and the transfer of knowledge and good practices to Group's undertakings. They are organised at the Company as independent organisational units, which perform their duties and responsibilities independently from one another and from other organisational units of the Company. They answer directly to the Management Board and are organised to ensure suitable internal control mechanisms at the Company. All key functions cooperate with one another and regularly exchange information required for operations. Each key function has responsibilities for the performance of tasks, processes and reporting obligations defined in the governance system.

The main building blocks of the comprehensive risk management system of the Company are the Group's strategy and the Company's Business Plan. The Company's risk management system is based on three lines of defence.

Figure 2: Risk management system at the Company



First line of defence consists of business functions, which are responsible as part of their business functions for risk identification and assumptions in accordance with the Management Board's guidelines for their respective line of business and are also responsible for active operational management of specific business risks.

Second line of defence comprises key functions and decision-making bodies forming the risk management system. It includes exposure identification, assessment or measurement and monitoring procedures as well as the risk exposure limit system, including reporting. Three key functions (risk management function, the actuarial function and the compliance function) form the second line of defence. The second line of defence also includes the competent committees for the area of risk management, Fraud Management Section, Process Development, Project Management and Change Management Department, Triglav Group Subsidiary Management Division and Information Security Management Section.

Third line of defence comprises key internal audit function which reviews and assesses the adequacy and effectiveness of the governance of the Company and the Group as well as risk management and control procedures systematically and methodically, and issue recommendations for improvement. It provides for quality and continuous development of internal auditing. It collaborates with external auditors and other supervisory bodies and monitors the realisation of internal and external auditors' recommendations. It participates in the internal audits of other Group's undertakings and provides advisory services in agreement with the Management Board and the management teams of business segments.

The primary stakeholders in the risk management system are the Management Board and the Supervisory Board. The Company's Supervisory Board grants its consent to the Management Board for the written rules of the risk management system and regularly monitors the risk profile, capital adequacy and findings of the Own Risk and Solvency Assessment (hereinafter: ORSA) process at the Company and Group levels. As part of its powers and responsibilities, it considers the reports by key functions. It also grants consent to the Management Board for Company's SFCR and the Group's SFCR.

The Risk Committee operates within the Supervisory Board and monitors the functioning and adequacy of the risk management system, advises the Supervisory Body on the Company's readiness to assume risk and the Risk management strategy, considers the internal acts of the risk management system, annual capital adequacy calculation reports, Company's SFCR and Group's SFCR, ORSA reports and any other report, related to risk management. It also monitors disclosures and considers credit rating agency reports for each year.

The Company's Management Board formulates business objectives and risk appetite and adopts the Risk management strategy and risk management policies. It is responsible for the assurance of the effectiveness of the risk management system at the Company. It confirms the work plans of the individual key functions and is regularly briefed on the capital adequacy of the Company. It confirms the more important reports by key functions, including Regular Supervisory Report of Zavarovalnica Triglav (hereinafter: Company's RSR) and Regular Supervisory Report of the Triglav Group (hereinafter: Group's RSR), ORSA report and SFCR.

B.3.2 Risk management strategy and the definition of the risk appetite

The Company has a risk management system in place that is defined by two overarching acts governing risk underwriting and management strategy and the risk appetite. They represent the basis and starting point for the preparation of all other subordinated internal risk management acts such as policies, methodologies and other instructions in the area of risk management at the Company. The Risk management strategy clearly defines the principles, objectives of the risk management system, the purpose of the risk appetite and the risk management system at the Company, which includes internal rules, competencies and responsibilities as well as the process of comprehensive risk management. The Risk management strategy, including the risk appetite act, is synchronized with the current Group strategy and provides the basis and guidelines for achieving strategic goals.

The risk appetite act is one of the central building blocks of the risk management system, which represents the maximum level of risk, measured by the level of potential losses that the Company is prepared to accept in the course of its business operations to achieve the set business and strategic goals. It also provides guidance for the assumption of individual risks (appetite and tolerance). Risk appetite is defined for each important risk category, which also defines key indicators for each material risk and their target and maximum values. The Company defines zero tolerance for categories of risks that it does not want to assume in its operations.

The purpose of the risk appetite act is to define the objectives regarding risk assumption and thereby define the risk profile of the Company, to establish an optimal relationship between risks and profitability and to develop a strong culture of risk management. In line with the Risk management strategy, the Company assumes underwriting, market, credit, liquidity, operational and non-financial risk.

B.3.3 Risk management function

In addition to supporting the Management Board and the Supervisory Board in the effective implementation of the risk management system, the key tasks of the risk management function are to put in place, administer and monitor the risk management system, monitor the overall risk profile of the Company as a whole, identify and assess emerging risks, actively provide for the functioning of the risk management system committees, coordinate and calculate capital requirements and capital adequacy, coordinate the ORSA process and draft all other reports required by regulations and internal reports related to risk management. In addition to the above, this function is tasked with detailed unbiased reporting on risk exposure and consulting to the Management Board and the Supervisory Board regarding risk management, including strategic matters such as the Group's strategy, mergers and acquisitions as well as major business projects and investments. The function operates autonomously and independently of the other functions. It is performed by the Risk Management Department.

As part of the regular assessment of the Company's risks, the risk management function assesses the suitability and effectiveness of risk management procedures and – if it detects deviations – performs the advisory function. By providing guidelines, recommendations and proposals, it co-creates internal controls for improved monitoring of risks within a specific process, business segment or at the Company level. It notifies the risk management system committees of the

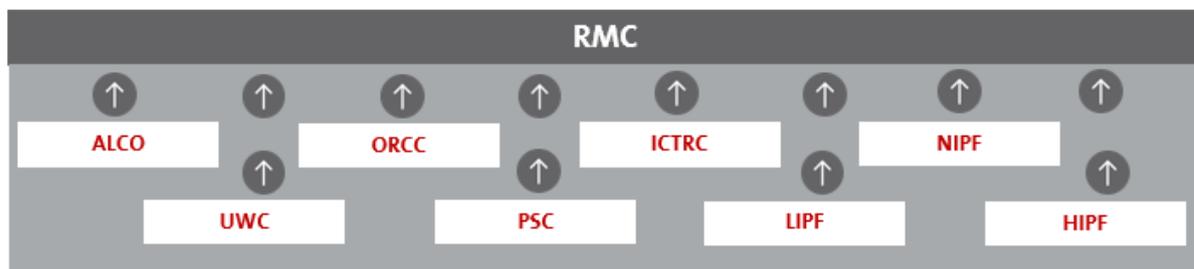
more important findings. In addition, it reports to the AZN in line with the applicable legislation relating to the tasks of the risk management function.

The risk management function holder has the role of a risk management system administrator and is directly subordinated to the Management Board, which also authorises said person based on the consent of the Supervisory Board. The findings and opinions of the risk management function holder are to be objective and independent from the influence of other business lines. The risk management function holder and other persons that perform the tasks of the risk management function at the Company have access to all Company's information required for the performance of the said tasks. The risk management function holder performs tasks as part of the second line of defence.

B.3.4 Committees operating within the scope of the risk management system

Committees form the second line of defence within the risk management system and are appointed by the Management Board. Their role is mostly of a consultative nature whereby they may also be granted certain decision-making powers by the Management Board. Their purpose is to support the Management Board in the regular monitoring, coordination and provision of information on risk management at the Company as well as consider the upgrades to risk monitoring in line with their powers. In the event of major changes to the risk profile, identified risks are considered by the Risk Management Committee or the Management Board.

Figure 3: Organisational chart of the committees within the Company's risk management system as at 31 December 2025



Risk Management Committee (RMC) is the Management Board's committee which is tasked with verifying the effectiveness of the functions that manage risk and ensuring that the Company has an appropriate infrastructure in place as well as adequate resources and systems that allow for an effective risk management. Apart from that, the committee assists in risk identification and management as well as in fostering the risk culture at the individual divisions within the Company. The fundamental objectives and the role of the committee are to assist the Management Board in assessing exposure to all material risks especially capital, strategic, sustainable and other non-financial risk which are not monitored by other committees. The Committee confirms and reviews the methodologies, sets risk limits, verifies compliance with Risk Appetite Statement, monitors the use of capital, considers proposals for the allocation of risk capital and participates in the ORSA process. In addition, it considers the SFCR and RSR prior to approval by the Board.

Assets and Liabilities Committee (ALCO) is the committee that is responsible for the management of market risk, liquidity risk and credit risk in the investment portfolio segment as well as life and pension insurance underwriting risk of the Company. An important task of the

committee is the confirmation of Company's asset and liability management strategy that ensures the achievement of strategic goals considering the risk appetite, risk exposure limits and any other restrictions that affect the asset and liability management process at the Company. In addition, it approves the stress scenarios and results of the market and liquidity risk stress tests under the ORSA process. The committees' work ensures the stability and profitability of operations and makes decisions that are consistent with regulatory requirements, internal policies and long-term business sustainability.

Non-life Underwriting Committee (UWC) is part of the Company's risk management system and ensures the monitoring and optimisation of the amount and concentration of assumed underwriting risk from non-life insurance products. The Committee approves the limits and transfer of underwriting risk to reinsurance, discusses the reinsurance programme and monitors the credit risk arising from exposures to reinsurers. In addition, it validates scenarios and stress test results of underwriting and credit risk under the ORSA process, monitors capital expenditure and analyses the adequacy of reinsurance coverage. It also discusses sustainability indicators on the portfolio and regular reports on the underwriting and credit risk profile.

Operational Risk and compliance Committee (ORCC) is the Management Board's committee responsible for ensuring an integrated operational risk management and compliance system in the Company. Its role includes monitoring operational risk exposure, addressing risk appetite of operational risk, validating system improvement measures, and addressing compliance and reputational risk issues. The committee covers all categories of operational risk, including project risk, outsourcing risk, and compliance risk. In addition, it addresses operational loss events, non-compliance events, and ethical dilemmas, and validates scenarios and stress test results within the ORSA process.

Non-life, life and health insurance product forums (NIPF, LIPF and HIPF) are part of the risk management system and ensure the development and adaptation of insurance products in accordance with the Company's strategy, legal requirements, professional standards and risk appetite guidelines. They consider proposals for new products and changes to existing ones, monitor the product life cycle, pricing policy, portfolio profitability, and compliance with the needs of target markets and sustainability considerations.

Project Steering Committee (PSC) is a decision-making body responsible for comprehensive project portfolio management. It is responsible for aligning project objectives with the Group's strategy, setting priorities, allocating financial resources and monitoring project implementation in terms of costs, deadlines, risks and resource use. The committee approves key project documents, monitors project progress and performs post-project analyses of business impacts. Its role also includes discussing project management methodology and project risk, as well as taking action in the event of deviations.

IT Governance and ICT Risk Committee (ICTRC) is the Management Board's committee responsible for ensuring a comprehensive and efficient IT and ICT risk management system in the Company. Its role includes monitoring ICT risk exposure, supervising the operation of information systems, communication networks, cybersecurity, business continuity and data quality. The Committee approves the strategic guidelines of informatics, the financial plan of informatics and measures for ICT risk management, monitors the implementation of measures and considers significant purchases of ICT services when they are related to critical or important

functions. In addition, it sets priorities for the development of information systems, supervises the implementation of strategic information projects and informs RMC and ORCC about ICT risk exposure.

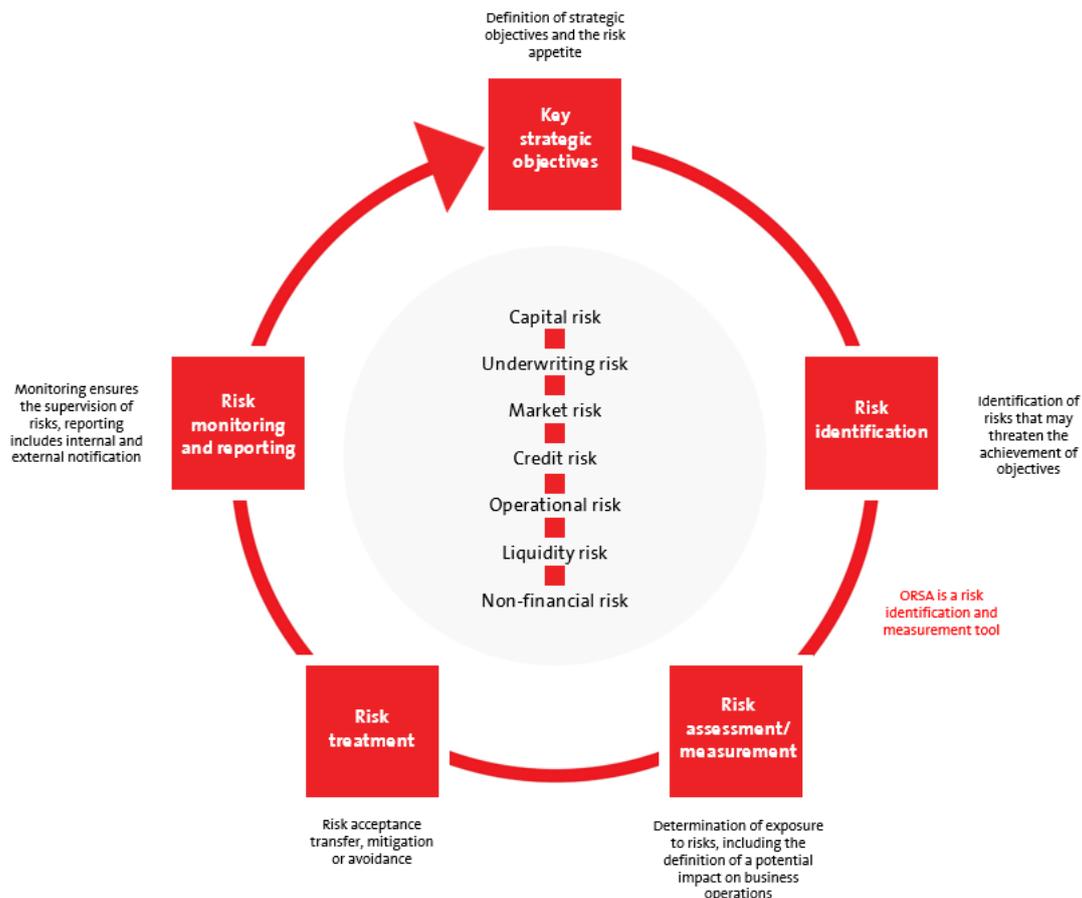
B.3.5 Risk management process

In the process of setting planning guidelines and goals for the strategic period, the scope of risks, which the Company is consciously prepared to take to achieve these goals, is defined and serves as the basis for defining the level of key indicators for ensuring compliance with the Company's risk appetite. Based on the set strategic goals, material risks are first identified annually in the ORSA process. These are risks, the realisation of which can have a significant impact on the achievement of set goals in future periods.

The risks identified in the described manner represent risks that are subsequently appropriately classified and assessed by the Company, the latter primarily in terms of the extent of the effect and the probability of occurrence. The analysis is the basis for the decisions of the Management Board regarding the method of risk management.

During the implemented cycle of the risk management system, the Company always documents the identified shortcomings and suggestions for improvements and prepares measures and recommendations for upgrading.

Figure 4: Risk management process at the Company



The Company regularly monitors risks by considering regular reports addressing material impacts on the risk profile and based on which appropriate measures are taken by the competent authorities as appropriate. Proper risk assessment requires the correct capture of risk exposures and a good knowledge of the properties (volatility) of risk factors and their impact on key strategic indicators.

The primary method of measuring risk is the standard formula (regulatory method), which is based on the standard volatility and risk exposures of the Company. The regulatory method is complemented by own estimates of the volatility of risk factors at the same level of confidence and period. At the same time, this regularly ensures the verification of the adequacy of the regulatory method for the Company. In addition, risks are assessed according to the methodology of the S&P Global Ratings credit rating agency.

At least once a year, a comprehensive analysis of the appropriateness of the standard formula of Delegated Regulation for the measurement of own risks is to be carried out as part of the ORSA process. In the final assessment of appropriateness, the Company also considers the results of the internal risk measurement method which is continuously upgraded.

When managing risks, the Company acts preventively whereby it applies two approaches: decomposition and diversification of individual risk types. When balancing risk exposure, the key measure is the setup of a suitable limit system that the Company adjusts to the current external developments subject to the business opportunities, whereby it remains within the defined risk appetite at all times.

The Company regularly implements risk monitoring and reports on risks in the form of standardized risk reports, which include regulatory and internal indicators for all risk and operation segments. In addition to the recommendations of the Risk Management Department, the report also contains comments on indicator trends and values in relation to the set limits and target values. The committees within the risk management system as well as the Management Board, the Supervisory Board and Risk Committee discuss risk reports within the scope of their respective powers. The risk reporting system also includes the following: Annual Report, Company's SFCR and Group's SFCR, ORSA report, RSR and other reporting to external stakeholders.

B.3.6 Own risk and solvency assessment (ORSA) process

ORSA process builds on the fundamental elements of the risk management system and considers the risk profile and the defined limit system and is closely related to the strategic business planning process. This is also the main purpose of ORSA process, which refers to the assessment of the potential risks of the Company arising from the strategic business plan, which also assesses the adequacy of the future capital position in relation to the strategic business plans. ORSA process is therefore aligned with the strategic planning process of the Company, as the calculation of the planned capital adequacy is also prepared in a coordinated manner and based on the financial plan.

In addition, ORSA process examines the impact of exceptional circumstances on the level of capital adequacy by means of stress tests defined for this purpose, which are defined on the basis of current risk. The implementation of stress tests enables a more in-depth view of the risk profile and the robustness of capital adequacy, as well as the risk management system in the

Company. When examining the impact of exceptional circumstances on future solvency needs, The Company also identifies any measures necessary to maintain optimal capital adequacy.

ORSA process also verifies the appropriateness of regulatory risk measurement (determined on the basis of the so-called standard formula). Verification of the appropriateness of the standard formula is carried out regularly during the year, especially in segments where changes in the risk assessment may be greater during the year due to the volatility of risk factors, for example in the market risk area, while in the remaining segments the appropriateness of the standard formula is examined in more detail as part of ORSA process.

At the end of ORSA process, the latter is properly documented, and the final report is prepared. The results of ORSA process are reported to all internal and external stakeholders (AZN), which also includes informing the Company's Supervisory Board.

ORSA process is carried out regularly at the Company, at least once a year. Exceptionally, the process is carried out in the event of a major change in the current risk profile or when potential future changes in the Company's business model and events or scenarios in the markets where the Company operates are identified and could have a significant impact on the achievement of strategic objectives, capital adequacy or liquidity.

In 2025, regular ORSA process was carried out. In carrying out the regular ORSA process, all identified material risks of the Company up to the date of calculation were considered, as well as all identified potential risks that could affect its future operations on the basis of known information. The regular ORSA process confirmed that the Company's insurance and investment portfolio are sufficiently resilient, that the capital position is adequate and that the Company can continue to successfully confront future risk and challenges.

In 2025, the Company also underwent an extraordinary ORSA process, due to the anticipated significant change in the risk profile due to its entry into the Italian motor insurance market.

B.4 Internal control system

The Company's internal control system, which is based on the values and ethical principles set out in the Triglav Group Code⁷ encompasses risk assessment, establishment of internal controls, regular assessment of their adequacy and appropriateness, and communication and reporting to supervisory authorities and other stakeholders.

The internal control system covers all organisational units and business functions of the Company. Internal control activities are thus performed in all business and operational processes through the three lines of defence system.

The roles and responsibilities within the internal control system are distributed among business function holders who are responsible for the setup, documenting and continuous care for the effectiveness of internal controls, key functions of the second line of defence that monitor and control the suitability of internal controls and the Internal Audit Department which performs final control of the internal control system at the Company.

⁷ Triglav Group Code is published on the Company's website: <http://www.triglav.eu>.

The Management Board approves the Triglav Group Code, the internal act on the internal control system, the key function policy as well as the rules of procedure of committees, including amendments thereto. The Management Board monitors and manages the internal control system at the Company through reports of key functions and the reporting of business functions as well as through adopted resolutions.

B.4.1 Compliance function

The compliance function monitors the compliance of the Company's operations with regulations and other commitments within the scope of the internal control system, and in this context monitors and assesses the potential impacts of changes in the legal environment and the associated circumstances on the Company's business operations. As part of the above, it assesses compliance risk of the Company's business operations, the appropriateness and effectiveness of procedure and measures for risk management, including measures for harmonisation of the Company's operations with the established changes and in doing so carries out the advisory function. By providing guidelines, recommendations and proposals, it co-creates internal controls for the assurance of compliance within a specific process, business segment or at the Company's level. The compliance function regularly reports to the Management Board, the Supervisory Board and the Audit Committee of the Supervisory Board and also plays an important role in terms of efforts to ensure fair and transparent operations, respect for human rights, respect for restriction measures, implementation of programmes for the assurance of compliance in individual areas (e.g. consumer and competition protection, human rights protection, personal data protection, outsourcing, prevention of conflict of interest, internal fraud and corruption, sustainability etc.) and for the development and monitoring of the observation of ethics-related commitments and the care for their implementation in practice. The function holder provides for effective implementation of the function and consideration of compliance topics at the ORCC, the external presentation of the function, regular reporting to the Management Board, the Supervisory Board and the Audit Committee of the Supervisory Board as well as the development of compliance programme and minimum standards for the operation of the function in the Group's subsidiaries.

The compliance function works autonomously and independently of other business functions within the scope of the head office support department and is directly subordinated to the Management Board. It is part of the second line of defence in the three lines of defence risk management system. The organisational placement, the role and responsibilities of the compliance function within the system of governance of the Company, including its reporting obligations, are defined in general in the Company's internal documents on the organisation, system and policy of governance and Compliance policy.

B.5 Internal audit function

The internal audit function carries out risk assessment-based continuous and comprehensive control over the Company's business operations. It reviews and evaluates the appropriateness and effectiveness of the Company's management, risk management and control procedures in an impartial, systemic and methodical manner, and provides recommendations for improving their effectiveness and efficiency. In addition to independent and objective assurances, it also

provides advisory services, cooperates with supervisory authorities and other assurance providers, monitors the implementation of internal and external auditors' recommendations and regulators' measures, participates in the internal audit reviews in other Group's undertakings. Its tasks also include ensuring the quality and continuous development of internal auditing in the Company and maintaining an appropriate level of quality of internal auditing in the Group.

The Management Board provides for appropriate working conditions to the internal audit function, both in terms of organisational independence and the funds available for its operation as well as in terms of access to all areas, records, assets and people at the Company (including the members of the Management Board, Audit Committee and the Supervisory Board). The internal audit function is organised as an independent organisational unit within the Company and is directly subordinated to the Management Board, and functionally and organisationally separated from other organisational units of the Company. The internal audit function is independent in determining the areas, objectives and scope of internal audits, performance of tasks and reporting on internal auditing. The function holder and internal auditors do not perform any development and operational tasks that could cause a conflict of interest and impair their objectivity, nor do they decide on activities in the areas that are the subject to internal auditing.

The internal audit function reports on its work directly to the Management Board and Supervisory Board. The internal audit function holder reports on the exercise of the authority and the functioning, any limitations in its operations (occurrence of circumstances that could impair the objectivity of internal auditors, possible limitation of funds for work and the like), findings of internal audits performed as well as on the realisation of recommendations and the assessment of the appropriateness and effectiveness of risk management and control procedures in the audited areas:

- to the Company's Management Board so as to maintain independence from other business functions at the Company;
- to the Audit Committee and the Supervisory Board, thereby maintaining independence from the Management Board.

The internal audit function performs its tasks in accordance with the Global Internal Audit Standards and Hierarchy of rules on internal auditing adopted by the Slovenian Institute of Auditors and the internal rules on the functioning of the internal audit function adopted by the Management Board subject to consent from the Supervisory Board.

B.6 Actuarial function

Actuarial function is performed separately for non-life insurance and life insurance and operates autonomously and independently of other business functions. The Management Board and the Supervisory Board of the Company authorise the actuarial function holders who are responsible for performing the tasks of the actuarial function. The actuarial function holders have full, free and unlimited access to all information, data, activities and personnel of the Company, which they require to perform their tasks.

Some of the key tasks of the actuarial function include coordination and performance of calculations of technical provisions and assurance that appropriate methods, models and assumptions are used in the calculations of technical provisions as well as the assurance of the suitability, adequacy and quality of the data used in the calculations of technical provisions. Another key task of this function is the verification of suitability of the general underwriting risk policy and delivering an opinion on the adequacy of the insurance premium amount for individual products. In doing so, it applies the position that the premium for individual products is sufficient to cover all the liabilities arising from insurance contracts. The function also verifies the adequacy of reinsurance and participates in the execution of the ORSA process at the Company level. It also coordinates and calculates capital requirements for underwriting risk.

The actuarial function holders are authorised for the supervision and impartial reporting on the performance of actuarial tasks. They report regularly to the Management Board and the Supervisory Board on the operation of the actuarial function, and regularly inform RMC, ALCO and UWC of material findings. They perform tasks delegated to them by the abovementioned committees and work with other committees, which are part of the risk management system, as appropriate.

B.7 Outsourcing

Pursuant to the requirements of ZZavar-1 and the Delegated regulation, the Company has set up legally required controls and processes related to operations that are outsourced (hereinafter also: outsourced operations).

By adopting acts pursuant to the Digital Operational Resilience Act⁸(hereinafter: DORA), the Company defines responsibilities and internal controls related, among others, to the use of ICT services provided by external contractors or providers, which includes the performance of due diligence, risk assessments in all stages of the outsourcing life cycle, content-related requirements for contracts, monitoring and supervision, notification of the AZN, as well as in relation to the ICT services information register. Legal and organisational measures as well as contracts with external providers thus ensure that the Company's supervisory bodies are able to exercise supervision over the providers of outsourced operations and providers of ICT services that support critical or important functions of the Company. In accordance with the contractual provisions, external service providers are obliged, even vis-à-vis subcontractors, to establish and ensure *mutatis mutandis* the same internal controls and mechanisms to manage any potential deficiencies as the Company. The Company also has the right to supervise the functioning of the service provider's internal control system and provide guidelines regarding the performance of the outsourced service.

The success of the performance of outsourcing contracts is monitored and controlled by the outsourced operations holders regularly, at least once a year, while – depending on the identified risks – they can also be supervised as part of the annual system controls of individual external providers of the Company, whereby the body competent for operational risk management is

⁸ Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011

notified of any findings. Audits may also be planned and carried out at the Company for individual operations.

The provider's ability and the outsourcing risk arising are monitored through regular risk assessment aimed at identifying risk or any changes to the risk. They periodically notify ORCC about the implementation of the operation and the assessed risk, whereby the risk management body then considers the measures proposed for the management of the risk in question.

The Company outsources five operations. Three relate to the organisation of the sales network and insurance implementation processes in Poland, Greece and Italy, which are managed for the by local general representative companies. For providing assistance services in the provision of health insurance, the Company has entered into a business with its subsidiary Triglav Med, d.o.o., and upon the merger of Triglav, Zdravstvena zavarovalnica, d.d., the Company took over the outsourcing of the storage of insurance documentation.⁹

Prior to the entry into force of the DORA Regulation, operations relating to the outsourcing of ICT services were managed as outsourced operations (cloud services), and after the entry into force of the DORA Regulation, they are kept in the register of ICT services supporting critical or important services¹⁰.

The Company performs 20 outsourced operations for other Group's undertakings as at 31 December 25. These relate to the sale of insurance, asset management, IT system and cloud infrastructure provision and maintenance.

B.8 Any other information

ASSESSMENT OF THE ADEQUACY OF THE SYSTEM OF GOVERNANCE

An adequate system of governance is in place at the Company that is proportionate both to the nature and the scope of its operations as well as the complexity of the risks arising during its operations. Appropriateness is confirmed by the results of regular internal audits of this system, which are performed annually by the competent departments of the Company.

EVENTS AFTER THE END OF THE FINANCIAL YEAR 2025

Ivica Vulić obtained the appropriate authorisation from AZN and as of 8 January 2026 took up the position of Management Board member, Worker Director, for a five-year term of office.

OTHER RELEVANT INFORMATION

All other important information relating to the system of governance is disclosed in Sections B.1 through B.7.

⁹ As a result of the transfer of the portfolio of voluntary pension insurance, the asset management and covering funds management business, which the Company had concluded with Triglav Investments, d.o.o., was transferred to Triglav, pokojninska družba, and a new business related to the sale and implementation of insurance in Italy (MGA) was concluded in 2025.

¹⁰ 11 operations previously defined as outsourced operations (support for the management and operation of key business processes, implementation of SOC and OC services, cloud services, IT support for customer relationship management) have been transferred to the list of ICT services.



C.

Risk profile

- C.1 Underwriting risk
- C.2 Market risk
- C.3 Credit risk
- C.4 Liquidity risk
- C.5 Operational risk
- C.6 Other material risk
- C.7 Any other information

C. Risk profile

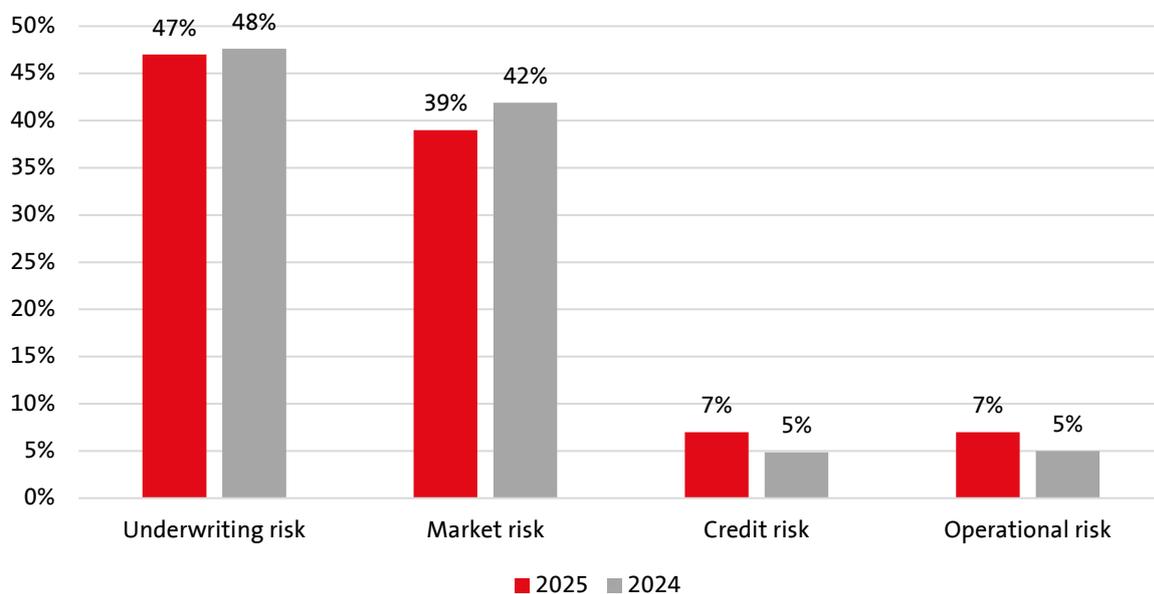
As part of its operations, the Company is exposed to underwriting, market, credit, liquidity, operational and other risks. The Company manages risks using internal methodologies and indicators according to regulatory capital adequacy criteria and through capital adequacy according to the S&P Global Ratings risk assessment method, all in line with the process described in Section B of this report.

Out of all the risks, the Company is most exposed to underwriting and market risk, and to a lesser extent to credit and operational risk. To ensure adequate risk management, the Company has defined ways of identifying risk exposures and appropriate risk measures for each type of risk that enable assessing the level of assumed risk. Appropriate exposure limits that prevent excessive risk assumption and ensure adequate portfolio diversification are also defined. An important element of risk management is the risk mitigation techniques that represent an important tool for the management of the concentration of individual risk types.

For regulatory reporting purposes, the Company measures risk using the standard formula, which measures risk as the value-at-risk of the Company's basic own funds with the confidence level of 99.5 percent over a period of one year.

As at the end of 2025, the overall risk value of the Company, which does not consider mutual risk effects (i.e. diversification), amounted to EUR 678.4 million for underwriting, market, credit and operational risk. The diversification of risks between the modules lowers the overall value of risk by EUR 192.4 million.

Chart 5: Company's risk profile



The Company has a ring-fenced fund, PDPZ renta, for the concluded voluntary pension insurance, for which risks are calculated separately, i.e. for each risk category in the standard formula. The above chart applies the simplification at risk module level method and considers the risks of the ring-fenced fund. The method is presented in more detail in Section E.1 of this report.

C.1 Underwriting risk

Underwriting risk is the risk of loss or of an adverse change in the value of underwriting liabilities due to inadequate pricing of premiums and provisioning assumptions considered in the calculation of technical provisions. The Company assumes underwriting risk when concluding insurance transactions that represent its core business.

The main objective of underwriting risk management is to maintain such quality of the portfolio that provides for stable and safe operations while simultaneously ensuring the desired returns. To achieve the main objective, the Company has put processes in place to ensure an appropriate level and diversification of underwriting risk exposure.

As at 31 December 2025, underwriting risk represented 47 percent of the Company's overall risk value, excluding diversification, which amounted to EUR 326.1 million.

The Company identifies the following underwriting risk in respect of its portfolio:

- non-life underwriting risk;
- health underwriting risk;
- life underwriting risk.

C.1.1 Non-life and health insurance

For non-life and health insurance, the Company underwrites premium and reserve risk, lapse risk and catastrophe risk. As at 31 December 2025, the Company's non-life and health underwriting risk value represented 40 percent of the Company's overall risk value, excluding diversification.

Table 9: Company's non-life underwriting risk value

	In EUR thousand	
	2025	2024
Premium and reserve risk	202,072	145,162
Lapse risk	37,922	32,688
Catastrophe risk	84,547	79,729
Diversification	-83,789	-72,420
Non-life underwriting risk	240,752	185,160

At the end of 2025, the regulatory risk value for non-life insurance amounted to EUR 240.8 million, an increase of EUR 55.6 million compared to the end of 2024. The increase was due to the increase in all three risk sub-modules.

The premium and reserve risk increased by EUR 56.9 million during 2025, influenced by both the increase in volume measure for premium risk and the increase in volume measure for reserve risk. The increase in volume measure for premium risk was in line with the increase in the planned premium for 2026, while the increase in volume measure in reserve risk was in line with the increase in claims provisions. Both increases are a consequence of Company's business in Italian market.

Lapse risk increased in line with the growth in the premium provision, which increased due to higher unearned premium and higher reinsurance liabilities. Catastrophe risk increased due to the growth in business volumes, mainly in the non-proportional reinsurance line of business.

Table 10: Company's health underwriting risk value

	In EUR thousand	
	2025	2024
Health underwriting risk valued as life underwriting risk	10	9
Premium and reserve risk	34,586	30,590
Lapse risk	10,114	9,739
Catastrophe risk	3,043	2,980
Diversification	-10,835	-10,339
Health underwriting risk	36,918	32,979

The underwriting risk value for health insurance increased by EUR 5.4 million over the course of 2025. The increase was mainly due to an increase in premium and reserve risk resulting from the business on the Italian market.

RISK EXPOSURE

The Company is most exposed to premium risk in the motor vehicle insurance lines of business. The volume measure for premium risk fluctuates according to the net written premium income. Compared to the previous period, the net written premium income increased by EUR 113.6 million. Details on the Company's net written premium income as at 31 December 2025 are presented in template S.05.01.02, in the annex to this report.

Table 11: Company's premium risk exposure measured as the annual volume of net written premium income from non-life and health insurance

	In EUR thousand	
	2025	2024
Net written premium income	685,438	571,821
Other motor insurance	162,813	156,676
Motor vehicle liability insurance	160,033	126,040
Fire and other damage to property insurance	153,638	114,714
Income protection insurance	64,403	60,176
General liability insurance	36,460	32,349
Other non-life and health insurance lines of business	108,091	81,867

The Company's highest reserve risk exposure was recorded in the Motor vehicle liability insurance line of business. The exposure of the volume measure for reserve risk fluctuates according to the net claims provisions which increased compared to the previous period as a result of the increased scope of operations.

Table 12: Exposure of the Company's reserve risk volume measure for underwriting risk from non-life and health insurance

	In EUR thousand	
	2025	2024
Net claims provisions	326,424	289,093
Motor vehicle liability insurance	115,342	85,876
Fire and other damage to property insurance	55,130	59,108
General liability insurance	52,766	46,033
Other motor insurance	30,818	35,909
Other non-life and health insurance lines of business	72,369	62,168

Catastrophic events according to the standard formula are broken down at the Company level into natural catastrophes, man-made catastrophes, non-proportional reinsurance catastrophes, and other catastrophes. The overall capital requirement under this item mostly arises from exposure to the perils of flood, hail, and storm and from exposure to non-proportional reinsurance.

CONCENTRATION RISK

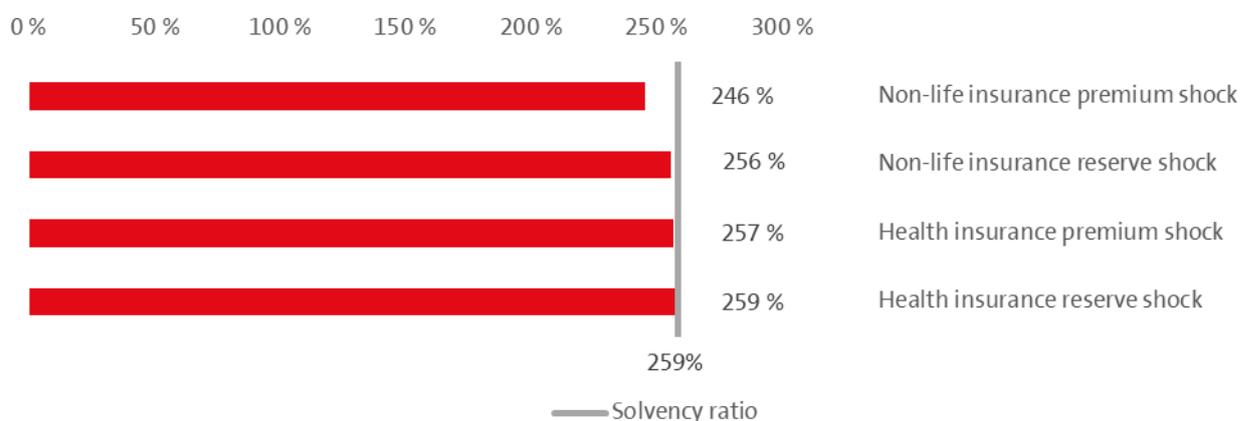
Exposure concentration is managed by the Company according to three categories - by peril, geographical location, and industry sector. The concentration is managed by using suitable forms of reinsurance that are based on the tables of maximum own shares. The Company also monitors the concentration of underwriting risk on a quarterly basis by policyholder, country, business activity, and lines of business based on the gross written premium. By regularly pursuing adequate diversification of assumed coverage, regular monitoring and reporting on concentration risk, the Company reduces the probability of the occurrence of loss and its amount.

RISK MITIGATION TECHNIQUES

The Company mitigates risk mainly by purchasing various forms of reinsurance protection. Risk assumption for complex, individual insurance is performed on a case-by-case basis. The Company transfers a part of the risk for the individual insurance by purchasing facultative reinsurance protection whereby it considers both the maximum own shares, the probable maximum loss and the Company's risk appetite. The risk of the remainder of the portfolio is mitigated by concluding obligatory proportional and non-proportional reinsurance protection. The Company regularly monitors the effectiveness of reinsurance protection and reconciles the amount of the transferred/ceded risks with the risk appetite at least once a year. The Company devotes special attention to the management of natural catastrophe risk.

SENSITIVITY

The Company assesses the suitability of risk management through regular performance of sensitivity tests. Premium shock for both non-life and health insurance portfolios is represented by a 10 percent decrease in the volume measure for premium risk. Similarly, reserve shock is represented by a 10 percent increase in the volume measure for reserve risk, i.e. for both the non-life and health insurance portfolios.

Chart 6: Company's capital adequacy sensitivity test as at 31 December 2025

C.1.2 Life insurance

For life insurance, the Company assumes mortality risk, longevity risk, disability and morbidity risk, lapse risk, life expense risk, revision risk and life catastrophe risk. Exposure to a particular risk is measured based on the best estimate of provisions for those policies.

The Company measures risk separately for its two sub-portfolios: portfolio of supplementary voluntary pension insurance during the payment phase (PDPZ renta) and the remainder of the Company's portfolio. The risk of these portfolios is measured by the Company without consideration of the diversification effect between the remainder of the portfolio and the ring-fenced fund. As at 31 December 2025, the life underwriting risk value represented 7 percent of the Company's overall risk value, excluding diversification.

Table 13: Company's life underwriting risk value

	In EUR thousand	
	2025	2024
Mortality risk	6,266	7,431
Longevity risk	7,535	9,399
Disability and morbidity risk	97	125
Lapse risk	30,329	27,498
Life expense risk	16,145	16,680
Revision risk	1,177	1,332
Life catastrophe risk	5,259	5,207
Diversification	-18,330	-5,297
Life underwriting risk	48,478	62,375

The risk value for 2025 decreased by EUR 13.9 million compared to the year before, mainly due to lower exposure and higher diversification resulting from the transfer of the PDPZ portfolio to Triglav, pokojninska družba. Lapse risk increased the most in absolute terms due to an increase in mass lapse risk, which is primarily the result of improved profitability of insurance products. As at 31 December 2025, the risk value for life insurance of ring-fenced fund totalled EUR 2.0 million.

RISK EXPOSURE

Risk exposure is presented below as the difference between the best estimate of liabilities from life insurance and the assets sensitive to the respective risk. The exposure includes the net liabilities from non-life and health insurance claims, which are paid out as annuities.

Table 14: Company's life underwriting risk values

	In EUR thousand	
	2025	2024
Mortality risk	1,102,812	1,127,942
Longevity risk	1,146,152	1,177,196
Disability and morbidity risk	16,833	16,825
Lapse risk	1,012,903	1,030,788
Life expense risk	1,148,519	1,180,159
Revision risk	43,017	48,939
Life catastrophe risk	1,012,760	1,030,721

In 2025, the exposure to life underwriting risk decreased mainly due to a decrease in technical provisions, which is mainly due to an increase in risk-free interest rates at all maturities of the risk-free interest rate curve, except for the shortest part.

The Company is exposed to **mortality risk** from policies that cover the peril of death if the coverage at the time of the policyholder's death is higher than the provisions set aside. Life insurance policies for the event of death and life insurance policies of credit borrowers have the highest exposure because the sums insured in the event of death are high and technical provisions arising from these types of coverage are relatively low. Other policies carry a low exposure to mortality risk.

The Company is exposed to **longevity risk** from annuity insurance policies. The amount of the basic annuity for these policies is set in advance and is fixed. It is calculated based on the paid in funds and assumptions which mainly relate to the duration of the remainder of the beneficiaries' life. If beneficiaries live longer on average than is assumed in the calculation of annuities, the Company may incur losses. Longevity risk is not transferred to reinsurers, instead, additional dedicated provisions are set aside as appropriate. The longevity risk is low for policies that are not lifetime or very long-term.

The Company is exposed to **disability and morbidity risk** from policies that cover critical and serious diseases and disability. The problem of the exposure of such policies to the risk in question is similar in terms of content to the abovementioned exposure of policies, which cover the peril of death, i.e. mortality risk.

All policies, which feature contractual provisions allowing the policyholder to change the policy, are exposed to **lapse risk**. The said changes include full or partial surrender of the policy, capitalisation, decision on what proportion of saved assets they will use to purchase the annuity, etc. It is in the Company's interest for the concluded policies to remain in the portfolio under the agreed conditions until the expiry or the eventual realisation of the risk covered by the respective policy, while early terminations (lapses) generally (except for exceptional cases) represent a business-damaging event for the Company. The risk is mitigated through appropriate product design and careful management of the existing portfolio.

The Company is exposed to **expense risk** from all life insurance policies and in case of non-life and health insurance claims, which are paid out as annuities. This risk represents the risk of an eventual increase in all types of actual expenses subject to accrued expenses upon conclusion, which has a negative effect on the profitability of the Company's life insurance portfolio.

Non-life and health insurance claims paid out in the form of annuities are exposed to **revision risk**. The periodic annuity payment may increase (most often due to the deterioration of the medical condition of the annuity beneficiary) which in turn increases the nominal amount of the Company's liability.

All policies that cover mortality risk are exposed to **life catastrophe risk**. This risk is similar to the abovementioned mortality risk, with the difference being that this risk involves a one-year increase in mortality and not a permanent systemic increase in mortality.

CONCENTRATION RISK

The fact that the Company's sales network is so widespread in Slovenia, it ensures geographic diversification and simultaneously contributes to increasing the sales volume of the entire Company. The extensive and diversified scope of assumed risk is beneficial to the matching of risk concentration.

A broad range of life insurance products ensures the simultaneous servicing of the majority of the customers' needs and diversification between various risk types as customers belong to different categories in terms of age and other risk factors. Concentration risk is managed at the Company with reinsurance protection. Excess risk reinsurance eliminates exposure to individual large risks.

RISK MITIGATION TECHNIQUES

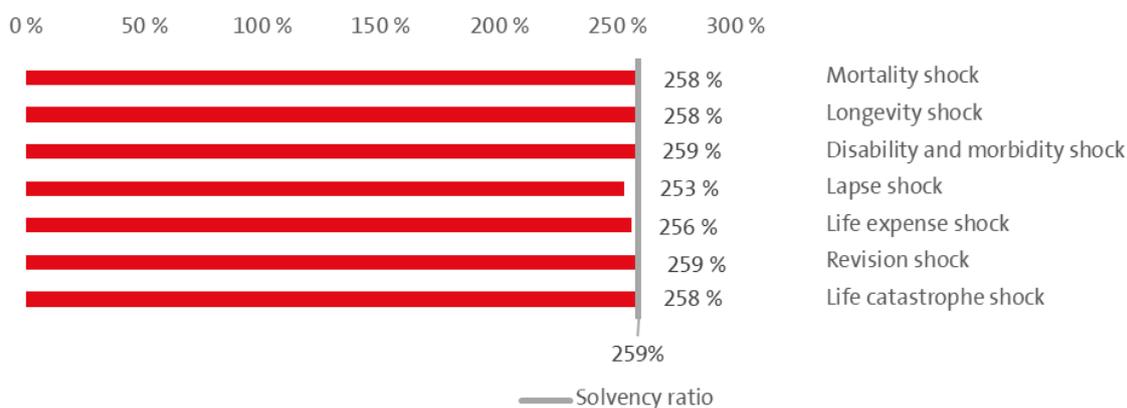
The most important aspect for life insurance products is the management of underwriting risk that is performed during the risk assumption phase. The process for insurance acceptance involves a medical questionnaire, financial questionnaire, review of existing medical documentation and medical tests. The scope and depth of the process depend on the sum insured. Low sums insured and waiting periods are prescribed for protection against pre-contractual opportunism (adverse selection) for insurance products without an underwriting process. During the term of the policies, the portfolio is regularly monitored, and assets are properly matched with insurance liabilities. The second part of risk mitigation is performed in the claim resolving phase where the medical documentation from the claim report is cross-referenced with the data from the concluded policy.

Risk monitoring is performed regularly, using the analysis of portfolio mortality, morbidity and market practices. The result of these analyses is a best estimate of the assumptions that are then used to calculate technical provisions, set new product prices and calculate Company's capital adequacy. The Company also partially transfers the underwriting risk assumed to reinsurers under concluded reinsurance agreements. The adequacy of reinsurance protection and the risk of default are regularly monitored and reviewed.

SENSITIVITY

The Company performs sensitivity tests regularly to ensure risks are managed suitably. The chart below presents the Company's capital adequacy in the event of realisation of an individual shock defined according to the standard formula.

Chart 7: Company's capital adequacy sensitivity test as at 31 December 2025



C.2 Market risk

Market risk is the risk of loss or adverse change in the financial position of the Company resulting from fluctuations in the level and volatility of the market prices of assets, liabilities and financial instruments. The investment of the collected premium and own funds of the Company represents one of the main activities at the Company. The Company holds a broad range of various financial instruments in the investment portfolios whereby the value of the instruments depends to a high degree on the fluctuations on financial markets.

Table 15: Company's market risk value

	In EUR thousand	
	2025	2024
Interest rate risk	5,931	0
Equity risk	185,943	161,463
Property risk	34,377	35,673
Spread risk	44,309	35,390
Market concentration risk	71,167	63,877
Currency risk	8,447	11,309
Diversification	-88,006	-60,846
Market risk	262,167	246,867

As at 31 December 2025, market risk value represented 39 percent of the Company's overall risk value, excluding diversification. Market risk value was higher by EUR 15.3 million compared to the previous year. The risk value is calculated at the Company level whereby the risk value for the ring-fenced fund is added without diversification to the risk value for the remainder of the portfolio. As at 31 December 2025, the market risk value of the ring-fenced fund amounted to EUR 2.4 million.

RISK EXPOSURE

The Company is exposed to market risk mainly via investment portfolios and holdings in related undertakings, including participations. For each type of market risk, matching with insurance liabilities is also considered. On the investment portfolio side, the Company can be exposed to market risk through direct investments in financial instruments or indirectly through investments in collective investment undertakings.

Table 16: Company's assets exposed to market risk

	In EUR thousand	
	2025	2024
Property, plant and equipment held for own use	82,890	84,878
Property (other than for own use)	55,671	59,450
Holdings in related undertakings, including participations	565,108	516,941
Equities	6,722	7,621
Bonds	1,584,807	1,456,791
- Government bonds	1,067,457	998,784
- Corporate bonds	516,286	456,959
- Structured notes	1,065	1,048
Collective investment undertakings	196,170	145,318
Derivatives	2	20
Deposits other than cash equivalents	18,973	7,152
Other investments	113	81
Assets held for index-linked and unit-linked contracts	709,630	938,881
Loans and mortgages	10,111	5,189
Deposits to cedants	34	16
Assets exposed to market risk	3,230,230	3,222,337

Table 17: Company's liabilities exposed to market risk

	In EUR thousand	
	2025	2024
Exposure to interest rate risk	2,471,887	1,919,686
Exposure to equity risk	689,043	631,727
Exposure to property risk	4,268	4,303
Exposure to spread risk	689,033	631,566
Exposure to currency risk	500,026	483,072

Interest rate risk arising from assets is decreased to a large extent by the interest rate risk from liabilities. All assets and liabilities, the value of which depends on the change in the risk-free market interest rate (bonds, loans, deposits, cash flows from insurance policies), are exposed to interest rate risk. The Company manages interest rate risk mainly by matching assets and liabilities according to the interest rate re-setting period. The DV01 spread and duration gap of interest-sensitive items is monitored by the Company based on the market valuation, whereby unit-linked life insurance assets are excluded.

The interest rate risk value remained very low at the end of 2025. The Company adjusted to the financial markets' conditions, where risk-free interest rate levels generally increased amid low volatility. In 2025, the duration of surplus assets and of assets covering current liabilities reduced slightly, while the duration of assets covering non-current liabilities also reduced. The Company implemented a policy of a high matching of assets and liabilities and thus maintained the interest rate gap within the defined ranges. The interest rate sensitivity of the most long-term liabilities was managed with government bonds of longer maturities and of the best credit qualities.

Equity risk includes all exposures under investments, where the value is sensitive to a price or volatility change in market prices of equities. These are mainly stocks and collective investment undertakings into equities. An important part of the Company's exposure to equity risk is the result of investments into related undertakings. The Company holds equity investments with the purpose of generating higher long-term returns and for diversification purposes.

In 2025, the Company did not significantly change its exposure to listed equity investments. The Company increased its exposure to unlisted equity investments by investing into equity-type collective investments undertakings, mainly in alternative investment funds. The strong operating performance of associated companies consequently increases the value of this companies and raises exposure to equity risk. In addition, exposure increased due to capital increases in certain undertakings and new equity interests. The opposite effect on this item arises from the gradual liquidation of the assets of the KATERA Beteiligungs-Verwaltungsgesellschaft P11, mbH (hereinafter: Katera). The symmetrical adjustment at the end of 2025 was 5.0 percentage points higher compared to the year before. As a result, the equity risk value increased by EUR 24.5 million compared to the year before. Unit-linked life insurance assets have a small effect on the capital requirement for equity risk.

Property risk arises from investment properties, property, plant and equipment held for own use by the Company and lease rights and liabilities (since the introduction of IFRS 16). The property risk value decreased by EUR 1.3 million compared to the previous year.

Spread risk is associated with an important source of returns generated by the Company through debt portfolio management. Only assets are exposed to spread risk because liabilities are valued according to the risk-free interest rate curve. All assets, the value of which depends on the change in the part of the interest rate representing the credit spread, are therefore exposed to spread risk. These are mainly bonds, loans and deposits. The Company's exposure to investments that are exposed to this risk increased compared to the year before, with an increase mainly in the exposure to government bonds. Exposure to corporate bonds increased as well. In the part of the portfolio that has the largest impact on the spread risk value, these being primarily corporate bonds, the duration of the portfolio increased by 0.2 years compared to the year before and the credit quality remained unchanged. As a result, alongside the higher exposure to corporate debt securities of somewhat longer maturity and comparable credit rating, the spread risk level was higher than in the year before by EUR 8.9 million. When calculating the risk value, the Company treats bonds issued by countries in the European Economic Area that are not denominated in the issuing country's own currency as ordinary corporate bonds.

The Company's **currency risk** arises from the mismatched asset and liability currency positions. The Company's liabilities are denominated almost in their entirety in euros. The Company

pursues the policy of currency matching and invests most of its assets into euro-denominated investments. The risk value for currency risk is derived mainly from cash accounts denominated in a foreign currency and non-euro investments through collective investment undertakings with a global or non-European geographic orientation. The currency risk value decreased by EUR 2.9 million compared the year before. The Company hedged its foreign currency-denominated exposures using derivatives in 2025.

CONCENTRATION RISK

Debt securities represented the major share of the Company's assets. The share of corporate bonds increased slightly compared to the year before, while a slight decrease was observed in the share of government bonds. The Company continuously monitors exposure and compliance with the system of limits on exposure to issuers at the level of individual issuers or the group of related issuers. The standard formula with threshold amounts, which determine excess exposures subject to the credit quality, importantly affects the limit system.

Table 18: Company's exposure according to the financial investment issuers' NACE classification sector

	2025	2024
Financial and insurance activities	56.5 %	52.5 %
Public administration and defence, compulsory social security	22.6 %	24.6 %
Activities of extraterritorial organizations and bodies	7.1 %	6.8 %
Manufacturing	3.7 %	5.2 %
Real estate activities	1.3 %	1.3 %
Information and communication	1.2 %	1.3 %
Other sectors	7.6 %	8.3 %
Total	100.0 %	100.0 %

Table 19: Company's exposure according to the financial investment issuers' country

	2025	2024
Slovenia	48.1 %	45.1 %
Germany	8.2 %	11.9 %
France	4.1 %	4.5 %
Luxembourg	3.9 %	3.9 %
Italy	3.8 %	2.9 %
Spain	3.1 %	3.9 %
Netherlands	3.0 %	2.4 %
Other countries*	25.8 %	25.4 %
Total	100.0 %	100.0 %

*Including supernational bonds

The highest exposure to a single issuer is represented by the exposure to Germany. Exposures where the threshold value for concentration risk according to the standard formula was exceeded were mainly the exposures to non-strategic related undertakings of the Group and strategic financial undertakings Triglav, pokojninska družba, Triglav Investments, upravljanje premoženja, d.o.o. (hereinafter: Triglav Investments) and Triglav penzisko društvo, a.d., Skopje that are not fully consolidated for solvency purposes.

RISK MITIGATION TECHNIQUES

The Company has a limit system in place for market risk monitoring that defines the restrictions on the assumed risks at the highest level as well as the desired structure of the investment portfolio and the maximum acceptable exposure to counterparties, thus limiting the possibility of losses from assumed risk to a level that is still acceptable considering the complexity of the business model, strategic objectives and the capital strength of the Company. The basic principles for the setting of limits are derived from identified risks that arise from the investment portfolio management.

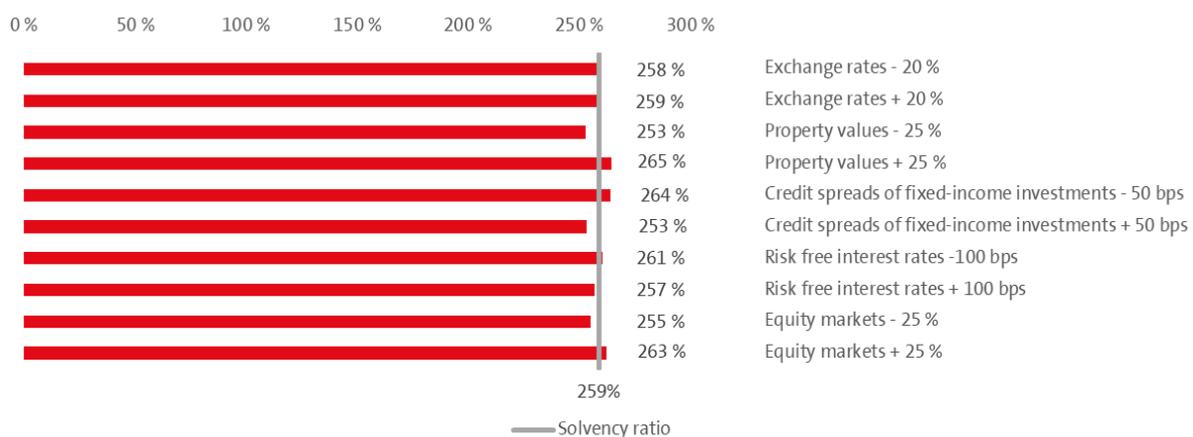
In addition to the adequately diversified investment portfolio, the Company employs various derivatives as market risk mitigation techniques. The Company utilizes derivatives mainly to hedge against risk. The use of such instruments is otherwise assessed from various aspects, most often in terms of security, economy and the use of capital. The use of derivatives must focus on the comprehensive aspect of hedging individual portfolios whereby the derivatives used to hedge against currency risk are currently in the forefront.

The Company actively manages the matching of assets and liabilities. The expected cash flows for liabilities over the medium- and long-term period as well as liquidity needs over the short-term period are an important factor while assessing the suitability of investments.

SENSITIVITY

The Company's solvency ratio sensitivity analysis as at 31 December 2025 demonstrated how the solvency ratio would change under individual isolated market scenarios, whereby only the effect on eligible own funds was considered while the effect on the Solvency Capital Requirement was not. The sensitivities represent a prudent estimate of the effect on the Company's capital adequacy.

Chart 8: Company's capital adequacy sensitivity test as at 31 December 2025



C.3 Credit risk

Credit risk is defined as the risk of loss or adverse change in the financial position of the Company resulting from the fluctuation in the counterparties' and possible debtors' ability to meet their financial or contractual obligations in part or in full as a result of fluctuation in their credit standing. The volatility in the debtors' credit standing cause changes to the Company's assets as they can cause a decrease in the value or write-off of receivables, ceded liabilities from

reinsurance or can affect the risk assessment via the increase in potential exposure. The Company is exposed to credit risk in case of the increased concentration to individual counterparties or groups of related parties that are connected by common risk factors such as credit ratings or the country.

As at 31 December 2025, credit risk value represented 7 percent of the Company's overall risk value, excluding diversification. The risk value is calculated at the Company level whereby the risk value for the ring-fenced funds is added without diversification to the risk value for the remainder of the portfolio. As at 31 December 2025, the risk value for the credit risk of ring-fenced fund totalled EUR 17.2 thousand.

Exposures to type 1 credit risk arise from counterparties' exposure that generally have a credit rating. Exposures to type 2 credit risk arise from exposures to a group of counterparties that generally do not have a credit rating but are adequately diversified.

Table 20: Company's credit risk value

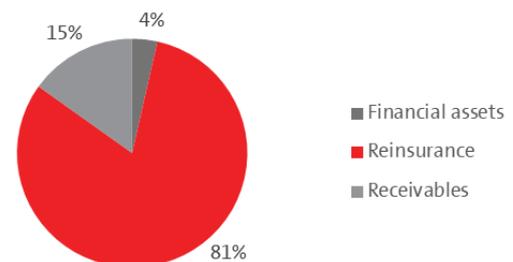
	In EUR thousand	
	2025	2024
Type 1	32,590	21,420
Type 2	16,043	8,435
Diversification	-2,749	-1,127
Credit risk	45,884	28,727

The credit risk value increased by EUR 17.2 million in the reporting period. The increase is mainly the result of the business in the Italian market as it is reinsured for the most part. The calculation of risk value considers the solvency ratio of unrated reinsurance partners in European Union and the European Economic Area (in line with the Delegated Regulation), which decreases the risk factor of these partners and thus the level of the risk value.

RISK EXPOSURE

The Company's exposure to type 1 credit risk originates mainly from reinsurance companies and include receivables for claims from reinsurance and co-insurance, reinsurance recoverables and the effect of the agreement on reinsurance on the reduction of underwriting risk. Type 1 also includes exposure to banks from cash and cash equivalents and derivatives as an effect on the reduction of market risk. The Company's exposure to type 2 credit risk is represented by loans, past due receivables from direct insurance operations, receivables for the premium under accepted reinsurance and co-insurance as well as and other past-due receivables. The Company also observes the market value of insurance recourses in past-due receivables from insurance operations.

Credit risk exposure structure as at 31 December 2025



Regarding reinsurance partners, the Company was mostly exposed to Pozavarovalnica Triglav Re and Ageas Re. On the other hand, exposure to banks was more diversified as most of the Company's exposure to banks is tied in two different banking groups. During 2025, no

deterioration of the payment discipline of natural persons was observed. There was also no material impact of changes in the credit quality of counterparties in the Company's portfolio.

CONCENTRATION RISK

The Company manages the exposure to concentration risk by individual segments of the operations, counterparty and its credit rating and country. Concentration risk from credit risk for the Company according to the standard formula is the highest at the related reinsurance partner through which it performs a major part of its reinsurance activities.

The table below presents the Company's exposure by country. The geographical diversification changed significantly during the observed period, mainly due to business on the Italian market that is mostly reinsured with the Belgian reinsurance partner Ageas Re. Nevertheless, the Company is predominantly exposed to Slovenian counterparties.

Table 21: Company's exposure to reinsurance and financial partners by country

	2025	2024
Slovenia	45.0 %	84.2 %
Belgium	34.9 %	0.1 %
Kazakhstan	8.0 %	2.4 %
United Kingdom	3.3 %	0.8 %
China	1.9 %	0.0 %
Other countries	6.9 %	12.5 %
Total	100.0 %	100.0 %

RISK MITIGATION TECHNIQUES

The Company's activities in the area of credit risk assumption are prudent and based on a predetermined risk appetite, assessment of assumed risks, assurance of credit quality and diversification of the investment portfolio as well as the management of exposures arising from reinsurance, non-payment of premiums and recourses.

The Company has a credit risk management process in place that is based on a well-defined risk appetite, main credit risk indicators, limits, risk measurement methodology, cooperation between all parties in the process and efficient communication between all involved. This enables optimal decision-making and, indirectly, also suitable credit risk management.

Credit risk from the Company's investment portfolio is balanced by depositing money, deposits and derivatives in banks and other financial institutions with a suitable credit rating, whereby a professional credit risk analysis for each institution is performed and a sufficient rate of portfolio diversification is required. For this purpose, the Company implemented a limit system that monitors both the internal and the external banks' rating which is the basis for defining the maximum permitted exposures to an individual bank. The suitability of banks and bank groups is also monitored regularly based on different publicly available information on the market.

The Company actively manages credit risk by diligently assessing the adequacy of business partners for reinsurance and by regularly monitoring their adequacy (credit rating, maximum permissible exposures, diversification and solvency ratio). When managing credit risk, it is important to have a suitable definition of counterparty's creditworthiness where the Company relies on a robustly established process that is based on credit ratings from recognised rating

agencies and the publicly available solvency ratios of those European reinsurers that do not have a rating. To ensure the suitability of reinsurance partners' credit ratings, the Company has a comprehensive system in place which precisely defines rules for the naming of partners and determining their basic information and a meticulous procedure for the determination of the partners' credit rating which is uniform for all partners. The Company has also established a college, which consists of members from various professional fields who regularly monitor and review the alignment of new potential reinsurance contracts with the Company's guidelines. A process and guidelines for reinsurance underwriting are also in place to ensure that the first line of defence of the risk management system already adequately reviews reinsurance partners prior to closing the deal.

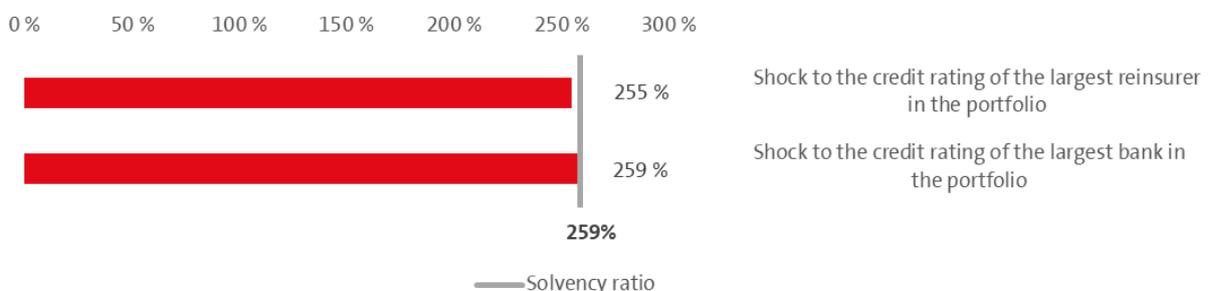
The Company separately monitors and limits exposure to counterparties without a credit rating and to those partners that the Company may not use as a mitigation technique for the solvency purpose.

SENSITIVITY

The Company regularly analyses the credit risk sensitivity. Exposure to credit risk resulting from the Company's reinsurance arises mainly from operations with Pozavarovalnica Triglav RE. As at 31 December 2025, the abovementioned subsidiary held an "A+" rating from S&P Global Ratings.

Credit risk sensitivity from reinsurance is measured through the change of the rating of the main reinsurer outside the Group whereby all other risk value calculation parameters remain the same. The credit risk sensitivity arising from the operations with the bank, at which the Company has the biggest exposure is measured in a similar manner.

Chart 9: Company's credit risk sensitivity test as at 31 December 2025



C.4 Liquidity risk

Liquidity risk is the risk of loss in the event of the Company not being able to settle its liabilities or the Company only being able to settle them with increased costs. Liquidity risk includes monitoring the risk of settlement of due and contingent liabilities as well as market liquidity risk.

The risk of the settlement of due and contingent liabilities is the risk of the Company's inability to dispose of a liquidity position that enables the settlement of its liabilities when due (including the incurred unexpected liabilities). Market liquidity risk is the risk of loss due to the inability to sell an asset without major impact on the market price due to inadequate market depth or market disruptions.

The Company has defined a comprehensive liquidity risk management system which includes internal risk management rules, well defined risk appetite, powers and responsibilities of the individual stakeholders as well as liquidity risk management processes, including reporting. The Company regularly monitors liquidity risk and verifies whether the liquidity risk value is within the defined risk appetite by applying liquidity risk assessment methodologies and the limit system.

Through liquidity risk management process, an adequate liquidity buffer is continuously maintained. Liquidity risk is measured using the liquidity indicator LCR (liquidity coverage ratio), the calculation of which is based on projected cash flows. The liquidity indicator measures whether sufficient liquid assets are available to settle all due obligations within one year under both normal and stressed conditions. The liquidity indicator is therefore calculated for expected conditions as well as for predefined liquidity stress scenarios, which are reviewed annually. These include adverse insurance and financial events that could significantly affect the Company's liquidity.

When measuring liquidity risk, the sources of liquidity include mainly insurance premiums and cash flows from investments intended to cover liabilities. Inflows from the Company's core business are stable which positively affects its liquidity position. The more important liquidity needs include the payment of claims, costs and the foreseeable dividends payout, as well as the payment of interest and principal on the issued subordinated debt. On the liabilities side, the expected excess liquidity of the planned new business in the coming year is also considered.

The liquidity indicator is also considered in the liquidity risk management. The Company has defined procedures for action in the event of extraordinary circumstances, which include the sale of liquid investments whose volume exceeds liabilities, as well as additional safety mechanisms such as credit and repo lines. The measures are regularly (annually) reviewed and adjusted to exposures and market conditions. The outlined system is successfully applied in managing liquidity risk, while excess liquidity is optimised by investing funds in alternative investments with higher market returns.

In 2025, the Company simulated liquidity stress tests as part of ORSA, which confirmed its liquidity strength and adequate liquidity position even in the extraordinary events.

RISK EXPOSURE

The Company is most exposed to liquidity risk in case of instability in financial markets and in the event of catastrophic claims events, which it manages through various risk mitigation techniques. Liquidity risk can thus be reflected in an increase in insurance indemnities, decrease in income from insurance, co-insurance and reinsurance premiums written, a decrease in the financial investments, deposits and cash on the current accounts held with banks. In 2025, the Company ensured that liquidity risk was kept at a low level throughout the period.

Monitoring of the exposure to liquidity risk includes a comprehensive overview of this risk. The Company monitors liquidity of both assets and liabilities as it considers liquidity sources (specifically cash flows from financial investments, insurance premiums and reinsurance claims) and liquidity needs (specifically claim payments, reinsurance premiums and operating expenses) and allows the analysis in ordinary and extraordinary conditions. In 2025, the Company

upgraded its liquidity risk management system, particularly in terms of the more appropriate consideration of risk mitigation techniques in the calculation of the liquidity indicator.

CONCENTRATION RISK

Liquidity concentration risk arises from potential directly or indirectly related events that cause an increase in liquidity risk. A potential increase in liquidity risk occurs especially when such events occur within a very short period of time. The Company's liquidity management system also encompasses the management of liquidity risk concentration. Concentration that can affect the liquidity position is managed through the regular monitoring of liquidity risk considering the extraordinary circumstances both in the non-life and life insurance segment, while it is additionally managed using internal limits on banks and limits from the area of market risk. The Company did not detect major elevated liquidity concentration risk in the period under consideration.

RISK MITIGATION TECHNIQUES

To mitigate liquidity risk, regular financial investment management processes have been implemented at the Company in line with the defined investment policies. These ensure the maintenance of optimal liquidity and regular risk monitoring at the time they are assumed, whereby special attention is paid especially to the matching of investments and liabilities cash flows, i.e. in terms of nature, duration and liquidity, which applies especially to those investment segments that are intended to cover technical provisions. The assets earmarked to cover these liabilities are adjusted to cover them in accordance with the investment policy in normal circumstances (ALM process), while maintaining the surplus of available-for-sale assets, which allows repayment of liabilities even in emergency situations when liquidity needs are greater. The Company therefore ensures an appropriate structure of assets whereby it invests its assets so as to ensure safety, quality, liquidity and profitability of the entire portfolio. The Company also has investment guidelines for other investment segments. These guidelines ensure that assets are of high credit quality, suitably diversified and liquid.

Liquidity risk is monitored regularly at the second line of defence within the risk monitoring process, whereby uniform liquidity risk measurement methods are applied both in ordinary and extraordinary conditions. The Company has liquidity indicators with defined limit values in place for the purpose of liquidity risk monitoring.

The Company has implemented a liquidity assurance plan that predefines powers and activities if liquidity crises occur. A part of this plan includes the definition of extraordinary circumstances indicators and the sequence of activities or measures to be implemented in case extraordinary circumstances occur.

To further manage liquidity risk, the Company has concluded repo agreements with commercial banks, lines of credit and transaction account overdraft facilities, which are mechanisms for the hedging of liquidity risk in case of unexpected events. In addition, the Company has implemented reinsurance agreements for most of its major insurance operations, which include various clauses that mitigate liquidity risk of such operations.

Indirect mitigation of liquidity risk includes market and credit risk management. The former includes the review of limits in the area of market risk mitigation and the review of the appropriate structure of assets to liabilities, while the latter includes the review and control of

limits on bank deposits and cash in current accounts and the control of the credit quality of reinsurance partners. Additionally, the Company has a limit defined for new alternative investments, which are largely illiquid, whereby the amount of the limit is set by the characteristics of the insurance and investment portfolios.

SENSITIVITY

The Company monitors sensitivity to strained liquidity conditions using internal indicators (LCR) that allows measurement of whether the Company has sufficient liquid assets in stress conditions to cover past due liabilities over a period of one year. Indicators that measure liquidity risk sensitivity differ from one another both in terms of substance of stress conditions, the duration of the stress period and the amount of deductions in financial investments.

EXPECTED PROFIT IN FUTURE PREMIUMS

The amount of the expected profit in future premiums is the opposite value of the best estimate of net liabilities arising from future premiums. It is aggregated at the level of insurance lines of business which enables potential losses and profits to be compensated within them.

Expected profits in future premiums from existing insurance contracts are part of the Company's own funds and were estimated at EUR 103.0 million. They are equal to the sum of expected profits in future premiums from existing insurance contracts of the Company, i.e. by insurance lines of business.

Table 22: Company's expected profit in future premiums

	In EUR thousand	
	2025	2024
Life insurance	52,258	65,089
Non-life insurance including health insurance	50,752	40,409
Total	103,009	105,498

The main reason for the decrease in the profit in future premiums from life insurance is the decrease in expected profit in the Index or unit-linked insurance line of business.

C.5 Operational risk

Operational risk is the risk of loss resulting from the inadequate or ineffective implementation of internal processes, conduct of employees, system failures or external events and their impacts. It includes ICT risk (including cyber risk and major business interruption risk), modelling risk, compliance risk, behaviour risk, project risk and outsourcing risk.

As at 31 December 2025, operational risk value represented 7 percent of the total risk value of the Company, excluding diversification, and amounted to EUR 44.2 million. The risk value is calculated at the Company level, whereby risk value from the ring-fenced funds is added without diversification to the risk value of the remaining part. As at 31 December 2025, the operational risk value from the limited fund was EUR 0.7 million.

RISK EXPOSURE

The regulatory assessment of the Company's operational risk is primarily based on the scale of operations (premiums and technical provisions) and therefore does not necessarily reflect the

actual exposure to operational risk. Consequently, the Company also monitors its exposure through the regular identification and assessment of potential risks and the adequacy of internal controls, through the reporting of operational loss events, and through the monitoring of key risk indicators, which also include early warning signals. This approach provides a comprehensive and consistent view of the Company's main operational risks. In 2025, the Company's most significant operational risk exposures were related predominantly to cyber risk, regulatory risk, outsourcing risk (including risks associated with cloud services) and human resources risk.

The Company has not incurred any losses due to cyber incidents to date, however, given the increasingly challenging global cyber threat landscape, exposure to this risk remains significant and requires continuous attention as well as further strengthening of digital operational resilience.

The Company's regulatory risk arises mainly from extensive regulatory changes and additional restrictive measures at EU, USA (OFAC) and UK level, with the DORA Regulation playing a key role in tightening requirements for digital operational resilience and the governance of ICT outsourcing services.

Human resources risk stems primarily from demographic changes, the arrival of new generations in the labour market and increasing competition in attracting and retaining talent, especially in specialised professional areas, as well as from challenges related to succession planning within certain technical functions.

Taking into account the established internal controls, the Company's average exposure to operational risk in 2025 was assessed as low, which is consistent with the defined operational risk appetite.

CONCENTRATION RISK

The Company is aware that advanced digitalisation and the increasing reliance on information systems increase the concentration of operational risk, primarily due to the strong dependence on the uninterrupted functioning of ICT and on external service providers that support key and important processes. Any major cyber incident or prolonged business interruption—whether caused by technical disruptions or difficulties in cooperation with key outsourced providers—may materially affect the availability of critical services and the smooth continuity of operations. In addition to technological dependencies, the concentration of human resources risk also remains significant, as certain processes rely heavily on individual employees and their specialised expertise.

In 2025, the Company once again conducted a concentration risk analysis focusing on the uninterrupted execution of key processes. An overview of the interconnections between key processes, employees, external ICT service providers (including cloud service providers) and the information systems supporting their operation was prepared. The analysis confirmed the previously identified concentrations related to ICT operations (including cloud services) and external ICT providers.

RISK MITIGATION TECHNIQUES

The Company has established a comprehensive and formalised process for the management of operational risk, which clearly defines roles and responsibilities and enables the systematic identification, assessment, mitigation and monitoring of operational risk. The objective of operational risk management is not to eliminate the risk but to ensure its timely detection and effective mitigation to a level aligned with the defined tolerance.

The Company regularly monitors realised operational loss events and key risk indicators and identifies potential risks. When significant or recurring events occur, notable deteriorations in indicators are observed, high potential risks arise or the risk appetite is exceeded, preventive and corrective measures are introduced, including upgrades to existing measures or additional internal controls. The effectiveness of these measures is continuously verified and reflected in updated risk registers and internal control registers.

The Company has established a Business Continuity Management System (BCMS), which is regularly updated and tested. It covers preventive and corrective measures for various business disruption scenarios, such as cyber incidents, outages of information services, natural disasters (e.g. earthquakes) and the unavailability of premises. The findings are systematically used to strengthen controls, improve business continuity plans and enhance data recovery procedures, thereby further reducing sensitivity to operational disruptions. The mitigation of cyber risk within the Company is also strengthened through regular employee training and awareness-raising activities on cybersecurity. In addition, the Company has purchased cyber insurance as an additional protective mechanism in the event of a major incident.

Outsourcing risk is mitigated through the regular identification and assessment of risks related to key outsourced service providers, through the planning of measures to manage such risks, through contract management (including operational service-level agreements – SLAs), multi-vendor approaches, and exit strategies and exit plans that enable the implementation of alternative solutions in the event of a termination of cooperation.

To mitigate human resources risk, the Company implements measures aimed at preserving critical knowledge, promoting flexible working models, attracting specialised staff and reducing dependence on individual employees in key processes.

SENSITIVITY

Operational risk is influenced by numerous internal factors (employees, processes, information systems and the control environment) and external factors (critical outsourced service providers, cloud services, regulatory changes, cyber threats and natural disasters). As the ability to influence external factors is limited, the Company systematically tests its sensitivity through various stress tests and technical tests, using the findings to enhance controls and improve business continuity plans.

In 2025, the Company carried out several testing exercises to assess the functioning of key systems and its preparedness for potential disruptions. These tests included the switch-over of the information system to a backup location, simulations of cyber incidents and business continuity tests in the event of major operational disruptions. Part of the testing is also performed within the ORSA process, under which the Company prepares stress scenarios, including cyber scenarios (e.g. a ransomware attack in 2025) and assessments of concentrations

across key processes. The results of the tests are used to improve controls, strengthen data recovery procedures, raise employee awareness and update business continuity plans, while also verifying compliance with the requirements of the DORA Regulation. Through regular testing, the Company reduces its sensitivity to disruptions and maintains its exposure to operational risk within the defined risk appetite.

C.6 Other material risks

C.6.1 Non-financial risk

Non-financial risk is very closely linked to other risks, mainly operational risk. It usually arises from a combination of several factors inside and outside the Company. Based on its business model and risk profile, the Company identifies the following non-financial risks: strategic risk, reputational risk, Group risk, and sustainability risk.

Strategic risk is defined as the possibility of a negative impact on operations resulting from changes in the external environment, inappropriate strategic decisions, or unsuccessful implementation of strategy. Its materialisation may threaten the Company's long-term objectives, competitiveness, sustainable growth, or its ability to adapt to macroeconomic, technological, regulatory and sustainability requirements.

Reputational risk is the risk of losing existing or future business volume or of damage to reputation due to a negative perception of the Company among its customers, business partners, employees, shareholders and other investors, supervisory and other public authorities, as well as other stakeholders or the general public. It is closely linked to operational risk and other groups of non-financial risks, as adverse events resulting from these risks may quickly spread through traditional and digital media channels and influence the perception of different stakeholders.

Group risk arises from the business model of the Company as the controlling undertaking and from the group of related undertakings. It relates to risks stemming from the complexity of interdependencies, the different business environments of subsidiaries and associates, and a potentially inefficient system of governance. Its materialisation may result in deviations from the Company's business and financial plan due to losses incurred or missed business opportunities.

Sustainability risk represents the risk to the Company arising from environmental, social and governance factors, which may have a negative impact on the Company's financial position or solvency.

RISK EXPOSURE

In 2025, the Company was exposed to non-financial risks arising from internal operations, geopolitical developments, sustainability requirements, technological transformation, and the regulatory environment.

Strategic risk arises from potentially inappropriate strategic decisions of the Company, inadequate implementation of strategic decisions, and insufficient responsiveness to key changes in the business environment. Reputational risk is associated with the brand, customer satisfaction in dealings with the Company, its financial stability, employee satisfaction, and

regulatory compliance. Group risk arises primarily from the different business environments and regulatory frameworks in which Group companies operate. Sustainability risk mainly arises from the impact of sustainability factors on the Company's investment and insurance portfolios.

CONCENTRATION RISK

The Company has not identified material concentration risk from the perspective of strategic risk or Group risk. In the case of reputational risk, concentration may occur as a negative event in any subsidiary that could also have a significant impact on the Company. For the Company, sustainability risk, from the point of view of climate change risk, represents concentration mainly from a geographical perspective as both the insurance and investment portfolios are most exposed in Slovenia.

RISK MITIGATION TECHNIQUES

The Company manages strategic risk through regular monitoring of developments in the environment, monitoring of strategic indicators and alignment of long-term priorities. Reputational risk is managed through proactive management of relationships with customers and other stakeholders, reviews of communication protocols, regular monitoring of the media landscape, crisis response plans, and the strengthening of a culture of responsible conduct. Analysis of reputational risk indicators, regular assessments of potential sensitivities and preventive measures help reduce the likelihood of events or their impact on reputational risk. Group risk is managed through Company's regular monitoring of macroeconomic and political developments in the markets where Group undertakings operate and by incorporating the findings into strategic plans, capital needs assessments and business scenarios. An early warning system and continuous communication between the Company and Group undertakings reduce the likelihood of uncontrolled impacts of these factors on the Company's operations. Sustainability risk is currently managed primarily through effective reinsurance protection to mitigate the impact of environmental physical risk on the Company's operations. In addition, transition risk is managed by the Company through the existing limit system for environmentally less acceptable activities, both in the investment and insurance portfolios.

SENSITIVITY

The Company performs sensitivity testing for sustainability risk. The results indicate that in the coming year the Company will be most sensitive to physical environmental risk within the insurance portfolio. In the medium and long term, the Company will also be sensitive to transition risk in the context of environmental risk, both in the insurance and investment portfolios.

C.6.2 Emerging risk

Emerging risk refers to risks to which the Company is exposed or may become exposed, taking into account possible future changes in the risk profile resulting from business strategy or from developments in the economic and financial environment, including operational risk. Emerging risks are closely monitored, and the related risk management framework is continuously enhanced.

C.7 Any other information

PRUDENT PERSON PRINCIPLE

The Company manages assets in accordance with the “prudent person principle” and in the best interest of all of their policyholders, beneficiaries and other stakeholders of the Company. The Company's assets are represented by assets covering insurance liabilities as well as other excess assets and are allocated to various investment portfolios. The key guideline when investing assets is the diversification of investment risk.

There is an investment policy in place for every investment portfolio. In accordance with the mission and risk tolerance of individual portfolios, the policies define investment targets that provide long-term profitability in accordance with expected risk appetite. The limit system, which is part of investment policies, is primarily designed to consider both the requirements and the capacity of individual insurance portfolios of the Company. Good practices in asset management are pursued in the management of assets at the Company level.

In line with good practices, the Company has implemented a range of indicators used to regularly monitor risks which enables it to take timely action. The Company ensures ongoing liquidity of individual portfolios. The Company's assets are invested in a manner that ensures their availability. The safety and profitability of investment portfolios as well as their compliance with the established limits are monitored daily, weekly and monthly. The structure of the Company's financial assets remains relatively prudent, focusing on fixed-return investments.

Each individual investment is treated from the point of view of the portfolio which requires the investment to be assessed primarily in terms of the effect on existing invested assets, their variability and contribution to the return. Each investment is reviewed or analysed whereby the depth of the analysis depends on the complexity of the investment and its share in total assets.

The management of the assets in investment portfolios intended for the coverage of secured liabilities is performed so that it complies with investment policy and so that the Company pursues the objectives that correspond as far as possible with the objectives of the policyholders. Regular monitoring of the range of indicators and active investment management aim to maximise safety, liquidity, diversification, profitability and provision coverage with investments.

When investing assets, the Company pursues the principle of asset and liability duration matching. The observation of the interest of all policyholders and beneficiaries is ensured even in the case of potential conflict of interest resulting from the assets of one Group's undertaking being managed by another.

The Company addresses sustainability objectives in its investments in accordance with its Sustainable investment policy, which defines the objectives, exclusion criteria and the integration of sustainability factors into investment processes. The Company limits exposure to high-emission activities and gradually reduces its exposure to the coal and thermal power generation sectors. In line with its policy, the Company is withdrawing from issuers that derive more than 10 percent of their revenues from coal and is increasing the share of green and sustainable bonds.

The Company avoids investments in companies operating in the tobacco and controversial weapons sectors and also takes into account corporate social responsibility in the credit and

other assessments of issuers. In its risk management, the Company uses a combination of internal analyses, external data and principal adverse impact (PAI) indicators. Sustainability factors are integrated into the processes of developing investment policies, credit assessments and decision-making within the Company's internal committees. As an institutional investor, the Company encourages improvements in sustainability practices through participation in general meetings and through dialogue with issuers.

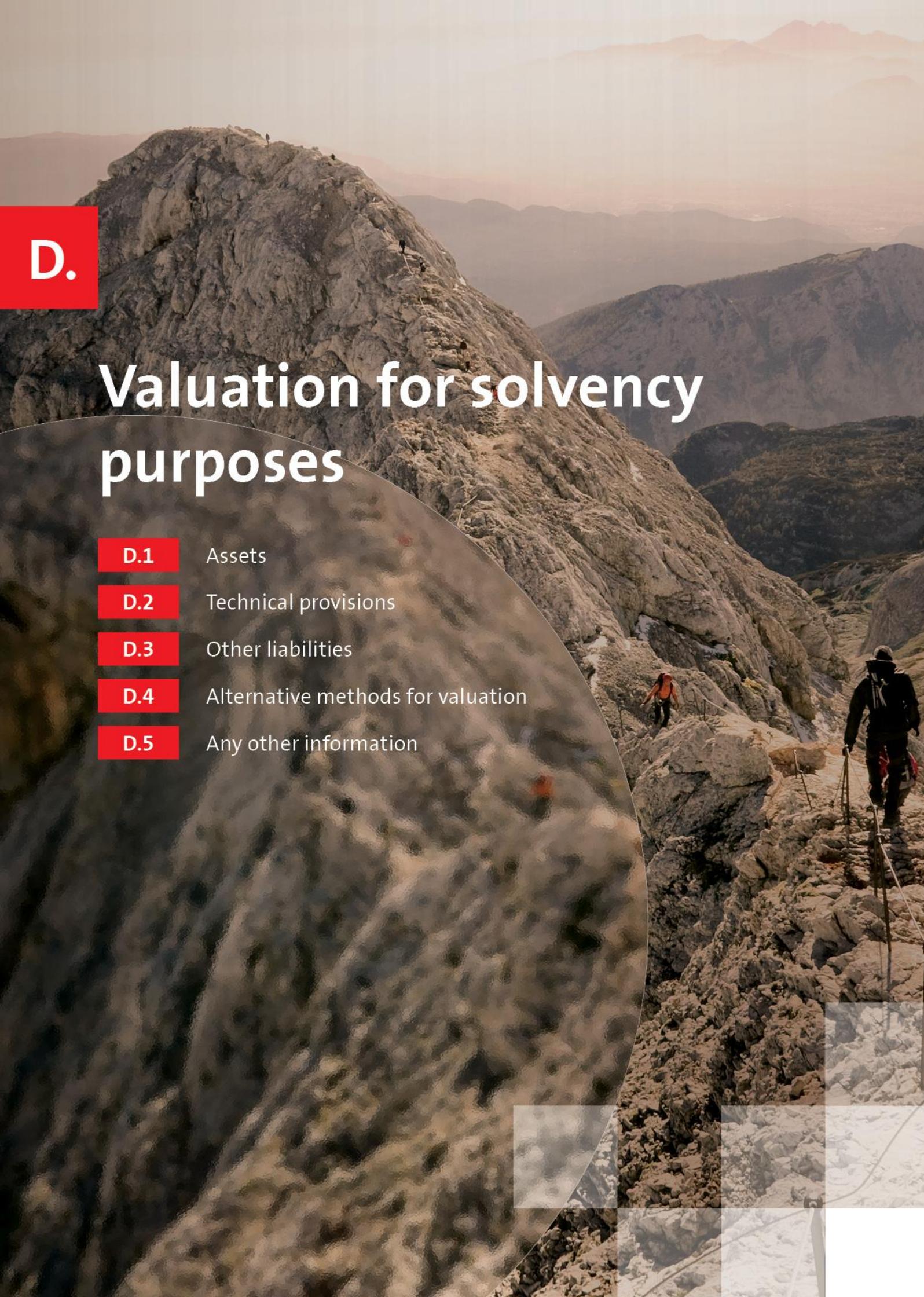
STRESS SCENARIOS AND TESTS

The Company regularly determines stress scenario and performs stress tests for all material types of risk, while monitoring and assessing the potential impact of extreme events on its operations, risk profile and solvency. Stress testing of capital adequacy and the analysis of stress scenarios form part of the Company's ORSA process. Through stress testing, the Company assesses the effects of simultaneous changes in multiple parameters, such as concurrent changes across different types of risk affecting both the insurance and investment portfolios. During the analysis, the actual exposure to adverse circumstances that can last for an extended period, to sudden and major events, and to combinations of the aforementioned circumstances and events are considered.

In 2025, the Company conducted stress tests designed to reflect as closely as possible the current and potential risks faced by the Company. The tests covered risks arising from the external environment, in particular risks stemming from varying degrees of geopolitical tensions, deterioration of the liquidity position, cyber-attacks involving ransomware, the impact of sustainability risk on operations and similar risks. The scenarios also addressed risks arising from the operations of the Company and the Group. In order to proactively adapt to anticipated legislative changes, an assessment of the impact of these changes was also carried out.

OTHER RELEVANT INFORMATION

All other important information relating to the risk profile of the Company is disclosed in Sections C.1 through C.6.



D.

Valuation for solvency purposes

- D.1 Assets
- D.2 Technical provisions
- D.3 Other liabilities
- D.4 Alternative methods for valuation
- D.5 Any other information

D. Valuation for solvency purposes

The Company values its assets and liabilities for solvency purposes at fair value. When assets and liabilities are valued, the risk-free interest rate curve published by EIOPA is used whereby no adjustments of the curve are applied.

The table below presents the balance sheet of the Company for solvency and financial reporting purposes. Details on the Company's balance sheet are presented in template S.02.01.02 in the annex to this report.

Table 23: Balance sheet of the Company

2025		In EUR thousand	
Balance sheet		Value for solvency purposes	Value for financial reporting purposes
Assets		4,025,136	3,729,004
Intangible assets	D.1.1	0	34,988
Deferred tax assets	D.1.2	11,028	9,410
Property, plant and equipment held for own use	D.1.3	82,890	69,101
Investments	D.1.4	2,427,566	2,105,839
Assets held for index-linked and unit-linked contracts	D.1.5	709,630	709,630
Loans and mortgages	D.1.6	10,111	10,505
Reinsurance recoverables	D.1.7	622,727	711,074
Deposits to cedants	D.1.8	34	34
Insurance and intermediaries receivables	D.1.9	35,166	0
Reinsurance receivables	D.1.10	47,562	0
Receivables (trade not insurance)	D.1.11	68,456	68,456
Cash and cash equivalents	D.1.12	6,065	6,065
Any other assets, not elsewhere shown	D.1.13	3,902	3,902
Liabilities		2,866,129	2,930,732
Technical provisions	D.2	2,459,352	2,633,758
Provisions, other than technical provisions	D.3.1	14,323	14,323
Deposits from reinsurers	D.3.2	1,674	1,674
Deferred tax liabilities	D.3.3	18,222	0
Derivatives	D.3.4	73	73
Financial liabilities other than debts owed to credit institutions	D.3.5	3	3
Insurance and intermediaries payables	D.3.6	14,667	0
Reinsurance payables	D.3.7	80,301	0
Payables (trade not insurance)	D.3.8	113,464	113,464
Subordinated liabilities	D.3.9	152,248	155,635
Any other liabilities, not elsewhere shown	D.3.10	11,801	11,801
Excess of assets over liabilities		1,159,008	798,271

The valuation methods for solvency purposes and financial reporting purposes by individual balance sheet items are described in greater detail below, including the comparison with the results of the previous period.

D.1 Assets

Several valuation methods may be used for the valuation of assets for the Company's financial reporting purposes, whereby the methods comply with the IFRS (e.g. fair value, amortised cost, cost, etc.), while assets may be valued for solvency purposes only according to the method that is consistent with the requirements of the Delegated Regulation and the EIOPA guidelines.

The assets disclosed in financial statements in a manner that is inconsistent with solvency requirements are revalued to fair value for solvency purposes. The best estimate of fair value is active market quotation. If such is not available, the fair value is measured based on the last transaction price provided market conditions have not changed materially since last transaction or discounted expected cash flow valuation model is used to determine the fair value. Equity instruments, for which no prices are published on an active market and the fair value of which cannot be reliably measured, are measured at cost.

D.1.1 Intangible assets

Intangible assets of the Company consist of software and property rights, which are valued at zero due to the problem of proving their true value for solvency purposes. This item includes deferred acquisition costs that are valued at zero for solvency purposes. For financial reporting purposes, intangible assets are valued at cost. As at the balance sheet date, assets are disclosed at their cost less accumulated amortisation and any accumulated impairment loss. The amortisation period is determined subject to the asset's life. Subsequent recognition of an intangible asset is possible if it corresponds to the definition of an intangible asset and meets the recognition criteria. Intangible assets with an indefinite life are not amortised. An impairment test is performed for these assets every year.

Table 24: Company's intangible assets

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Intangible assets	0	0	34,988

D.1.2 Deferred tax assets

In financial statements, deferred tax assets are accounted for all temporary differences between the value of assets for tax purposes and their carrying amount. The net value of the assets and liabilities is shown for financial reporting purposes and because the value on assets side is higher than the value on liabilities side, the assets side (deferred tax assets) is disclosed as net value.

Deferred tax assets for solvency purposes are valued as the sum of deferred tax assets for financial reporting purposes and the product of currently applicable tax rate and the difference between financial reporting values and market values of assets, whereby this excludes the values of holdings in related undertakings, including participations. For solvency purposes, the items are not netted against deferred tax liabilities as they are for financial reporting purposes. The tax rate used to account deferred tax assets is 22 percent both for solvency and for financial reporting purposes and did not change compared to the year before.

Table 25: Company's deferred tax assets

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Deferred tax assets	11,028	15,095	9,410

At the end of 2025, the value of deferred tax assets decreased by EUR 4.1 million due to the decrease in difference between total assets before taxes and holdings in related undertakings, including participations for financial reporting purposes, and total assets before taxes and holdings in related undertakings, including participations for solvency purposes.

D.1.3 Property, plant and equipment held for own use

Property, plant and equipment held for own use represent plant, land and buildings. In accordance with IFRS 16, rights-of-use assets are also taken into account in this item. This item is valued at cost for financial reporting purposes less depreciation and potential impairments. In line with the IFRS 16, this category includes the rights of use assets. They are valued at depreciated cost of contractual cash flows.

Item of property, plant and equipment held for own use is valued at fair value for solvency purposes. The right-of-use assets are valued in the same manner for financial reporting purposes.

The Company works with a certified real estate appraiser who evaluates property every year. The fair value of larger properties was reassessed as at 30 September 2025, while the adequacy assessment of the old valuations was carried out for other properties (as at 30 September 2024). During the period after the completed valuation and up to the reporting date, the Company assessed that there were no changes that materially affect the fair value of property as at 31 December 2025.

Table 26: Company's property, plant and equipment held for own use

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Property, plant and equipment held for own use	82,890	84,878	69,101

Compared to the previous year, the value of property, plant and equipment held for own use decreased due to the sale of immovable property and the negative revaluation of property, plant and equipment.

D.1.4 Investments

Investments represent the major portion of balance sheet assets. Pursuant to the provisions of the Delegated Regulation and the relevant guidelines, these investments are valued at fair value. The Company values financial assets using publicly available market prices on the active markets for the same instrument. If this is not possible, such valuation is performed using publicly available data from active markets of similar instruments. The activity of the market or the

question of whether it is an active market or not is determined individually for each financial instrument subject to the available information and circumstances. Factors that are material in the assessment of market activity include the following: low number of transactions in a certain period of time, high volatility of quoted prices in a certain period of time or between different market makers, high difference in price between supply and demand, low number of market participants (less than 4). An important criterion, which includes all the above factors for securities activity is the "Bloomberg Valuation Service (BVAL) score". Low values of the indicator (below 4) indicate that the market is not active.

Alternative methods include all methods that predominantly apply parameters in the valuation method, which are not obtained entirely from active markets and include a subjective component.

Table 27: Company's investments

Assets	In EUR thousand		
	Value for solvency purposes 2025	Value for solvency purposes 2024	Value for financial reporting purposes 2025
Investments	2,427,566	2,193,373	2,105,839
Property (other than for own use)	55,671	59,450	40,382
Holdings in related undertakings, including participations	565,108	516,941	263,238
Equities	6,722	7,621	6,722
Bonds	1,584,807	1,456,791	1,580,098
Collective investment undertakings	196,170	145,318	196,170
Derivatives	2	20	2
Deposits other than cash and cash equivalents	18,973	7,152	19,114
Other investments	113	81	113

D.1.4.1 Property (other than for own use)

The same rules apply to the valuation of investment property, i.e. property not held for own use, as those that apply to the valuation of property, plant and equipment held for own use as presented in Section D.1.3. The difference between the value for financial reporting purposes and solvency purposes is due to the different valuation methods.

Table 28: Company's property (other than for own use)

Investments	In EUR thousand		
	Value for solvency purposes 2025	Value for solvency purposes 2024	Value for financial reporting purposes 2025
Property (other than for own use)	55,671	59,450	40,382

The value of property (other than for own use) decreased compared to the end of 2024. The change in the value of property is mainly due to the sale of land, the most prominent of which is the sale of land Stara Sava in Kranj.

D.1.4.2 Holdings in related undertakings, including participations

Subsidiaries are disclosed in financial statements at cost, adjusted for potential impairments. The value of related undertakings is disclosed according to the equity method. Holdings in related undertakings are valued according to the following valuation method hierarchy for solvency purposes:

- the default valuation method: the default valuation method (hereinafter: DVM) entails valuation using publicly available market prices on the active markets for the same assets;
- the adjusted equity method: under the adjusted equity method, holdings in related undertakings are valued subject to the share of participating entity in the excess of assets over liabilities of related undertaking. When calculating the excess of assets over liabilities for related undertakings, undertakings' individual assets and liabilities are valued according to the principles of the Delegated Regulation (adjusted equity method; hereinafter: AEM S2). When calculating the excess of assets over liabilities for related undertakings other than insurance or reinsurance undertakings, equity method may be used as set out in the IFRS, where the value of goodwill and other intangible assets is deducted from the value of related undertaking (adjusted equity method; hereinafter: AEM S1).
- adjusted prices for similar assets in active markets or alternative valuation methods: if neither valuation method in accordance with first paragraph nor the one in second paragraph is possible and the undertaking is not a subsidiary, holdings in related undertakings are valued using an alternative valuation method (hereinafter: AVM), which the Company applies in the preparation of annual or consolidated financial statements. In such cases, the value of goodwill and other intangible assets is deducted from the value of the related undertaking.

The holdings in related insurance undertakings, insurance holding and all strategic ancillary services to the Company's principal activity are valued according to the AEM. When calculating the excess of assets over liabilities for related undertakings, the assets and liabilities of these related undertakings are valued according to basic principles in accordance with the Delegated Regulation. Strategic financial undertakings (Triglav Investments, Triglav, pokojninska družba and Triglav penzisko društvo, a.d., Skopje) and other related undertakings, with the exception of the holding in Katera and HPI GMA S.A., are valued according to the AEM whereby the calculation of the excess of assets over liabilities applies equity method in accordance with IFRS less the value of goodwill and other intangible assets. The holding in Katera follows closely the AEM method using the fair value of assets and liabilities. The holding in HPI GMA S.A. is valued at cost (transaction in the second half of 2025). The table below presents the Company's equity holdings in related undertakings according to the valuation methods for solvency purposes.

Table 29: Values of the Company's equity holdings in related undertakings according to valuation methods

Valuation method	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
AEM S2	412,637	368,463	165,435
AEM S1	144,791	127,984	90,375
AVM	7,680	20,494	7,428
Total	565,108	516,941	263,238

The biggest difference between the value of the item for financial reporting purposes and the value for solvency purposes is the calculation method. Related undertakings are valued at fair value for solvency purposes, while they are valued at cost or impaired value for financial reporting purposes. The biggest difference arises from undertakings that previously disclosed positive operating results (Triglav INT, Pozavarovalnica Triglav RE and Triglav Investments).

Table 30: Company's holdings in related undertakings, including participations

Investments	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Holdings in related undertakings, including participations	565,108	516,941	263,238

The value of holdings in related undertakings, including participations increased at the end of 2025 by EUR 48.2 million. Pozavarovalnica Triglav Re shows the largest positive revaluation, mainly due to good operating performance. The item is also increased by the investment in Triglav Investments and the new investment in HPI GMA S.A. On the other hand, Katera decreases the item due to gradual sale or liquidation of the company's assets.

D.1.4.3 Equities

Investments into equities (except related undertakings) are valued – provided there is an active market for such equities – according to closing ask price on the stock exchange. In the event of an inactive market, the value of the investment is determined by the last known price – provided that the assessment that economic circumstances since last transaction have not changed substantially remains valid – by the price in a liquid grey market or by a valuation model. Estimating the value using a valuation model is performed internally or through certified appraisers, whereas the appropriate valuation methods subject to the features of the asset being valued will include discounted cash flow method, comparable company analysis (public market multiples) and the net asset value method. Exceptionally, in cases of immateriality of an individual investment and total value of assets are valued at cost. Valuation for financial reporting purposes generally does not deviate from the valuation for solvency purposes.

Table 31: Company's investments in equities

Investments	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Equities	6,722	7,621	6,722
Listed equities	2,862	2,779	2,862
Unlisted equities	3,860	4,841	3,860

The value of equities declined at the end of 2025 compared to the previous year. In particular, the value of unlisted equities decreased, while the value of listed equities increased slightly. The Company continues to maintain a low exposure to direct equity investment.

D.1.4.4 Bonds

Bonds are valued for financial reporting purposes in line with the requirements for the financial statement category in which they are classified upon recognition (At fair value through profit or loss, At fair value through other comprehensive income, At amortised cost). Investments in the accounting categories of Available for sale or At fair value through profit or loss are valued at fair value. Investments classified as Held-to-maturity or Loans and receivables are valued at amortised cost.

If an investment is a market investment (listed on an active market), its fair value is represented by its closing ask price on that market (Bloomberg Valuation Service - BVAL, local stock exchange, market operator's price). If the market is not active – transactions are not executed frequently and are not executed in a sufficient volume for price information to be made available regularly – fair value is determined using valuation techniques:

- the price is determined by the last concluded transaction provided the economic circumstances have not changed materially since the last transaction;
- valuation model.

The main parameter of the valuation model for investments of the monetary item set (present value of contractual cash flows) is a discount curve composed of risk-free interest rate for an individual currency and credit spread characteristic of the issuer or group of issuers. When determining individual discount curve, the Company relies on unadjusted data from financial markets to the greatest possible extent. In case of complex financial instruments, such as structured notes or bonds with call options, specialised models are used for valuation, which may require additional parameters (volatility, correlation, etc.). Bond investments are valued at fair value for solvency purposes.

Table 32: Company's investments in bonds

Investments	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Bonds	1,584,807	1,456,791	1,580,098
Government bonds	1,067,457	998,784	1,063,421
Corporate bonds	516,286	456,959	515,613

Structured notes	1,065	1,048	1,065
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The value of bonds increased by EUR 128.0 million by the end of 2025. The effect of the increase was broken down into the positive cash flow of EUR 103.8 million and positive revaluation of nearly EUR 24.2 million. Government bonds were positively revalued at EUR 7.9 million, while the corporate bonds were positively revalued at EUR 16.3 million. Government bonds recorded EUR 60.7 million in inflows during the year, while corporate bonds recorded EUR 43.1 million in inflows.

Due to a different way in which investments classified in the financial statements are valued, a difference in value of EUR 4.7 million for solvency purposes arises. The bulk of the revaluation comes from the government bonds.

D.1.4.5 Collective investment undertakings

Collective investment undertakings are valued for financial reporting purposes and solvency purposes as provided in Section D.1.4.3. The price of unlisted funds is additionally set by the closing price of the fund issuer.

Table 33: Company's collective investment undertakings

Investments	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Collective investment undertakings	196,170	145,318	196,170

The value of the item increased by EUR 50.9 million at the end of 2025. The majority of the item derives from exposure to alternative investment funds, while the increase in 2025 is due to new commitments, additional payments and positive revaluations. A smaller part is represented by collective investment undertaking in monetary funds.

D.1.4.6 Derivatives

The Company uses derivatives to manage its currency risk, which is largely derived from indirect investments by collective investment undertakings.

Table 34: Company's investments in derivatives

Investments	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Derivatives	2	20	2

D.1.4.7 Deposits other than cash and cash equivalents

For financial reporting purposes, deposits other than cash and cash equivalents are valued at amortised cost. These investments are valued at fair value for solvency purposes. The fair value is estimated using the valuation model outlined in Section D.1.4.4.

Table 35: Company's deposits other than cash and cash equivalents

Investments	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Deposits other than cash and cash equivalents	18,973	7,152	19,114

The value of the item increased by EUR 11.8 million at the end of 2025, mainly due to the conclusion of a new deposit.

D.1.4.8 Other investments

Other investments represent assets in claims funds and financial assets not classified in any of the other categories from previous sections of this report. For solvency purposes, the value of these categories follows the value as used for the purpose of financial reporting.

Table 36: Company's other investments

Investments	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Other investments	113	81	113

D.1.5 Assets held for index-linked and unit-linked contracts

Assets held for index-linked and unit-linked contracts are assets arising from insurance or investment products where the policyholder assumes investment risk. These assets are valued at fair value for solvency purposes while other valuation methods may be used for financial reporting purposes, whereby these methods comply with requirements for individual financial reporting categories (e.g. valuation at amortised cost for assets classified under Loans and receivables).

Table 37: Company's assets held for index-linked and unit-linked contracts

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Assets held for index-linked and unit-linked contracts	709,630	938.881	709.630

The changes in assets under this item are primarily related to the changes in the amount of insurance liabilities. These may be volatile due to the inflows or outflows from premiums and payments respectively and partly also because of the changes in the value of liabilities that are subject to the changes in indices or reference values applying to the respective liability. The marked decrease in the value of the item in 2025 resulted from the transfer of PDPZ to Triglav, pokojninska družba. The total effect of the transfer is a reduction of EUR 290.3 million. The remainder of unit-linked investments increased at the end of 2025 on account of positive financial market developments.

D.1.6 Loans and mortgages

Loans and mortgages are valued at amortised cost for financial reporting purposes. For solvency purposes, however, these assets are valued using a valuation model that is mainly based on the market assumptions regarding the discount rate. The credit spread that is a component of the discount rate is determined for each issuer separately.

Table 38: Company's loans and mortgages

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Loans and mortgages	10,111	5,189	10,505
Loans on policies	3,331	3,657	3,331
Other loans and mortgages	6,780	1,532	7,174

At the end of 2025, the assets listed under the loans and mortgages item increased by EUR 4.9 million. The Other loans and mortgages item fully represented loans to other Group subsidiaries. The increase in the item is due to the loan to strategic company Diagnostični center Bled d.o.o.

D.1.7 Reinsurance recoverables

For financial reporting purposes, the Company values reinsurance contracts in accordance with IFRS 17. To measure reinsurance contracts in 2025, the Company applied the premium allocation approach (PAA).

For solvency purposes, reinsurance recoverables are calculated separately for premium and claims provisions. The Company determines reinsurance recoverables for non-life and health annuities and presents them (similarly as in the case of provisions) among life insurance.

For both purposes, reinsurance recoverables are determined based on recoverable amounts from reinsurance contracts that are calculated in line with the thresholds from insurance and reinsurance contracts to which the amounts relate.

Table 39: Company's reinsurance recoverables

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Reinsurance recoverables	622,727	169,773	711,074
Non-life and health insurance	620,693	163,932	711,074
Life insurance	2,034	5,841	0

At the end of 2025, the values of reinsurance recoverables increased in line with the increase in gross claims provisions.

D.1.8 Deposits to cedants

For financial reporting purposes, deposits to cedants are valued at amortised cost using the effective interest rate method. They are valued in the same manner for solvency purposes.

Table 40: Company's deposits to cedants

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Deposits to cedants	34	16	34

The value of the item at the end of 2025 did not change materially compared to the previous year.

D.1.9 Insurance and intermediaries receivables

Insurance and intermediaries receivables are no longer monitored under its own item for financial reporting purposes. According to IFRS 17, these receivables are part of liabilities from insurance contracts for financial reporting purposes. For solvency purposes, they are valued at amortised cost using the effective interest rate method. For solvency purposes, this item only includes overdue insurance receivables because receivables not due from policyholders are included in the calculation of the best estimate and are consequently excluded from this item for solvency purposes. Overdue receivables from reinsurance and coinsurance and the market value of recourse receivables are additionally included in this item for solvency purposes.

Table 41: Company's insurance and intermediaries receivables

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Insurance and intermediaries receivables	35,166	24,508	0

Insurance and intermediaries receivables at the Company increased by EUR 10.7 million at the end of 2025 compared to the year before, mainly due to business on the Italian market.

D.1.10 Reinsurance receivables

For solvency purposes, reinsurance receivables are valued at amortised cost using the effective interest rate method. According to IFRS 17, these receivables are part of liabilities from insurance contracts for financial reporting purposes.

Table 42: Company's reinsurance receivables

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Reinsurance receivables	47,562	37,477	0

Assets under this item increased by EUR 10.1 million in 2025 which is mostly due to an increase in the volume of business.

D.1.11 Receivables (trade not insurance)

Receivables (trade not insurance) comprise receivables from financing activities and receivables from operating activities. For financial reporting purposes, these receivables are generally measured at amortised cost using the effective interest rate method. They are valued in the same manner for solvency purposes.

Table 43: Company's receivables (trade not insurance)

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Receivables (trade not insurance)	68,456	28,068	68,456

At the end of 2025, the Company's receivables (trade not insurance) increased by EUR 40.4 million, which results from business on the Italian market.

D.1.12 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and cash on hand. This item is valued according to its nominal value for both valuation purposes.

Table 44: Company's cash and cash equivalents

Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Cash and cash equivalents	6,065	15,194	6,065

At the end of 2025, the value of the item decreased by EUR 9.1 million and remains low in the share of all other assets.

D.1.13 Any other assets, not elsewhere shown

The item includes short-term deferred costs, inventories and other assets. Valuation for financial reporting purposes is the same as for solvency purposes.

Table 45: Company's any other assets, not elsewhere shown

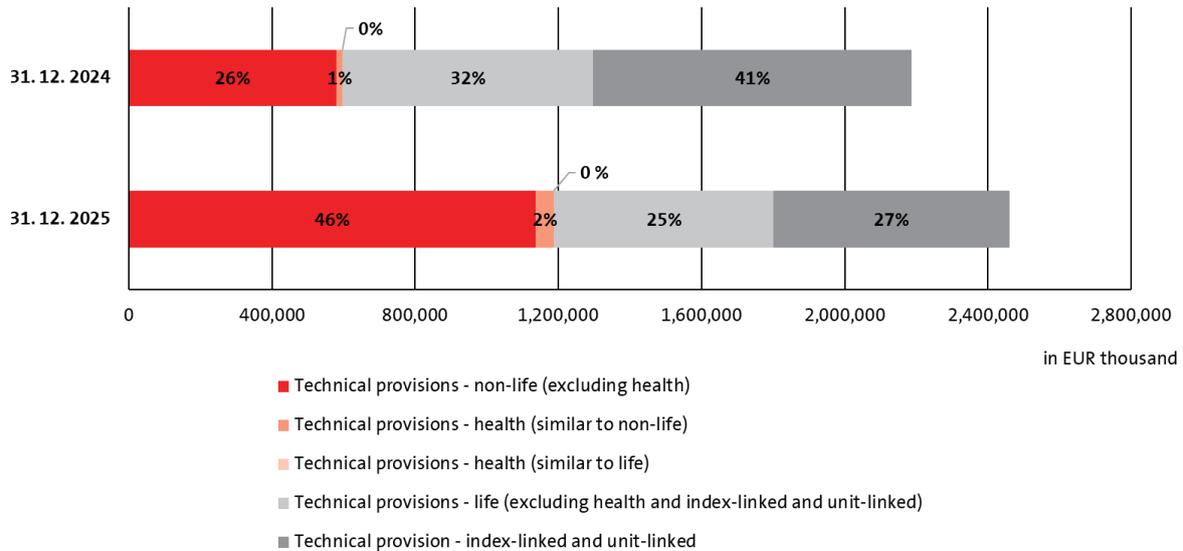
Assets	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Any other assets, not elsewhere shown	3,902	3,622	3,902

The value of any other assets not elsewhere shown increased by EUR 0.3 million in 2025.

D.2 Technical provisions

Company's technical provisions represent the amount of the Company's liabilities arising from insurance contracts. Their value for solvency purposes is equal to the sum of the best estimate and risk margin. The best estimate and risk margin are calculated separately. The best estimate corresponds to the present value of expected future cash flows from the Company's insurance contracts. The Company calculates technical provisions separately for non-life and health as well as life insurance and allocates them according to the selected calculation method.

Chart 10: Company's technical provisions



CONTRACT BOUNDARIES AND HOMOGENEOUS RISK GROUPS

The Company recognises an insurance liability immediately upon the entry into force of a contract. A recognised insurance liability is derecognised when it is extinguished, discharged, cancelled or expired. Insurance contract boundaries are considered in the valuation.

The Company's technical provisions are broken down subject to the characteristics of insurance and subsequently the actuarial methods used to value the liabilities. Non-life insurance liabilities are thus broken down into non-life and health insurance liabilities and also comprise the segment of liabilities that are allocated to life insurance liabilities for solvency purposes. Life insurance actuarial techniques are applied for the valuation of life insurance liabilities. This part of technical provisions is represented by non-life insurance claims, which are paid out in the form of annuities. Other liabilities from the non-life insurance portfolio are divided at least subject to lines of business.

The life insurance portfolio liabilities are mostly allocated to the life insurance liabilities segment and partly to the health insurance segment. This segment includes additional accident insurance that is concluded on top of basic life insurance and liabilities are valued using non-life actuarial techniques. Life insurance liabilities are divided at least into lines of business.

Company's technical provisions are divided into homogeneous risk groups according to the nature of the risks covered by the policies, actuarial judgement and historical developments subject to an empirical analysis. When calculating the present market value of calculated

nominal cash flows, the Company employs the basic risk-free interest rate term structure without a matching adjustment, transitional measure for adjustment or volatility adjustment. The Company does not use any adjustments in the calculation of capital adequacy.

D.2.1 Non-life and health insurance technical provisions

The Company's non-life and health insurance technical provisions comprise claims provisions, premium provisions and risk margin. They are calculated based on the generally recognised actuarial techniques, whereby the costs of acquisition, administrative costs and claim settlement costs are considered in accordance with the Delegated Regulation. The basis for the calculation of technical provisions for non-life and health insurance is data that meets the criteria of adequacy, completeness and suitability as the Company has established a data quality monitoring and assurance system.

Non-life and health insurance technical provisions are segmented at least into the insurance lines of business prescribed by Delegated Regulation. The table below presents the results of technical provisions by the largest insurance lines of business as at 31 December 2025. The results are broken down into premium and claims provisions, and risk margin. Non-life and health insurance technical provisions are presented in greater detail in template S.17.01.02, which is in the annex to this report.

Table 46: Company's technical provisions for non-life and health insurance for solvency purposes

2025				
	In EUR thousand			
Non-life and health insurance technical provisions	Claims provision	Premium provision	Risk margin	Technical provisions
Motor vehicle liability insurance	182,996	343,510	7,177	533,682
Fire and other damage to property insurance	94,439	43,353	10,128	147,920
General liability insurance	90,091	371	1,895	92,357
Other non-life lines of business	237,797	164,968	11,139	413,904
Total	605,323	552,201	30,338	1,187,863

2024				
	In EUR thousand			
Non-life and health insurance technical provisions	Claims provision	Premium provision	Risk margin	Technical provisions
Motor vehicle liability insurance	110,696	44,177	3,098	157,971
Fire and other damage to property insurance	99,818	35,570	9,641	145,029
General liability insurance	61,144	1,462	1,601	64,207
Other non-life lines of business	161,299	58,265	10,012	229,576
Total	432,958	139,474	24,352	596,783

At the end of 2025, the Company recorded an increase in claims provision and premium provision in the non-life and health insurance segment. Claims provisions increased mainly due to business in the Italian market. The increase was also due to an increase in the number of reported claims in the Fire and other damage to property insurance line of business and General liability insurance line of business. As a result of the business in the Italian market, the premium provision also increased.

D.2.1.1 Best estimate of non-life and health insurance technical provisions

The best estimate of technical provisions is calculated separately for claims incurred after the calculation date and for claims that incurred before the calculation date. The first calculation is the best estimate of premium provision and the second is the best estimate of claims provision.

The best estimate of the premium provision as at 31 December 2025 amounted to EUR 552.2 million. The basis for the best estimate of the premium provision is future cash flows from premiums, claims, recourses, costs, bonuses and discounts, terminations and commissions. The main assumption in the calculation is matching the pattern of development of future cash flows from the premium provision with the pattern that is calculated and used for claims provisions. Unearned premium calculated as at the calculation date is used as the measure of exposure.

The best estimate of the claims provisions as at 31 December 2025 amounted to EUR 605.3 million. The best estimate of claims provisions is calculated separately for claims reported but not settled (RBNS), claims incurred but not reported (IBNR), claims incurred but not enough reported (IBNER) and reactivated claims, which are claims that have not been fully resolved by the last day of the reporting period.

The best estimate of claims reported but not settled is monitored at the level of an individual claim file. Individual claim adjustment departments are responsible for estimating individual claims, whereby data that affect the estimates are entered concurrently.

Provisions for incurred but not reported claims are calculated at the lines of business' level, for which the Chain-Ladder and Bornhuetter-Ferguson actuarial methods are used. Inflation is also included in the calculation.

The best estimate of claims provision is increased by the expected claim handling costs and decreased by the best estimate of recourses and assessed profit commission. The best estimate of expected recourses refers to the claims in the part for which best estimate of claims provision was made.

When calculating non-life and health insurance liabilities, the following parameters are used: past inflation, future inflation, expected claim development pattern, ultimate loss ratio and costs. The parameters are determined based on past experience and are adjusted accordingly so as to best correspond with expected development of these liabilities. If there is a suspicion for an individual segment or specific insurance group of insurance products that the past will not reflect future development, professional actuarial judgement is applied in the selection of parameters. This ensures that insurance liabilities reflect the amount of insurance liabilities as much as possible.

D.2.1.2 Risk margin for non-life and health insurance

As at 31 December 2025, risk margin amounted to EUR 30.3 million. Risk margin comprises separate calculation for the non-life and health insurance portfolio and the calculation for non-life insurance claims that are paid out in the form of annuities and are calculated using life insurance techniques. The basis for the calculation is the estimated future capital requirements of the selected portfolio, i.e. separately for individual risk types. The approach used is the one

under first method according to the hierarchy of the EIOPA Guidelines on the valuation of provisions.

D.2.1.3 Material differences between the bases, methods and main assumptions used for valuation for solvency purposes and the bases, methods and key assumptions used for financial reporting purposes

Table 47: Differences between technical provisions for non-life and health insurance for solvency purposes and for financial reporting purposes

2025	In EUR thousand	
	Value for solvency purposes	Value for financial reporting purposes
Liabilities		
Non-life and health insurance technical provisions	1,187,863	1,361,825

* Value refers to the technical provisions shown in the accounting part of the Annual Report, Section 3.1.2.

As at 31 December 2025, non-life and health insurance technical provisions for financial reporting purposes amounted to EUR 1,361.8 million, while they stood at EUR 1,187.9 million for solvency purposes.

A greater difference between the valuation methods lies in the application of methods for measuring liability from remaining coverage. When calculating the liability for remaining coverage, the Company mostly applies premium allocation approach. Unlike premium provision, which measures liabilities from the remaining coverage of the contracts, this is not based on the estimate of cash flows but is closer to the measurement according to the IFRS 4. The Building Block Approach (BBA), which is typically used at the Company for contracts with coverage duration of more than one year, is closer to the calculation based on the premium provision. The accounting standard also requires that the loss of contracts is recognised upon recognition, which dictates setting aside provision for onerous or nonprofitable contracts.

In addition, non-life and health insurance technical provisions for financial reporting purposes include an adjustment for non-financial risk. This is calculated separately for the liability for the resulting claims and liability for remaining coverage subject to the selected level of confidence disclosed by the Company in the accounting part of the Annual Report, Section 2.12.

The calculation of the adjustment due to non-financial risk, which is considered when valuing the liability for remaining coverage, is based on the capital requirement of some sub-modules of the standard formula and is also implicitly taken into account when measuring using the premium allocation approach. The calculation of the adjustment for non-financial risk, which is taken into account when valuing the liability for claims incurred, is not similar to the calculation of the risk margin, as it is based on stochastic methods of claims provisions calculation.

In addition, differences in valuation are also due to the different capture of cash flows, such as liabilities for claims and future premium payments according to maturity, and accounting of costs. These are taken into account in the valuation for financial reporting purposes only in the part that can be attributed to the policy (i.e. attributable costs), while all are taken into account when calculating the best estimate of technical provisions for solvency purposes.

D.2.2 Life insurance of technical provisions

As part of life insurance technical provisions, the Company values life insurance liabilities and liabilities from health insurance that is provided on a similar technical basis as life insurance. The Company calculates best estimate of technical provisions separately for expired perils, i.e. claims provisions, and for unexpired covered perils, i.e. premium provision. The table below shows the life insurance technical provisions for solvency purposes.

Table 48: Life insurance technical provisions for solvency purposes

2025		In EUR thousand		
Life insurance technical provisions	Claims provision	Premium provision	Risk margin	Technical provisions
Insurance with profit participation	3,078	557,391	9,841	570,310
Index-linked and unit-linked insurance	3,008	645,093	9,944	658,046
Other life insurance	902	-13,380	7,173	-5,305
Annuities from non-life insurance contracts	48,301	0	138	48,439
Total	55,289	1,189,104	27,096	1,271,489

2024		In EUR thousand		
Life insurance technical provisions	Claims provision	Premium provision	Risk margin	Technical provisions
Insurance with profit participation	3,055	626,552	13,679	643,286
Index-linked and unit-linked insurance	3,197	865,667	20,742	889,606
Other life insurance	871	-6,625	7,140	1,386
Annuities from non-life insurance contracts	54,924	0	165	55,090
Total	62,048	1,485,594	41,725	1,589,367

Company's life insurance technical provisions are presented in more detail in template S.12.01.02 in the annex to this report.

D.2.2.1 Best estimate of life insurance technical provisions

The best estimate of life insurance technical provisions is determined based on the estimated future cash flows from concluded insurance policies. For the purpose of the best estimate of cash flows, the Company uses an appropriate set of assumptions at the level of homogenous risk groups into which policies are classified. For unexpired perils, best estimate of premium provision is calculated using future cash flow estimates, subject to associated assumption, i.e. separately for each policy. For expired perils, the Company recognises best estimate of claims provisions separately subject to insured event – in case of endowments, best estimate is calculated by policy; in case of other risks, it is calculated at the level of homogenous risk groups using the Bornhuetter-Ferguson methodology of actuarial triangles, which is a technique used for non-life insurance. The theoretical concept defines best estimate of liabilities as market value of liabilities, which is in practice hardly occurred on the market. Therefore, best estimate of liabilities is calculated as present value of all estimated future income and expenses, separately by insurance policy and weighted by probability of occurrence. Income includes gross premiums, charged costs and other income (e.g. refund of management fees), while expenses include actual costs, fees and commissions, claims, and other possible expenses. Return on assets is not

included in income. Risk-free interest rate curve published by EIOPA is used for discounting cash flows.

Expenses related to future actual costs are calculated using a cost model that contains all cost types related to the implementation of insurance contracts: insurance management costs, investment management costs and claim handling costs. The cost of brokers' fees is taken into account on a policy-by-policy basis, forming a separate type of cash flow.

The Company calculates best estimate of liabilities from concluded insurance, i.e. separately for guaranteed entitlements and separately for the part of entitlements from future attributions of profit.

The calculation of cash flows also considers certain future measures for the management of the Company with regard to the distribution of profits to policyholders, depending on economic situation and in accordance with existing internal acts and rules.

Using a range of economic scenarios that correspond to market conditions and are risk-neutral, the Company calculates the part of best estimate of liabilities that represents the time value of embedded contractual options and financial guarantees. This allows it to estimate the present value of uncertainties that arise from them.

The assumptions regarding policyholder behaviour are considered in a deterministic manner, meaning that the actions of insurers are not dependent on the economic scenario, but rather on other risk factors such as age of the policy, type of insurance product and the like.

The best estimate for non-life and health insurance claims that are paid out in the form of annuities is the sum of best estimates for existing and expected future annuity. Best estimate is calculated using life valuation techniques. In doing so, relevant mortality tables are observed, i.e. those that are also used for the valuation of capitalised annuities. The provision for expected annuities for cases, where no claim was yet filed, but can justifiably be expected in the future, is also calculated. These are generally annuities of underage persons who already receive an annuity and will be entitled to an income protection annuity when turning a certain age. The calculation includes the claim settlement costs.

The best estimate of liabilities changed in the following lines of business in the reporting period:

- insurance with profit participation where it decreased by EUR 69.1 million mostly as a result of the decrease in best estimate of liabilities of projected cash flows in 2025 by EUR 77.6 million and increase in risk-free interest rate curve;
- index or unit-linked insurance where it decreased by EUR 220.8 million mainly due to the transfer of PDPZ (decrease in the best estimate by EUR 281.0 million) and actual investment movements (increase in the best estimate by EUR 20.7 million);
- other life insurance where it decreased by EUR 6.7 million mostly as a result of a change in non-economic assumptions (lower mortality tables) and costs;
- annuities from non-life and health insurance which increased by EUR 6.6 million mainly due to the impact of discounting.

D.2.2.2 Risk margin for life insurance

The definition of risk margin contains future Solvency Capital Requirements for all future periods until the maturity of the existing portfolio of liabilities. The Company calculates them by applying a simplification based on the calculation of the future values of partial Solvency Capital Requirements for individual sub-types of life underwriting risks (e.g. mortality, longevity, costs, etc.) on the basis of values of substitutes which can be calculated in practice.

An appropriate substitute is therefore determined for every risk included in standard formula, which is expected based on an actuarial assessment and empirical evidence to develop with roughly the same dynamic as the capital requirement for relevant risk. In this manner, risk margin is calculated for entire life insurance portfolio within ring-fenced fund or within remaining part of the portfolio. This risk margin is then broken down by individual line of business in proportion to their virtual isolated risk margins.

D.2.2.3 Material differences between the bases, methods and main assumptions used for valuation for solvency purposes and the bases, methods and key assumptions used for financial reporting purposes

The reasons for differences between the valuations of technical provisions for solvency purposes and for financial reporting purposes are the discrepancies between the bases, methods, and main assumptions. The methodology and bases for the valuation of technical provisions for financial reporting purposes stipulate the method for the calculation of the present value of a realistic estimate of all relevant cash flows, which is also referred to as "present value of future cash flows", including an adjustment for risk and for contractual service margin.

The methodology and bases for the valuation of technical provisions for solvency purposes stipulate the method for the calculation of present value of a realistic estimate of all relevant cash flows, which is also referred to as "best estimate of liabilities", including risk margin.

In both valuations, all assumptions are of best estimates type, meaning that the values are neither overestimated nor underestimated, allowing for a realistic valuation. It is important to note the fact that the regulator prescribes the basic risk-free interest rate term structure for each relevant currency and is therefore uniform for all insurance companies within a given country.

The major differences between the valuation of life insurance liabilities for financial reporting purposes and solvency purposes include:

- when calculating the present value of future cash flows for financial reporting purposes, only attributable costs are taken into account, while the entire cost of life insurance is taken into account for solvency purposes;
- the solvency calculation of future cash flows takes into account contractual boundaries for additional insurance in accordance with the Delegated Regulation;
- both reporting regimes include margin for uncertainty, to which the liabilities are exposed, among insurance liabilities, however, with a different level of confidence: for solvency purpose calculation includes risk margin on the basis of 99.5 percent confidence level and for financial reporting includes risk adjustment on the basis of a 95 percent confidence level over a period of one year;

- for the financial purposes, insurance liabilities also include the so-called contractual service margin, which covers the expected present value of the Company's future profits, while in solvency reporting, an item with equivalent content does not exist as part of technical provisions.

Table 49: Differences between technical provisions for life insurance for solvency purposes and for financial reporting purposes

Liabilities	In EUR thousand	
	Value for solvency purposes	Value for financial reporting purposes
Life insurance technical provisions	1,271,489	1,271,933

The material difference between the two valuations is also contributed by annuities from non-life and health insurance, which are presented under life insurance for solvency purposes and amount to EUR 48.4 million. They are presented under non-life insurance liabilities for financial reporting purposes.

D.3 Other liabilities

D.3.1 Provisions, other than technical provisions

The calculation of provisions for long-term employee benefits such as jubilee benefits and severance pay upon retirement is performed in accordance with the actuarial mathematics methodology considering the provisions of the IFRS.

The calculation of provisions refers to two categories of employee entitlements:

- post-employment benefits which represent an employee entitlement upon retirement in the form of a lump sum payment. The amount of the entitlement is determined in advance and the risk with regard to the final amount of the payment is borne by the company;
- jubilee benefits which represent other long-term employee benefits.

The total cost of pre-determined employee entitlement is affected by a number of variables, such as wage growth, inflation, termination of employment contract and the mortality of employees. The total cost of the entitlement remains uncertain throughout the period, which is why the valuation of present value of post-employment benefits and related costs during the time of employment considers the following:

- actuarial valuation methods;
- attribution of benefits during the time of employment;
- defined actuarial assumptions.

Provisions for jubilee benefits and severance pay upon retirement are calculated for each individual employee separately based on the methodology described above, the applied parameters and employee data.

Provisions for jubilee benefits and severance pay upon retirement for solvency purposes match the provisions calculated for financial reporting purposes. The calculation incorporates the interest rate curve derived from the yield curve of Slovenian government bonds denominated in

euros. The application of abovementioned curve has no material effect on the amount of provisions.

This category of liabilities also includes provisions for unused annual leave which are valued in the same manner for both solvency and financial reporting purposes. Similar is true of other provisions included here – mostly provisions for legal disputes.

Table 50: Company's provisions, other than technical provisions

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Provisions, other than technical provisions	14,323	14,878	14,323

The value of the item did not change materially at the end of 2025.

D.3.2. Deposits from reinsurers

For financial reporting purposes as well as for solvency purposes, deposits from reinsurers are valued at amortised cost using the effective interest rate method.

Table 51: Company's deposits from reinsurers

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Deposits from reinsurers	1,674	16	1,674

The value of the item increased by EUR 1.7 million in 2025 due to reinsurance coverage of business on the Italian market.

D.3.3 Deferred tax liabilities

In accordance with IFRS, deferred tax liabilities are accounted for all temporary differences between the value of liabilities for tax purposes and their carrying amounts. The net value of the assets and liabilities is presented for financial reporting purposes, however as the value on the liabilities side is higher than the value on the assets side, the net value on the assets side (deferred tax assets) is disclosed as zero.

Deferred tax liabilities are valued for solvency purposes as the sum of deferred tax liabilities for financial reporting purposes and the product of the tax rate and the difference between the value of liabilities for financial reporting and solvency purposes. The tax rate of 22 percent is applied in the calculation of deferred tax liabilities, with the rate remaining unchanged compared to the year before. For solvency purposes, the item is not netted against deferred tax assets as it is for financial reporting purposes.

Table 52: Company's deferred tax liabilities

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Deferred tax liabilities	18,222	12,988	0

As at 31 December 2025, deferred tax liabilities for solvency purposes increased by EUR 5.2 million compared to the previous year due to the increase in the difference between total liabilities before taxes for financial reporting purposes and total liabilities before taxes for solvency purposes.

D.3.4 Derivatives

The Company uses derivatives to manage its currency risk, which is largely derived from indirect investments by collective investment undertakings.

Table 53: Company's liabilities from derivatives

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Derivatives	73	47	73

D.3.5 Financial liabilities other than debts owed to credit institutions

Financial liabilities other than debts owed to credit institutions represent liabilities arising from the purchase of securities. For financial reporting and solvency purposes, these liabilities are measured at amortised cost.

Table 54: Company's financial liabilities other than debts owed to credit institutions

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Financial liabilities other than debts owed to credit institutions	3	6	3

D.3.6 Insurance and intermediaries payables

Insurance and intermediaries payables represent liabilities from direct insurance operations and other current liabilities from insurance operations. For solvency purposes, they are valued at amortised cost using the effective interest rate method. For the financial reporting purposes (according to IFRS 17) these liabilities are part of the obligations arising from insurance contracts.

Table 55: Company's insurance and intermediaries payables

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Insurance and intermediaries payables	14,667	6,284	0

The value of the item increased by EUR 8.4 million at the end of 2025, mainly due to business on the Italian market.

D.3.7 Reinsurance payables

For solvency purposes, reinsurance payables are valued at amortised cost using the effective interest rate method. According to the IFRS 17, these payables are part of liabilities from insurance contracts for financial reporting purposes.

Table 56: Company's reinsurance payables

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Reinsurance payables	80,301	7,367	0

At the end of 2025, Company's reinsurance payables increased by EUR 72.9 million, mainly due to the reinsurance protection of the business on the Italian market.

D.3.8 Payables (trade not insurance)

The largest component of the item are all other payables included according to the IFRS 17, which are not directly related to the insurance business. For both financial reporting and solvency purposes, they are valued at amortised cost using the effective interest rate method.

Table 57: Company's payables (trade not insurance)

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Payables (trade not insurance)	113,464	80,476	113,464

At the end of 2025, the Company's payables (trade not insurance) increased by EUR 33.0 million. The largest part of the increase stems from non-attributable liabilities arising from insurance business.

D.3.9 Subordinated liabilities

Subordinated liabilities are disclosed in financial statements at amortised cost without accrued interest. For solvency purposes, subordinated liabilities are valued at market value whereby the change in the issuer's creditworthiness is not taken into account.

Table 58: Company's subordinated liabilities

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Subordinated liabilities	152,248	151,238	155,635

At the end of 2025, subordinated liabilities did not change significantly.

D.3.10 Any other liabilities, not elsewhere shown

The item includes all other liabilities of the Company that are not included in any of the previous liability items of the balance sheet. Valuation for financial reporting purposes is the same as for solvency purposes.

Table 59: Company's any other liabilities, not elsewhere shown

Liabilities	In EUR thousand		
	Value for solvency purposes		Value for financial reporting purposes
	2025	2024	2025
Any other liabilities, not elsewhere shown	11,801	11,823	11,801

The value of any other liabilities not elsewhere shown did not change significantly.

D.3.11 Lease agreements

Lease liabilities in 2025 are recognised in the amount of the present value of future payments. Changes are presented in greater detail in Section A.4.2 of this report.

D.4 Alternative methods for valuation

In the reporting period, the Company did not use any alternative valuation methods for solvency purposes other than those disclosed in the previous sections of this report.

D.5 Any other information

Among contingent assets, the Company's largest off-balance-sheet exposure were on the item of uncollected recourse receivables, and among contingent liabilities on the item of unpaid commitments for payments in alternative investments. Detailed information on off-balance sheet items not reported by the Company is presented in the Annual Report, in Section 4.5 of the financial portion of the said report.

OTHER RELEVANT INFORMATION

All other important information relating to the valuation for solvency purposes is disclosed in Sections D.1 through D.4.



E.

Capital management

- E.1** Own funds
- E.2** Solvency capital requirement and minimum capital requirement
- E.3** Use of the duration-based equity risk sub-module in the calculation of the solvency capital requirement
- E.4** Difference between the standard formula and any internal model used
- E.5** Non-compliance with the minimum capital requirement and non-compliance with the solvency capital requirement
- E.6** Any other information

E. Capital management

The capital management system and related processes are based on strategic objectives, regulatory requirements, good practices, and internally established methodologies that consider the characteristics of the Company as a whole, especially the nature, volume, and complexity of operations.

Capital management is a continuous process involving the assurance of an optimum volume and structure of quality capital and the optimisation of the use of such capital. The capital management system also encompasses regular monitoring of regulatory capital adequacy and the management of capital risk, which also includes potential legislative amendments and amendments of financial reporting standards that may affect the Company's capital adequacy.

The objective of the capital management system is the efficient use of eligible own funds, which provides for:

- safety and profitability of operations;
- a high level of confidence of all stakeholders;
- continuous meeting of regulatory capital adequacy requirements;
- assurance of appropriate exposure to capital risk through consistent testing of capital adequacy within the scope of the ORSA process;
- assurance of long-term and stable returns on the owners' investment;
- meeting the criteria of external rating agencies to maintain at least "A" credit rating.

To achieve its strategic objectives, the Company has a capital management system in place that ensures transparent and optimal allocation of own funds by business area that is aligned with the risk-adjusted profitability criteria. In this way, consistent implementation of capital management system ensures a long-term and stable return on investment for the owners. Dividends are paid out based on pre-defined criteria of dividend policy which enables the Company to ensure stable operations, growth, attainment of strategic goals over the long-term, satisfaction of all stakeholders and a stable ownership structure of the Company.

The Company maintains a surplus of eligible own funds in excess of capital requirements for the performance of core activity and the coverage of potential losses. The surplus provides protection against losses resulting from unforeseen, unfavourable events and the volatility of capital requirements. Future adequacy of own funds and capital adequacy are planned and assessed regularly. Potential future capital risk and future solvency requirements are estimated based on scenarios from strategic business plan within the scope of regular ORSA process.

The Company consistently pursues set capital management objectives and observes existing dividend policy. The Company manages capital in a centralised manner at the Group level by ensuring optimal and cost-effective capital allocation and use through capital concentration at the Company. Within the scope of capital management process, the Company considers the capital needs as well as options and restrictions for capital transfer between individual business areas from subsidiaries to the Company and vice versa. Capital management relies on

established risk management system and is based on strategic objectives of the Group, regulatory requirements, good practices, and internally established methodologies.

In the context of monitoring and measurement of eligible own funds, profitability and use for each business area as well as analysing the changes in risk profile of the Company, regular implementation of ORSA process, which defines the guidelines and measures for optimisation of operations and use of own funds in accordance with the Company's strategic objectives, is of the utmost importance.

COMPANY'S CAPITAL ADEQUACY

As at 31 December 2025, the Company was adequately capitalised and had sufficient eligible own funds available to meet both the Solvency Capital Requirement (the ratio stood at 259 percent) and the Minimum Capital Requirement (the ratio stood at 740 percent). Capital adequacy is defined as the ratio between eligible own funds and Solvency Capital Requirement.

Eligible own funds include all Tier 1 own fund items, and Tier 2 and Tier 3 own fund items up to regulatory specified amounts. Only eligible own funds, which are without restrictions, are used to meet the Minimum Capital Requirement, whereby they comprise all Tier 1 own fund items, and Tier 2 own fund items, which do not exceed 20 percent of the Minimum Capital Requirement in the scope of the regulatory restriction.

Table 60: Company's capital adequacy

Company's capital adequacy	In EUR thousand	
	2025	2024
Total eligible own funds to meet the SCR	1,242,899	1,130,330
Total eligible own funds to meet the MCR	1,120,960	1,002,486
Solvency Capital Requirement (SCR)	479,700	416,426
Minimum Capital Requirement (MCR)	151,541	127,510
Ratio of eligible own funds to SCR	259%	271%
Ratio of eligible own funds to MCR	740%	786%

The Company's capital adequacy decreased by 12 percentage points in the reporting period, which is mostly the result of the increase in the Solvency Capital Requirement of EUR 63.3 million, alongside with an increase in eligible own funds of EUR 112.6 million. The movement of eligible own funds is explained in Section E.1 of this report and the movement of the Solvency Capital Requirement in Section E.2 of this report. Details on the values of items for the calculation of the Company's capital adequacy are provided in template S.23.01.01 in the annex to this report.

E.1 Own funds

As at 31 December 2025, the basic own funds totalled EUR 1,242.9 million. They were composed of the Company's share capital (EUR 73.7 million), subordinated liabilities (EUR 152.2 million), and the reconciliation reserve (EUR 1,017.0 million). As at 31 December 2025, the Company had no net deferred tax assets. The reconciliation reserve consists of the excess of assets over liabilities in the amount of EUR 1,159.0 million less the value of foreseeable dividends for the 2025 financial year (EUR 68.4 million) and the Company's share capital. The Company did not

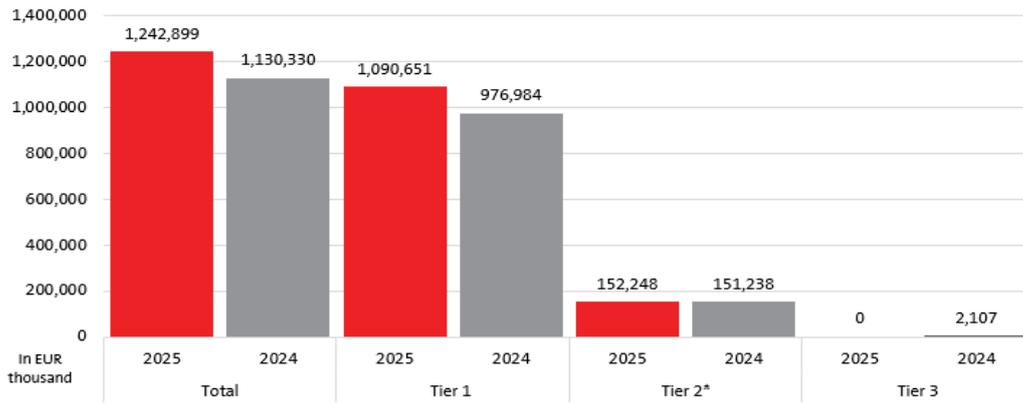
have any ancillary own funds as at 31 December 2025. The structure of the Company's eligible own funds according to tier as at 31 December 2025 and 31 December 2024 is presented in the table below and in template S.23.01.01 of the annex to this report.

Table 61: Structure of eligible own funds to meet the Solvency Capital Requirement and Minimum Capital Requirement by tier

Eligible own funds to meet the Solvency Capital Requirement	In EUR thousand	
	2025	2024
Tier 1	1,090,651	976,984
Ordinary shares (including treasury shares)	73,701	73,701
Reconciliation reserve	1,016,950	903,283
Deductions	0	0
Tier 2	152,248	151,238
Subordinated liabilities	152,248	151,238
Deductions	0	0
Tier 3	0	2,107
Amount equal to the value of net deferred tax assets	0	2,107
Deductions	0	0
Total eligible own funds to meet the Solvency Capital Requirement	1,242,899	1,130,330

Eligible own funds to meet the Minimum Capital Requirement	In EUR thousand	
	2025	2024
Tier 1	1,090,651	976,984
Ordinary shares (including treasury shares)	73,701	73,701
Reconciliation reserve	1,016,950	903,283
Deductions	0	0
Tier 2 (maximum of 20 percent of the Minimum Capital Requirement)	30,308	25,502
Subordinated liabilities	30,308	25,502
Deductions	0	0
Total eligible own funds to meet the Minimum Capital Requirement	1,120,960	1,002,486

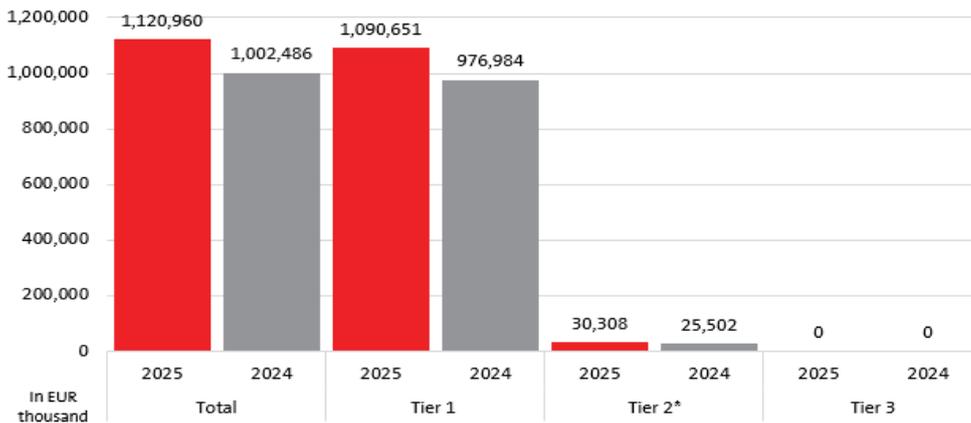
The Company's total eligible own funds to meet the Solvency Capital Requirement increased by EUR 112.6 million in the reporting period mainly due to an increase in the reconciliation reserve of EUR 113.7 million. Subordinated liabilities increased by EUR 1.0 million in the reporting period. In 2024, Tier 3 eligible own funds amounted to EUR 2.1 million, while in 2025 the Company had no Tier 3 eligible own funds.

Chart 11: Comparison of eligible own funds to meet the Solvency Capital Requirement

* Tier 2 own funds are suitable for the coverage of the Minimum Capital Requirement as long as they do not exceed 20 percent of the Minimum Capital Requirement.

The Company's total eligible own funds to meet the Minimum Capital Requirement as at 31 December 2025 amounted to EUR 1,121.0 million, whereby Tier 2 own funds that exceed 20 percent of the Minimum Capital Requirement and all Tier 3 own funds are already excluded from the said amount.

The Company holds the highest quality own funds and thus classifies its entire share capital and the reconciliation reserve as Tier 1 own funds, while it classifies subordinated bonds as Tier 2 own funds and net deferred tax assets as Tier 3 own funds. In 2025, the Company met all the required restrictions regarding Tier 1, 2 and 3 own funds referred to Article 82¹¹ of the Delegated Regulation.

Chart 12: Comparison of eligible own funds to meet the Minimum Capital Requirement

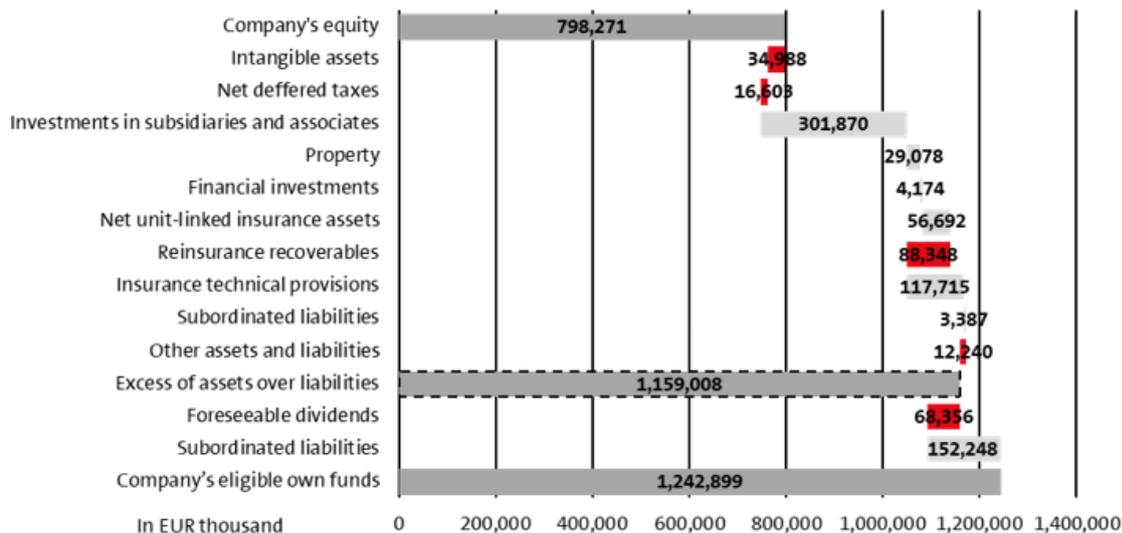
* Tier 2 own funds are eligible for the coverage of the Minimum Capital Requirement as long as they do not exceed 20 percent of the Minimum Capital Requirement.

¹¹ For purposes of compliance with Article 82 of the Delegated Regulation, Tier 1 own funds must represent at least half of the Solvency Capital Requirement, while the sum of Tier 2 and Tier 3 assets may represent no more than half of the Solvency Capital Requirement. In addition, Tier 3 own funds can represent a maximum of 15 percent of the Solvency Capital Requirement. Within these limits, the sum of subordinated liabilities that qualify for Tier 1 own funds must be less than 20 percent of total Tier 1 own funds.

DIFFERENCES IN THE VALUATION OF CAPITAL FOR FINANCIAL REPORTING PURPOSES AND OWN FUNDS

The differences between capital for the Company's financial reporting purposes and eligible own funds calculated for solvency purposes arise from the difference in the valuation of assets and liabilities. Eligible own funds are namely calculated as the difference between assets and liabilities whereby both sides of the balance sheet are valued at market value. In addition to this difference, subordinated liabilities and any deductions from own funds are added.

Chart 13: Differences in the valuation of the Company's capital for financial reporting purposes and eligible own funds



Capital for financial reporting purposes as at 31 December 2025 amounted to EUR 798.3 million, while the eligible own funds amounted to EUR 1,242.9 million. The difference is most affected by the different valuation of investments in subsidiaries and associated companies (EUR 301.9 million), subordinated liabilities (EUR 152.2 million), and insurance technical provisions (EUR 117.7 million). The difference is decreased the most by reinsurance recoverables (EUR 88.3 million), the foreseeable dividend (EUR 68.4 million) and intangible assets and deferred acquisition costs (EUR 35.0 million).

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Company calculates capital adequacy based on the standard formula in accordance with the Zzavar-1 and the Delegated Regulation. To calculate the Solvency Capital Requirement, the Company applies the standard formula using the prescribed parameters and is not using any simplifications and parameters specific for the Company. In accordance with the provisions of the Zzavar-1, the Company reports at least once a year to AZN on the amount of the Solvency Capital Requirement and at least once every quarter on the Minimum Capital Requirement.

E.2.1 Solvency Capital Requirement

The Company's Solvency Capital Requirement as at 31 December 2025 amounted to EUR 479.7 million which is EUR 63.3 million more than the year before. The basic Solvency Capital Requirement increased by EUR 58.5 million compared to the year before.

Table 62: Company's Solvency Capital Requirement

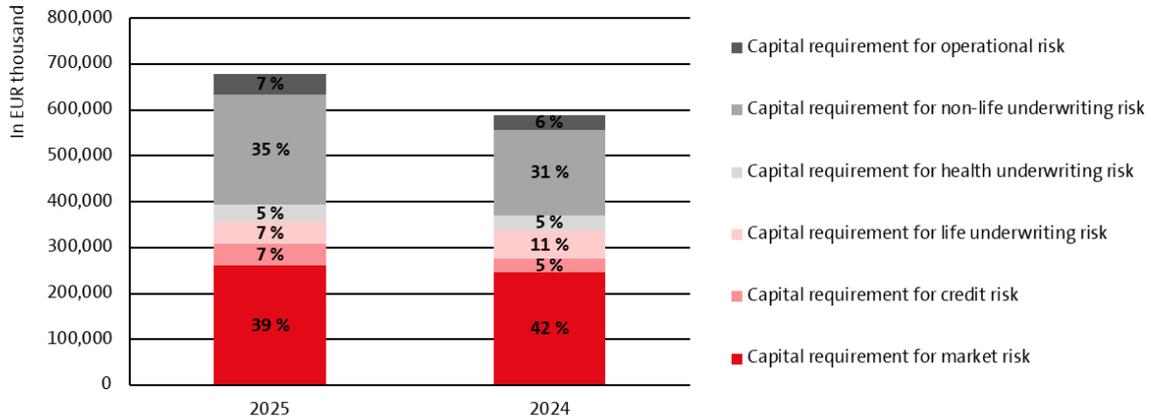
Company's required capital	In EUR thousand	
	2025	2024
Underwriting risk	326,149	280,513
Market risk	262,167	246,867
Credit risk	45,884	28,727
Diversification	-192,408	-172,807
Basic Solvency Capital Requirement	441,792	383,300
Operational risk	44,159	33,013
Loss-absorbing capacity of technical provisions	0	-6,479
Loss-absorbing capacity of deferred taxes	-7,193	0
Adjustment for ring-fenced fund risk diversification	942	6,592
Solvency Capital Requirement	479,700	416,426

The increase in basic Solvency Capital Requirement mainly stems from the increase in capital requirement for underwriting risk. This is mainly due to increase in capital requirements for non-life underwriting risk in the amount of EUR 55.6 million, which is a result of business on the Italian market. The premium and reserve risk increase during 2025 is influenced by both increase in premium volume and increase in claims volume. The increase in premium volume is in line with increase in planned premium, while increase in claims volume is in line with increase in claims provisions.

Compared to the year before, there was an increase in capital requirement in health underwriting risk by EUR 3.9 million. In 2025, the capital requirement for life underwriting risk decreased by EUR 13.9 million, mainly due to the transfer of PDPZ to Triglav, pokojninska družba. The capital requirement for market risk increased by EUR 15.3 million in 2025, with the biggest contributor being equity risk that increased by EUR 24.5 million. The capital requirement for credit risk increased by EUR 17.2 million in the observed period. The increase is mainly due to business on the Italian market. Due to growth of the insurance portfolio, the capital requirement for operational risk has increased by EUR 11.1 million.

In 2025, the loss-absorbing capacity of deferred taxes amounted to EUR 7.2 million. When calculating the adjustment for loss-absorbing capacity of deferred taxes, the Company does not consider expected future taxable profits. At the end of 2025, the Company had no loss-absorbing capacity of technical provisions. In 2024 the Company had no loss-absorbing capacity of technical provisions.

The chart below presents the structure of capital requirement for individual risk whereby the capital requirement for operational risk, which is not an element of the basic Solvency Capital Requirement is also presented.

Chart 14: Company's capital requirements excluding diversification

In the reporting period, the Company considered ring-fenced fund and calculated the Solvency Capital Requirement using method of simplification at risk module level defined in the EIOPA Guidelines on ring-fenced funds. This means that capital requirements for ring-fenced funds and the remaining part of the Company's portfolio are only summed up, while the effects of diversification between funds are not considered. When calculating the Solvency Capital Requirement, an adjustment for the aggregation of the theoretical Solvency Capital Requirement of ring-fenced funds is calculated. Details on the calculation are presented in template S.25.01.21 in the annex to this report.

E.2.2 Minimum Capital Requirement

The Company calculates the Minimum Capital Requirement in accordance with the Delegated Regulation. The Minimum Capital Requirement is calculated as a linear function of insurance technical provisions, gross written insurance premium, venture capital, deferred taxes, and administrative expenses. The Company calculates the Minimum Capital Requirement using the method for composite insurance companies, where the linear Minimum Capital Requirements are calculated first. The linear Minimum Capital Requirement for non-life and health insurance is linked to the activities from non-life and health insurance, also including accident insurance that are added to life insurance. The linear Minimum Capital Requirement for life insurance is calculated including the activities related to non-life insurance annuities. The Company's Minimum Capital Requirement is calculated from linear Minimum Capital Requirements for non-life and life insurance so that the requirement is never lower than 25 percent or higher than 45 percent of the Solvency Capital Requirement and that the absolute floor of the Minimum Capital Requirement for non-life insurance (EUR 4.0 million) and life insurance (EUR 4.0 million) is exceeded.

Table 63: Company's Notional Minimum Capital Requirement

2025	In EUR thousand	
Notional Minimum Capital Requirement	Non-life insurance including health insurance	Life insurance
Notional linear Minimum Capital Requirement	123,238	28,303
Notional Solvency Capital Requirement (excluding capital add-ons)	390,106	89,594

Notional Minimum Capital Requirement cap	175,548	40,317
Notional Minimum Capital Requirement floor	97,526	22,398
Notional combined Minimum Capital Requirement	123,238	28,303
Absolute cap for notional Minimum Capital Requirement	4,000	4,000
Notional Minimum Capital Requirement	123,238	28,303

2024	In EUR thousand	
Notional Minimum Capital Requirement	Non-life insurance including health insurance	Life insurance
Notional linear Minimum Capital Requirement	94,349	33,162
Notional Solvency Capital Requirement (excluding capital add-ons)	308,126	108,301
Notional Minimum Capital Requirement cap	138,657	48,735
Notional Minimum Capital Requirement floor	77,031	27,075
Notional combined Minimum Capital Requirement	94,349	33,162
Absolute cap for notional Minimum Capital Requirement	4,000	4,000
Notional Minimum Capital Requirement	94,349	33,162

The notional Minimum Capital Requirement for non-life and health insurance increased in the reporting period by EUR 28.9 million, while the Minimum Capital Requirement for life insurance decreased by EUR 4.9 million. The increase in the notional Minimum Capital requirement for non-life and health insurance is mainly due to the growth of volume in the non-life insurance portfolio. Details on the Minimum Capital Requirement are shown in template S.28.02.01 in the annex to this report.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Company does not use the duration-based equity risk sub-module to calculate and monitor capital adequacy.

E.4 Difference between the standard formula and any internal model used

The Company does not use internal models to calculate and monitor capital adequacy.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

According to the balance as at 31 December 2025, the Company did not find any non-compliance with the Minimum Capital Requirement and the Solvency Capital Requirement.

E.6 Any other information

Any other important information relating to the management of capital is disclosed in Sections E.1 through E.5.



Annexes



Annexes

Quantitative Reporting Templates (QRT) of the Company as at 31 December 2025:

1. S.02.01.02 - Balance sheet for solvency purposes
2. S.04.05.21 - Premiums, claims and expenses by country
3. S.05.01.02 - Premiums, claims and expenses by line of business
4. S.12.01.02 - Technical provisions for life insurance and health insurance
5. S.17.01.02 - Technical provisions for non-life insurance
6. S.19.01.21 - Information on non-life insurance claims
7. S.23.01.01 - Own funds
8. S.25.01.21 - Solvency Capital Requirement for undertakings using the standard formula
9. S.28.02.01 - Minimum Capital Requirement for life and non-life insurance products

All values in Quantitative Reporting Templates below are shown in thousands of euros (EUR thousand).

Annex 1: S.02.01.02 - Balance sheet for solvency purposes

Assets	Solvency II value
Intangible assets	
Deferred tax assets	11,028
Pension benefit surplus	
Property, plant and equipment held for own use	82,890
Investments (other than assets held for index-linked and unit-linked contracts)	2,427,566
Property (other than for own use)	55,671
Holdings in related undertakings, including participations	565,108
<i>Equities</i>	<i>6,722</i>
Equities – listed	2,862
Equities – unlisted	3,860
<i>Bonds</i>	<i>1,584,807</i>
Government Bonds	1,067,457
Corporate Bonds	516,286
Structured notes	1,065
Collateralised securities	0
Collective Investments Undertakings	196,170
Derivatives	2
Deposits other than cash equivalents	18,973
Other investments	113
Assets held for index-linked and unit-linked contracts	709,630
Loans and mortgages	10,111
Loans on policies	3,331
Loans and mortgages to individuals	
Other loans and mortgages	6,780
Reinsurance recoverables from:	622,727
Non-life and health similar to non-life	620,693
Non-life excluding health	590,909
Health similar to non-life	29,783
Life and health similar to life, excluding health and index-linked and unit-linked	2,098
Health similar to life	3
Life excluding health and index-linked and unit-linked	2,095
Life index-linked and unit-linked	-64
Deposits to cedants	34
Insurance and intermediaries receivables	35,166
Reinsurance receivables	47,562
Receivables (trade, not insurance)	68,456
Own shares (held directly)	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	
Cash and cash equivalents	6,065
Any other assets, not elsewhere shown	3,902
Total assets	4,025,136

Liabilities	Solvency II value
Technical provisions - non-life	1,187,863
Technical provisions - non-life (excluding health)	1,135,557
TP calculated as a whole	
Best estimate	1,106,735
Risk margin	28,822
Technical provisions - health (similar to non-life)	52,306
TP calculated as a whole	
Best estimate	50,790
Risk margin	1,516
TP - life (excluding index-linked and unit-linked)	613,444
Technical provisions - health (similar to life)	219
TP calculated as a whole	
Best estimate	219
Risk margin	1
TP - life (excluding health and index-linked and unit-linked)	613,225
TP calculated as a whole	
Best estimate	596,073
Risk margin	17,151
TP - index-linked and unit-linked	658,046
TP calculated as a whole	
Best estimate	648,101
Risk margin	9,944
Other technical provisions	
Contingent liabilities	
Provisions other than technical provisions	14,323
Pension benefit obligations	
Deposits from reinsurers	1,674
Deferred tax liabilities	18,222
Derivatives	73
Debts owed to credit institutions	
Financial liabilities other than debts owed to credit institutions	3
Insurance and intermediaries payables	14,667
Reinsurance payables	80,301
Payables (trade, not insurance)	113,464
Subordinated liabilities	152,248
Subordinated liabilities not in BOF	
Subordinated liabilities in BOF	152,248
Any other liabilities, not elsewhere shown	11,801
Total liabilities	2,866,129
Excess of assets over liabilities	1,159,008

Annex 2: S.04.05.21 - Premiums, claims and expenses by country

	Home Country	Top 5 countries (by amount of gross premiums written): Non-life insurance and reinsurance obligations				
	SI	IT	UK	PL	GR	DE
Premium written (gross)						
Gross Written Premium (direct)	697,780	697,041	0	60,720	29,978	19,525
Gross Written Premium (proportional reinsurance)	17,310	1,119	228	19	747	378
Gross Written Premium (non-proportional reinsurance)	18,212	55	92,429	0	0	4,416
Premiums earned (gross)						
Gross Earned Premium (direct)	696,396	160,915	0	61,066	28,390	19,445
Gross Earned Premium (proportional reinsurance)	43,185	1,120	228	19	748	894
Gross Earned Premium (non-proportional reinsurance)	8,844	27	45,224	0	0	2,161
Claims incurred (gross)						
Claims incurred (direct)	329,039	114,305	0	36,503	19,435	7,240
Claims incurred (proportional reinsurance)	2,676	3,887	3,908	36	843	1,833
Claims incurred (non-proportional reinsurance)	269	0	68,923	0	0	369
Expenses incurred (gross)						
Gross Expenses Incurred (direct)	197,618	148,129	0	21,006	10,001	5,585
Gross Expenses Incurred (proportional reinsurance)	1,203	80	6,344	1	51	328
Gross Expenses Incurred (non-proportional reinsurance)	3,194	213	16,844	3	136	871

Life insurance and reinsurance obligations

	Home Country
Gross Written Premium	171,459
Gross Earned Premium	171,470
Claims Incurred	168,181
Gross Expenses Incurred	29,715

Annex 3: S.05.01.02 - Premiums, claims and expenses by line of business

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)					
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance
Premiums written						
Gross - Direct Business	27,304	115,836		701,179	238,811	50,970
Gross - Proportional reinsurance accepted		96		3	24	19,260
Gross - Non-proportional reinsurance accepted						
Reinsurers' share	289	43,195		459,830	69,937	51,550
Net	27,015	72,738		241,352	168,898	18,680
Premiums earned						
Gross - Direct Business	27,192	75,978		296,624	196,624	50,122
Gross - Proportional reinsurance accepted		90		3	18	19,279
Gross - Non-proportional reinsurance accepted						
Reinsurers' share	287	11,665		136,594	33,829	49,683
Net	26,905	64,403		160,033	162,813	19,718
Claims incurred						
Gross - Direct Business	14,987	29,699		200,600	98,494	21,436
Gross - Proportional reinsurance accepted	0	-1,943		0	7	32,049
Gross - Non-proportional reinsurance accepted						
Reinsurers' share	134	-745		110,574	12,852	44,151
Net	14,853	28,501		90,026	85,649	9,334
Expenses incurred	15,866	18,097		82,982	40,672	-3,791
Other technical expenses/income						
Total expenses						

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)					
	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
Premiums written						
Gross - Direct Business	215,774	50,959	25,475	7,488	85,467	4,008
Gross - Proportional reinsurance accepted	38,897	7,129	3,620		280	311
Gross - Non-proportional reinsurance accepted						
Reinsurers' share	113,242	19,766	11,150	6,642	48,190	2,205
Net	141,429	38,322	17,946	847	37,556	2,115
Premiums earned						
Gross - Direct Business	215,879	48,957	24,004	2,348	42,488	3,927
Gross - Proportional reinsurance accepted	104,283	7,090	2,543		148	291
Gross - Non-proportional reinsurance accepted						
Reinsurers' share	166,524	19,586	9,811	1,602	12,723	2,048
Net	153,638	36,460	16,737	746	29,913	2,170
Claims incurred						
Gross - Direct Business	77,705	40,143	4,550	652	20,728	5,285
Gross - Proportional reinsurance accepted	6,144	2,448	3,213		143	71
Gross - Non-proportional reinsurance accepted						
Reinsurers' share	31,304	28,684	4,824	885	1,636	652
Net	52,545	13,906	2,939	-233	19,236	4,704
Expenses incurred	53,522	9,908	3,496	147	15,210	697
Other technical expenses/income						
Total expenses						

	Line of Business for: accepted non-proportional reinsurance				Total
	Health	Casualty	Marine, aviation, transport	Property	
Premiums written					
Gross - Direct Business					1,523,273
Gross - Proportional reinsurance accepted					69,620
Gross - Non-proportional reinsurance accepted		5	160	146,184	146,349
Reinsurers' share		245	14	117,072	943,326
Net		-241	146	29,112	795,916
Premiums earned					
Gross - Direct Business					984,143
Gross - Proportional reinsurance accepted					133,745
Gross - Non-proportional reinsurance accepted		5	15	71,522	71,542
Reinsurers' share		3	14	59,621	503,991
Net		1	1	11,901	685,438
Claims incurred					
Gross - Direct Business					514,280
Gross - Proportional reinsurance accepted					42,132
Gross - Non-proportional reinsurance accepted		-11		87,398	87,387
Reinsurers' share				80,642	315,593
Net		-11		6,756	328,206
Expenses incurred		-535	-116	7,068	243,221
Other technical expenses/income					34,107
Total expenses					277,328

	Line of Business for: life insurance obligations					Life reinsurance obligations			
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	Total
Premiums written									
Gross		35,734	125,462	10,263					171,459
Reinsurers' share		22	36	798					856
Net		35,712	125,427	9,465					170,604
Premiums earned									
Gross		35,756	125,462	10,251					171,470
Reinsurers' share		22	36	798					856
Net		35,734	125,427	9,453					170,615
Claims incurred									
Gross		91,119	75,145	2,270	140	-493			168,181
Reinsurers' share				82					82
Net		91,119	75,145	2,188	140	-493			168,100
Expenses incurred									
		2,408	22,405	4,901					29,715
Other technical expenses/income									
									8,566
Total expenses									
									38,281
Total amount of surrenders									
		8,304	48,396	281					56,981

Annex 4: S.12.01.02 - Technical provisions for life insurance and health insurance

	Insurance with profit participation	Index-linked and unit-linked insurance	
		Contracts without options and guarantees	Contracts with options or guarantees
Technical provisions calculated as a whole			
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole			
Technical provisions calculated as a sum of BE and RM			
Best Estimate			
Gross Best Estimate	560,469	648,101	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-57	-64	
Best estimate minus recoverables from reinsurance/SPV and Finite Re	560,526	648,166	
Risk margin	9,841	9,944	
Technical provisions - total	570,310	658,046	

	Other health insurance			Total (Health similar to life insurance)	
	Contracts without options and guarantees	Contracts with options or guarantees	Annuities stemming from non- life insurance contracts and relating to health insurance obligations		
Technical provisions calculated as a whole					
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole					
Technical provisions calculated as a sum of BE and RM					
Best Estimate					
Gross Best Estimate			-12,478	48,082	1,244,174
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default			-2,913	5,065	2,031
Best estimate minus recoverables from reinsurance/SPV and Finite Re			-9,564	43,017	1,242,144
Risk margin	7,173			137	27,096
Technical provisions - Total	-5,305			48,219	1,271,270

	Health insurance (direct business)		Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
	Contracts without options and guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole					
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole					
Technical provisions calculated as a sum of BE and RM					
Best Estimate					
Gross Best Estimate			219		219
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default			3		3
Best estimate minus recoverables from reinsurance/SPV and Finite Re			216		216
Risk margin			1		1
Technical provisions - Total			219		219

Annex 5: S.17.01.02 - Technical provisions for non-life insurance

	Direct business and accepted proportional reinsurance					Marine, aviation and transport insurance
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	
Technical provisions calculated as a whole						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole						
Technical Provisions calculated as a sum of BE and RM						
Best estimate						
Premium provisions						
Gross - Total	568	8,851		343,510	75,212	5,957
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-244	22,554		244,507	31,086	2,904
Net Best Estimate of Premium Provisions	813	-13,703		99,003	44,126	3,053
Claims provisions						
Gross - Total	4,372	36,998		182,996	41,005	61,171
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	37	7,436		67,654	10,188	41,674
Net Best Estimate of Claims Provisions	4,335	29,561		115,342	30,818	19,497
Total Best estimate - gross	4,941	45,849		526,505	116,217	67,128
Total Best estimate - net	5,148	15,858		214,344	74,944	22,549
Risk margin	330	1,186		7,177	3,415	1,370
Technical Provisions						
Technical provisions - total	5,271	47,035		533,682	119,632	68,499
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	-207	29,991		312,161	41,273	44,579
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	5,478	17,044		221,521	78,358	23,920

	Direct business and accepted proportional reinsurance					
	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
Technical provisions calculated as a whole						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole						
Technical Provisions calculated as a sum of BE and RM						
Best estimate						
Premium provisions						
Gross - Total	43,353	371	22,670	2,105	34,925	520
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	8,933	175	1,882	549	18,945	222
Net Best Estimate of Premium Provisions	34,420	195	20,787	1,556	15,980	299
Claims provisions						
Gross - Total	94,439	90,091	5,338	827	9,212	7,924
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	39,309	37,326	2,324	498	4,991	5,225
Net Best Estimate of Claims Provisions	55,130	52,766	3,014	330	4,222	2,700
Total Best estimate - gross	137,792	90,462	28,007	2,932	44,137	8,445
Total Best estimate - net	89,550	52,961	23,801	1,886	20,202	2,998
Risk margin	10,128	1,895	2,114	23	787	168
Technical Provisions						
Technical provisions - total	147,920	92,357	30,121	2,955	44,924	8,613
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	48,241	37,501	4,206	1,046	23,935	5,447
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	99,679	54,856	25,915	1,909	20,988	3,166

	Accepted non-proportional reinsurance				Total Non-Life obligations
	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional casualty reinsurance	Non-proportional property reinsurance	
Technical provisions calculated as a whole					
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole					
Technical Provisions calculated as a sum of BE and RM					
Best estimate					
Premium provisions					
Gross - Total		0	-82	14,242	552,201
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default		0		10,282	341,794
Net Best Estimate of Premium Provisions		0	-82	3,960	210,407
Claims provisions					
Gross - Total		25		70,923	605,323
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				62,237	278,899
Net Best Estimate of Claims Provisions		25		8,686	326,424
Total Best estimate - gross		25	-82	85,165	1,157,525
Total Best estimate - net		25	-82	12,646	536,832
Risk margin		1		1,745	30,338
Technical Provisions					
Technical provisions - total		26	-82	86,910	1,187,863
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total		0		72,519	620,693
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total		26	-82	14,391	567,170

Annex 6: S.19.01.21 - Information on non-life insurance claims

Gross Claims Paid (non-cumulative)	Development year (absolute amount)											In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +			
Prior												899	899	1,263,855
2016	157,054	50,315	13,577	6,193	2,137	2,107	689	474	1,318	267			267	234,131
2017	165,632	70,588	16,667	6,187	3,812	2,462	2,003	1,785	620				620	269,755
2018	171,504	64,605	13,018	5,128	2,099	1,527	1,236	719					719	259,834
2019	171,280	66,024	15,281	7,065	5,166	3,420	1,694						1,694	269,929
2020	162,793	57,619	12,177	8,841	6,880	2,372							2,372	250,682
2021	160,601	75,813	19,367	29,083	9,818								9,818	294,681
2022	179,044	98,343	59,663	21,384									21,384	358,434
2023	297,029	343,155	39,701										39,701	679,885
2024	416,680	137,685											137,685	554,365
2025	249,122												249,122	249,122
Total													464,281	4,684,672

Gross undiscounted Best Estimate Claims Provisions	Development year (absolute amount)											Year-end (discounted data)	
	0	1	2	3	4	5	6	7	8	9	10 & +		
Prior											8,395	7,568	
2015	79,936	31,108	16,284	9,757	7,185	3,585	3,485	2,451	3,125	1,195		1,075	
2016	102,780	34,550	19,490	13,943	9,291	5,779	4,708	7,205	4,113			3,696	
2017	98,054	35,498	17,467	11,661	8,776	4,333	6,214	2,588				2,349	
2018	105,789	40,079	22,158	14,796	13,056	21,516	10,562					9,656	
2019	99,152	41,385	30,314	15,282	24,554	13,144						12,135	
2020	119,801	84,918	57,017	60,964	27,797							25,920	
2021	152,816	74,900	93,740	35,660								33,337	
2022	242,684	199,339	89,321									84,087	
2023	367,519	148,920										141,415	
2024	303,761											284,086	
												Total	605,323

Annex 7: S.23.01.01 - Own funds

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35					
Ordinary share capital (gross of own shares)	73,701	73,701			
Share premium account related to ordinary share capital					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings					
Subordinated mutual member accounts					
Surplus funds					
Preference shares					
Share premium account related to preference shares					
Reconciliation reserve	1,016,950	1,016,950			
Subordinated liabilities	152,248			152,248	
An amount equal to the value of net deferred tax assets					
Other own fund items approved by the supervisory authority as basic own funds not specified above					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
Deductions					
Deductions for participations in financial and credit institutions					
Total basic own funds after deductions	1,242,899	1,090,651		152,248	

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Ancillary own funds					
Unpaid and uncalled ordinary share capital callable on demand					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand					
Unpaid and uncalled preference shares callable on demand					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC					
Other ancillary own funds					
Total ancillary own funds					

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Available and eligible own funds					
Total available own funds to meet the SCR	1,242,899	1,090,651		152,248	
Total available own funds to meet the MCR	1,242,899	1,090,651		152,248	
Total eligible own funds to meet the SCR	1,242,899	1,090,651		152,248	
Total eligible own funds to meet the MCR	1,120,960	1,090,651		30,308	
SCR	479,700				
MCR	151,541				
Ratio of Eligible own funds to SCR	259%				
Ratio of Eligible own funds to MCR	740%				
Reconciliation reserve					
Excess of assets over liabilities	1,159,008				
Own shares (held directly and indirectly)					
Foreseeable dividends, distributions and charges	68,356				
Other basic own fund items	73,701				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds					
Reconciliation reserve	1,016,950				
Expected profits					
Expected profits included in future premiums (EPIFP) - Life Business	52,258				
Expected profits included in future premiums (EPIFP) - Non- life business	50,752				
Total Expected profits included in future premiums (EPIFP)	103,009				

Annex 8: S.25.01.21 - Solvency Capital Requirement for undertakings using the standard formula

	Gross Solvency Capital Requirement	USP	Simplifications
Market risk	262,167		
Credit risk	45,884		
Life underwriting risk	48,478		
Health underwriting risk	36,918		
Non-life underwriting risk	240,752		
Diversification	-192,408		
Intangible asset risk			
Basic Solvency Capital Requirement	441,792		
Calculation of Solvency Capital Requirement			
Operational risk	44,159		
Loss-absorbing capacity of technical provisions			
Loss-absorbing capacity of deferred taxes	-7,193		
Capital requirement for business operated in accordance with Art, 4 of Directive 2003/41/EC			
Adjustment for ring-fenced fund risk diversification	942		
Solvency Capital Requirement excluding capital add-on	479,700		
Capital add-on already set			
Solvency Capital Requirement	479,700		
Other information on SCR			
Capital requirement for duration-based equity risk sub-module			
Total amount of Notional Solvency Capital Requirements for remaining part			
Total amount of Notional Solvency Capital Requirements for ring fenced funds			
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios			
Diversification effects due to RFF SCR aggregation for article 304			

Annex 9: S.28.02.01 - Minimum capital requirement for life and non-life insurance products

	Non-life activities		Life activities	
Linear formula component for non-life insurance and reinsurance obligations	122,330		3,410	
	Non-life activities		Life activities	
	Net (of reinsurance /SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months	Net (of reinsurance /SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
MCR calculation Non-Life				
Medical expense insurance and proportional reinsurance	5,148	27,015		
Income protection insurance and proportional reinsurance	24,003	32,619	0	40,118
Workers' compensation insurance and proportional reinsurance				
Motor vehicle liability insurance and proportional reinsurance	214,344	241,352		
Other motor insurance and proportional reinsurance	74,944	168,898		
Marine, aviation and transport insurance and proportional reinsurance	22,549	18,680		
Fire and other damage to property insurance and proportional reinsurance	89,550	141,429		
General liability insurance and proportional reinsurance	52,961	38,322		
Credit and suretyship insurance and proportional reinsurance	23,801	17,946		
Legal expenses insurance and proportional reinsurance	1,886	847		
Assistance and proportional reinsurance	20,202	37,556		
Miscellaneous financial loss insurance and proportional reinsurance	2,998	2,115		
Non-proportional health reinsurance				
Non-proportional casualty reinsurance	25			
Non-proportional marine, aviation and transport reinsurance	-82	146		
Non-proportional property reinsurance	12,646	29,112		

Linear formula component for life insurance and reinsurance obligations

	Non-life activities		Life activities	
	Net (of reinsurance/S PV) best estimate and TP calculated as a whole	Net (of reinsurance/S PV) total capital at risk	Net (of reinsurance/S PV) best estimate and TP calculated as a whole	Net (of reinsurance/S PV) total capital at risk
MCR calculation Life				
Obligations with profit participation - guaranteed benefits			532,400	
Obligations with profit participation - future discretionary benefits			28,126	
Index-linked and unit-linked insurance obligations			648,166	
Other life (re)insurance and health (re)insurance obligations	43,232			
Total capital at risk for all life (re)insurance obligations				3,028,546
			Non-life activities	Life activities
Linear formula component for life insurance and reinsurance obligations			908	24,893

Calculation of minimum capital requirement (MCR)

Linear MCR	151,541
SCR	479,700
MCR cap	215,865
MCR floor	119,925
Combined MCR	151,541
Absolute floor of the MCR	8,000
Minimum Capital Requirement	151,541

Notional non-life and life MCR calculation	Non-life activities	Life activities
Notional linear MCR	123,238	28,303
Notional SCR excluding add-on (annual or latest calculation)	390,106	89,594
Notional MCR cap	175,548	40,317
Notional MCR floor	97,526	22,398
Notional Combined MCR	123,238	28,303
Absolute floor of the notional MCR	4,000	4,000
Notional MCR	123,238	28,303