



STEPPING TOWARDS NEW VICTORIES

Sava Insurance Group
and Sava Re d.d.
ANNUAL REPORT
2025

This version of the annual report does not comply with the ESEF Regulation and is an unofficial version of the official annual report published in accordance with the ESEF Regulation in XHTML format. The official annual financial report, prepared in accordance with the ESEF Regulation, is available on the Company's [financial reports website](#).

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EMPOWERING CONFIDENT STEPS

We build trust through enduring partnerships and active engagement across a broad stakeholder network. At the Sava Insurance Group, we empower one another so that we can move forward together with confident steps, even in the most challenging times.

From left to right (seated)
 Edita Rituper, Deputy Director, Insurance, Sales and Group Governance
 Peter Skvarča, Member of the Management Board
 Polona Pirš, Member of the Management Board
 Marko Jazbec, Chairman of the Management Board
 Polonca Jug Mauko, Director, Internal Audit
 Anja Bošković, Director, Reinsurance Actuarial Affairs
 Alenka Plut, Authorised Representative of the Management Board

From left to right (standing)
 Borut Tomc, Director, Reinsurance Development
 Milan Viršek, Authorised Representative of the Management Board
 Andreja Rahne, Director, Accounting
 Jane Koliševski, Director, Reinsurance
 Klara Hauko, Director, Human Resources
 Barbara Veber, Director, Group Actuarial Affairs
 Matevž Benec, Director, Group Reinsurance
 Blaž Garbajs, Director, Corporate Finance
 Rok Saje, Director, Office of the Management Board and Compliance
 Jasna Kajtazović, Director, Insurance, Sales and Group Governance
 Tadej Mendiževac, Director, Financial Operations and Asset Management
 David Benedek, Member of the Management Board
 Nataša Đukić, Director, Risk and Asset-Liability Management
 Pavel Gojkovič, Authorised Representative of the Management Board
 Vanja Jurjevič, Director, Strategic Planning and Controlling
 Matjaž Stražisar, Authorised Representative of the Management Board

THE BASIS IS A SMART PLAN

Our strategy builds on thoughtful portfolio development and agile adaptability. Through diversified investments and responsible stewardship, we secure stability in an ever-changing world.

A+
stable

June 2025

S&P GLOBAL RATINGS

A
stable

October 2025

AM BEST

MASTERS OF SECURE BUSINESS

With over 45 years of experience and strong “A+” and “A” ratings from S&P Global Ratings and AM Best, we stand as a trusted partner on both global and local markets. Our secure business practices are built on expertise we refine and advance every day.

POISED FOR CHANGE

We also carry sustainability into our investments. In 2025, the Sava Insurance Group increased the share of ESG investments to 24.8%, affirming our dedication to responsible investing.

SMALL STEPS, MIGHTY CHANGES

At the Sava Insurance Group, we believe in the power of small steps. Together, our people gave 7,985 hours of their time and the Group devoted €3.88 million to sponsorships and donations, helping create meaningful change in the communities around us.

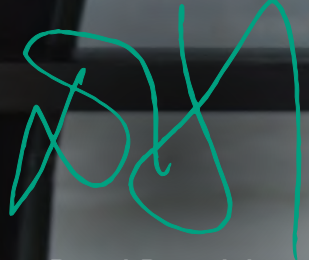
BUSINESS REPORT

IN STEP
WITH
A POWERFUL
VISION

Our vision is to create an insurance group that is customer-centric, flexible and sustainability-oriented. We believe that this unwavering focus on our customers’ needs and our agility in adapting swiftly form the very foundation of our growth – growth we are committed to aligning with sustainability.

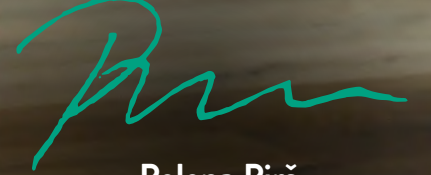


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David Benedek
Member of the Management Board


Peter Skvarča
Member of the Management Board


Marko Jazbec
Chairman of the Management Board


Polona Pirš
Member of the Management Board

Declaration of the management board

To the best of our knowledge and in accordance with the International Financial Reporting Standards and other laws applicable in Slovenia, the Solvency II Directive and Directive (EU) 2022/2464 on sustainability reporting, the consolidated and separate financial statements give a true and fair view of the financial position and profit or loss of the Sava Insurance Group and Sava Re d.d. The business report gives a true and fair view of the development and performance of the Group and the Company, and of their financial position, including a description of the principal risks to which the consolidated companies are exposed.

Ljubljana, 16 March 2026

► Key figures of the Sava Insurance Group

€m	2025	2024	Change	Index
Business volume	1,133.6	1,035.1	98.5	109.5
Insurance result	118.5	80.3	38.3	147.6
Finance result	14.5	20.3	-5.8	71.4
Other net income	10.9	9.2	1.7	118.6
Net profit	114.1	87.8	26.2	129.8
	31 December 2025	31 December 2024	Change	Index
Equity	742.6	648.6	94.0	114.5
Contractual service margin	190.7	175.6	15.1	108.6
Investment portfolio	1,764.6	1,666.9	97.7	105.9
Total assets	3,112.7	2,885.4	227.3	107.9
Assets under management	3,377.6	2,889.4	488.2	116.9
	2025	2024	Change	Index
Combined ratio	87.4%	91.3%	-3.9 pp	-
Loss ratio	59.5%	63.2%	-3.7 pp	-
Expense ratio	27.9%	28.1%	-0.2 pp	-
Return on equity (ROE)	15.9%	13.6%	+2.3 pp	-
Return on investment portfolio	2.1%	2.5%	-0.4 pp	-
Solvency ratio	215%–221%	208%	–	-

For definitions and calculations, please refer to the appended glossary.



1 Letter from the Chairman of the Management Board

Dear Shareholders, Business Partners and Valued Colleagues,

It gives me great pleasure and pride to share with you that we have recently completed a year of exceptional achievements. These are no coincidence but rather reflect the invaluable commitment and dedication of our people and the sound business decisions we have made. Stable growth in our operations, thoughtful expansion and prudent risk-taking, aided by tailwinds from favourable claims experience, led to excellent business performance. Additional recognition of our past efforts came from the rating agencies S&P Global Ratings and AM Best; the former upgraded our credit rating to “A+”, while the latter affirmed our “A” rating, both with a stable outlook.

The net profit of the Sava Insurance Group amounted to EUR 114.1 million in 2025 and surpassed the EUR 100 million mark for the first time. The Group thus achieved a return on equity of 15.9%. The volume of business increased by 9.5%, exceeding the planned growth, and notably every business segment contributed to this. Outstanding growth of 23% was recorded in reinsurance, resulting from increased participation in existing business and new business generated in selected new markets. We were also encouraged to see a positive trend in the combined ratio, which, largely due to favourable claims developments, decreased by 3.9 percentage points to 87.4%.

“Stable growth in our operations, thoughtful expansion and prudent risk-taking, aided by tailwinds from favourable claims experience, led to excellent business performance.”

Marko Jazbec

Chairman of the Management Board of Sava Re d.d.



The excellent performance was also mirrored in the share price, as the Sava Re share rose by as much as 66.3% in 2025, outperforming both the Slovenian stock index and the STOXX Europe 600 Insurance index. We are pleased that retail investors have likewise recognised Sava Re as an attractive investment opportunity.

The year 2025 also brought very positive developments in our cooperation with business partners: we further strengthened our collaboration with existing bancassurance distribution channels in Slovenia and established new ones in our markets outside the EU. We believe that strong and reliable long-term partnerships are key to our shared growth and development.

Throughout the year, we directed our activities towards the Group's strategic priorities, thereby laying the groundwork for our continued success in the years ahead. As part of our customer-at-the-centre policy, we further streamlined key processes, including the conclusion of insurance contracts, and the reporting and handling of customer claims. We also further developed self-service portals for customers and expanded our business communication with them through digital channels. As customer satisfaction is one

of our core strategic priorities, we expanded our systematic monitoring based on regular feedback to cover a wider range of processes. Customer feedback also drives continuous improvements and adjustments to processes, helping us deliver an even better customer experience. We optimised the operation of our call centre, shortened response times and reduced the number of follow-up calls. We introduced additional digital channels, enabling customers to choose the method of communication that suits them best. In claims handling, we provided customers with clearer insight into the progress of their claim and introduced an online booking system for damage surveys. We further eased the process for customers by introducing automated retrieval of data from official databases and registers, thereby saving them time.

To capture the full potential of artificial intelligence, we established the central SavaAI programme, through which we systematically identify areas where it can deliver the greatest impact. In introducing and using artificial intelligence tools, we are guided by a clear awareness of the need to ensure their safe, reliable and effective use.

Sustainability is not just a strategic priority for us – it is part of what we do every day. In 2025, we made progress in decarbonising the value chain. We systematically integrate sustainability criteria into investment decisions, supplier selection and evaluation procedures, and product development. By the end of 2025, the share of ESG investments reached our 25% target. As an entity subject to the CSRD Directive, the Sava Insurance Group published its first audited sustainability report last year, prepared in line with the European Sustainability Reporting Standards (ESRS), which significantly strengthens the transparency, comparability and credibility of reporting on the achievement of our sustainability goals. We also create positive impacts through socially responsible initiatives at the Group level. Through sponsorships, donations, prevention programmes and volunteer activities, we build long-term relationships with the community while nurturing a sustainability-oriented organisational culture.

We look ahead to 2026 with measured optimism. In an increasingly uncertain world shaped by geopolitical tensions and rapid technological progress, where artificial intelligence is revolutionising everyday processes, we believe our

mission to help ensure security and quality of life matters more than ever. As an insurance group, we remain committed to meeting our customers' needs and providing appropriate protection for both individuals and businesses.

In 2026, we will remain firmly focused on achieving our annual goals, while also looking further ahead. We are intensively preparing for the new strategy period, as we are developing a new medium-term strategy that will be ambitious and will address key transformation trends, in particular artificial intelligence, digitalisation, data and sustainability. At its core, however, will remain care for our customers and the creation of value for our shareholders.

Dear shareholders, partners and colleagues, thank you for your continued support and the trust you have placed in the Sava Insurance Group.

Marko Jazbec
Chairman of the Management Board
of Sava Re d.d.



2 Profile of Sava Re and the Sava Insurance Group

2.1 Sava Re company profile

Sava Re d.d. is a reinsurance company headquartered in Ljubljana, Slovenia, and is the operating holding company of the Sava Insurance Group. Sava Re is one of the largest reinsurance companies based in southeastern Europe, serving more than 500 partners in over 120 reinsurance markets worldwide. The Group is one of the leading insurance groups based in the region, with a presence in six countries of the Adriatic region.

COMPANY DETAILS

Company name	Sava Re d.d.
Business address	Dunajska Cesta 56, 1000 Ljubljana, Slovenia
Telephone (switchboard)	+386 1 47 50 200
Facsimile	+386 1 47 50 264
Website	www.sava-re.si
ID number	5063825
Tax identification number	SI17986141
LEI code	549300P6F1BDSFSW5T72
Date of entry into court register	10 December 1990, Ljubljana District Court
Certified auditor	Deloitte Revizija, d.o.o., Dunajska Cesta 165, 1000 Ljubljana, Slovenia
Largest shareholder and holding	Slovenian Sovereign Holding (Slovenski Državni Holding d.d.) and the Republic of Slovenia – together 31.6% (number of no-par-value shares: 5,436,319)
Credit ratings: S&P Global Ratings AM Best	A+ /stable/; June 2025 A /stable/; October 2025
The Company has no branches	

MANAGEMENT AND SUPERVISORY BODIES

MANAGEMENT BOARD

Marko Jazbec (chairman)
Polona Pirš
Peter Skvarča
David Benedek

SUPERVISORY BOARD

Klemen Babnik (chairman)
Mojca Androjna (deputy chair)
Nataša Damjanovič
Edita Rituper (employee representative)
Blaž Garbajs (employee representative)

SHARE CAPITAL

AMOUNT

EUR 71,856,376

SHARES

17,219,662
no-par-value shares

E-MAILS

info@sava-re.si
ir@sava-re.si

2.2 Significant events in 2025

- The composition of the supervisory board changed in 2025. Davor I. Gjivoje Jr began his third four-year term of office as a member of the supervisory board on 9 March 2025. At the 41st shareholders' meeting, three members of the supervisory board were elected for a four-year term: Mojca Androjna, Klemen Babnik and Nataša Damjanovič, all with a term of office starting on 18 July 2025. At its constitutive session on 22 July 2025, the newly formed supervisory board noted that the previous supervisory board had appointed Davor I. Gjivoje Jr as chairman in March 2025, for a four-year term beginning on 9 March 2025. The members confirmed that the appointed chairman would continue to serve in this role within the new supervisory board structure. From among its members, the supervisory board elected Klemen Babnik as deputy chairman. In addition, members were appointed to the four supervisory board committees: the audit committee, the risk committee, the nominations and remuneration committee, and the fit and proper committee.
- At the beginning of 2025, Vita S Holding, a North Macedonian subsidiary, established a private healthcare institution called PZU Vita S in North Macedonia.
- In January 2025, a petition was filed to initiate the summary dissolution of Asistim, a subsidiary of Zavarovalnica Sava, without liquidation. The company was struck off the register of companies in March 2025.
- In April 2025, Sava Re was notified that Croatia Osiguranje d.d. had acquired 838,197 POSR shares from its parent company Adris Grupa d.d. on 4 April 2025. The total shareholding of Adris Grupa's related parties in Sava Re remained unchanged after the transaction and amounted to 19.04%.
- In accordance with the Company's 2025 financial calendar, the 41st general meeting of shareholders was held on 26 May 2025. At the general meeting, the shareholders approved, among other things, the proposal of the management and supervisory boards to use EUR 34,869,816.00 of the profit for the distribution of dividends. A gross dividend of EUR 2.25 per share was paid out on 11 June 2025 to the shareholders of record on 10 June 2025. Three members of the supervisory board were elected at the general meeting for a four-year term of office. The Company published all the resolutions passed at the 41st general meeting of shareholders on its website immediately after the meeting.
- In June 2025, the rating agency S&P Global Ratings upgraded the ratings of Sava Re and Zavarovalnica Sava to "A+", with a stable outlook.
- In October 2025, following its regular annual rating review of Sava Re's operations, the rating agency AM Best affirmed its "A" ratings with a stable outlook.



2.3 Significant events after the reporting date

- On 28 November 2025, the Insurance Supervision Agency issued an order to three companies – Adris Grupa d.d., Croatia Osiguranje d.d. and Erste d.o.o. – requiring them to dispose of their shares as unauthorised holders of a qualifying holding in Sava Re. It found that these companies were deemed to be joint holders of a qualifying holding of 23.89% in Sava Re, for which they had not obtained the Agency’s authorisation. The Agency ordered the unauthorised holders to dispose of all Sava Re shares through which they reached or exceeded a 20% holding in the share capital within three months of receiving the order. Until the disposal of these shares, the companies may not exercise the voting rights attached to them; these rights are temporarily attributed to the voting rights of other shareholders in proportion to their holdings. The order became final in 2026. In February 2026, an action in an administrative dispute was filed against the order, together with a motion for an interim injunction. Also in February, the Administrative Court of the Republic of Slovenia temporarily stayed, pending a final decision, the enforcement of the part of the order relating to the obligation to dispose of the shares, while the other provisions of the order, including the restriction of voting rights, remained in force.
- On 25 February 2026, Sava Re received a notice of resignation from Davor I. Gjivoje Jr from his positions as a member and chairman of the

Company’s supervisory board. The resignation took effect on the same day. At its session on 5 March 2026, the supervisory board appointed Klemen Babnik as the new chairman and Mojca Androjna as deputy chair of the supervisory board, both from among its members.

- In light of developments in the Middle East at the time this report was prepared, we have prepared an analysis of the Group’s exposure to the region based on currently available information. The analysis has shown that the Group has no significant business exposure in the region. The impact of the events in the region on global financial markets remains unpredictable. The effects of the changed conditions in financial markets on the Company’s and Group’s equity and financial statements are evident from the sensitivity analyses relating to individual financial risks, which are presented in section [C.3.6.4](#). The impacts of the realisation of a downside financial scenario on solvency have been tested by the Group and the Company in the Own Risk and Solvency Assessment (ORSA), which has demonstrated the robustness of the capital adequacy of both the Group and the Company. We consider the unstable geopolitical situation as one of the most significant strategic risks for the Group and the Company, and we have addressed it as one of the principal challenges in the area of risk in sections [C.3.6.1.1](#) and [C.3.6.6](#).

2.4 Sava Re rating profile

Sava Re is rated by two rating agencies, S&P Global Ratings and AM Best. The following financial strength ratings were issued in 2025:

► Financial strength ratings of Sava Re

Agency	Rating ¹	Outlook	Latest review
S&P Global Ratings	A+	stable	June 2025: rating upgrade
AM Best	A	stable	October 2025: existing rating affirmed

S&P Global Ratings upgraded Sava Re’s rating from “A” to “A+”, maintaining a stable outlook. The agency explained that this followed Slovenia’s sovereign credit rating upgrade from “AA-” to “AA”, with a stable outlook. In its rationale, the agency cited Slovenia’s strong and resilient economy, which positively influenced Sava Re’s financial strength and credit ratings, given that the Republic of Slovenia is a significant shareholder.

In raising its ratings, the agency also considered the favourable operating performance of the Sava Insurance Group in 2024 and the first quarter of 2025, its strong balance sheet and capital levels, and its potential for profitable growth, driven by positive dynamics in Slovenia and international markets between 2025 and 2027.

The stable outlook reflects the agency’s expectation that the Group will maintain comparably strong operating results and continue to expand profitably both domestically and internationally, while also sustaining robust capitalisation over the next two years.

Improved rating
by S&P Global
Ratings

¹ S&P Global Ratings uses this scale to assess financial strength: AAA (extremely strong), AA (very strong), A (strong), BBB (adequate), BB (less vulnerable), B (more vulnerable), CCC (currently vulnerable), CC (highly vulnerable), R (under regulatory supervision), SD (selectively defaulted), D (defaulted), NR (not rated). Plus (+) or minus (-) following the credit rating from AA to CCC indicates the relative ranking within the major credit categories. AM Best uses the following categories to assess financial strength: A++ (Superior), A+ (Excellent), B++, B+ (Good), B, B- (Fair), C++, C+ (Marginal), C, C- (Weak), D (Poor), E (Under Regulatory Supervision), F (In Liquidation), S (Suspended).



2.5 Profile of the Sava Insurance Group²

We are one of the leading insurance groups based in the Adriatic region, with a presence in six countries in the region. Pozavarovalnica Sava d.d. (Sava Re) is the parent company of the Sava Insurance Group and a reinsurance company headquartered in Ljubljana, Slovenia. The Group operates across insurance, asset management and complementary activities. We continuously improve the quality and breadth of our services, ensuring a comprehensive offering for our customers:

Reinsurance

Sava Re is one of the largest reinsurance companies based in southeastern Europe, serving more than 500 partners in over 120 reinsurance markets worldwide and building a globally diversified reinsurance portfolio.

Insurance, EU

In Slovenia, insurance business is carried out by our subsidiaries Zavarovalnica Sava and Zavarovalnica Vita, as well as by a branch of Zavarovalnica Sava in Croatia. Zavarovalnica Sava offers a wide range of non-life and life insurance policies. It markets its products through its own distribution network and external channels, always focusing on the needs of its customers. Zavarovalnica Vita is a life insurance company based in Slovenia. It operates on a bancassurance model and exclusively through the business network of NLB d.d. Unit-linked life insurance dominates in terms of premiums.

Insurance, non-EU

Through our subsidiaries, we operate in the markets of Serbia, Montenegro, North Macedonia and Kosovo. Our offering encompasses a wide range of non-life insurance products, including health insurance, with motor insurance remaining the dominant segment. We also provide life insurance in Serbia and Kosovo.

Pensions

We offer pension insurance in Slovenia and North Macedonia. In the Slovenian market, Sava Pokojninska provides a comprehensive range of supplementary pension insurance services, managing pension fund assets and distributing supplementary pension annuity payments. In North Macedonia, the Group's pension company manages both mandatory and voluntary pension funds.

Asset management

Through Sava Infond, we manage EUR 1,042 million in mutual funds for more than 92,000 investors within the Infond Umbrella Fund, which comprises 19 sub-funds with diverse investment policies. The number of funds and the volume of assets under management position Sava Infond among Slovenia's leading and largest mutual fund managers, with a market share of 14.4%. In addition to managing mutual funds, the company also provides portfolio management services to institutional investors. These services cover the management of more than EUR 1.4 billion in assets.

Assistance services

The TBS Team 24 assistance services supplement our core business in all the markets where we are present. As the leading assistance provider in southeastern Europe, we offer our policyholders roadside, home and travel medical assistance, as well as other assistance services.

Other activities

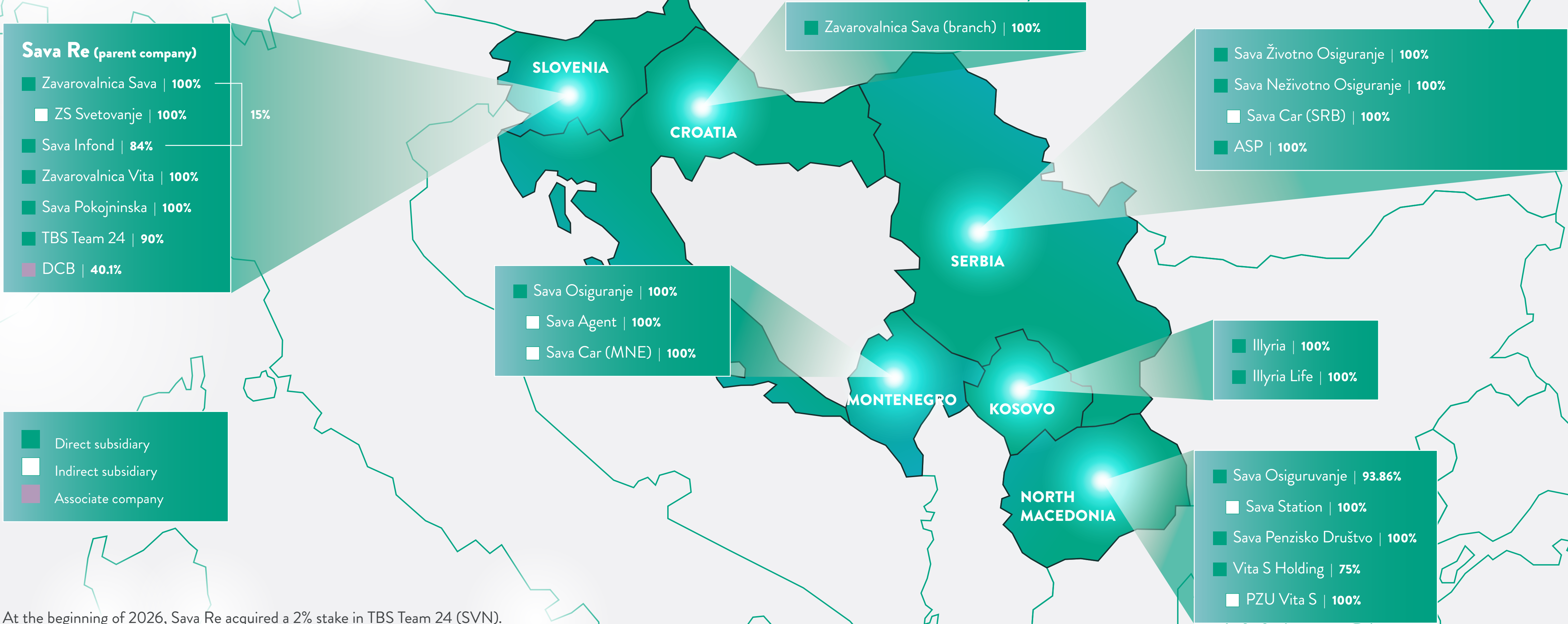
This segment mainly comprises companies that offer healthcare services. In Slovenia, these services are provided by the associate company DCB. In North Macedonia, they are provided by Vita S Holding and PZU Vita S. The segment also includes ASP, a Serbian company that develops comprehensive IT solutions primarily for the Group's needs.

2 ESRS 2 SBM-1 paragraphs 40 (a) i, 40 (a) ii and 42.



2.6 Composition of the Sava Insurance Group³

Composition of the Sava Insurance Group as at 31 December 2025⁴



At the beginning of 2026, Sava Re acquired a 2% stake in TBS Team 24 (SVN).

³ ESRS 2 SBM-1 paragraph 40 (a) ii.
⁴ The chart shows the ownership interests of Sava Re and other parent companies. The shareholdings provided for Sava Infond and DCB differ from the voting rights held by these companies. Section 2.7 “General information on Group companies” provides disclosures about all Group companies, including equity stakes and voting rights.



2.7 Information on Group companies

► In 2025, the Sava Insurance Group consisted of the following companies:

The management of all Sava Insurance Group companies is local.



Sava Re

Official long name
Pozavarovalnica Sava d.d. /
Sava Reinsurance Company d.d.

Registered office
Dunajska 56, 1001 Ljubljana, Slovenia

ID number
5063825000

Main activity
reinsurance

Share capital (EUR)
71,856,376

Governing bodies
management board
Marko Jazbec (chair)
Polona Pirš
Peter Skvarča
David Benedek

supervisory board
Davor Ivan Gjiivoje Jr (chair until 25/2/2026)
Klemen Babnik (chair from 5/3/2026)
Mojca Androjna (from 18/7/2025)
Nataša Damjanovič (from 18/7/2025)
Keith William Morris (until 17/7/2025)
Matej Gomboši (until 17/7/2025)
Edita Rituper
Blaž Garbajs



Zavarovalnica Sava (SVN)

Official long name
ZAVAROVALNICA SAVA,
zavarovalna družba, d.d.

Registered office
Ulica Eve Lovše 7, 2000 Maribor, Slovenia

ID number
5063400000

Main activity
insurance

Share capital (EUR)
68,417,377

Book value of combined equity interest of all Group members (EUR)
68,417,377

% equity share / voting rights held by Group members
Sava Re: 100%

Governing bodies
management board
Jošt Dolničar (chair)
Uroš Lorenčič
Primož Močivnik
Lea Hafner Platovnjak
Aleš Levstek (from 11/4/2025)

supervisory board
Marko Jazbec (chair)
Pavel Gojkovič
Polona Pirš
Peter Skvarča
Aleš Perko
Branko Beranič



ZS Svetovanje (SVN)

Official long name
ZS Svetovanje, storitve zavarovalnega
zastopanja, d.o.o.

Registered office
Ulica Eve Lovše 7, 2000 Maribor, Slovenia

ID number
2154170000

Main activity
insurance agency

Share capital (EUR)
32,585

Book value of combined equity interest of all Group members (EUR)
32,585

% equity share / voting rights held by Group members
Zavarovalnica Sava: 100%

Governing bodies
managing director
Darja Žnidarič



Sava Pokojninska (SVN)

Official long name
Sava pokojninska družba, d.d.

Registered office
Ulica Eve Lovše 7, 2000 Maribor, Slovenia

ID number
1550411000

Main activity
pension fund

Share capital (EUR)
6,301,109

Book value of combined equity interest of all Group members (EUR)
6,301,109

% equity share / voting rights held by Group members
Sava Re: 100%

Governing bodies
management board
Andrej Plos (chair)
Igor Pšunder

supervisory board
David Benedek (chair)
Pavel Gojkovič
Rok Moljk
Tadej Mendiževc
Irena Šela Štukl
Tomaž Šalamon
Marko Rems (until 27/8/2025)
Uroš Kalan (from 27/8/2025)



TBS Team 24 (SVN)

Official long name

TBS TEAM 24 podjetje za storitvene dejavnosti in trgovino d.o.o.

Registered office

Ulica Eve Lovše 7, 2000 Maribor, Slovenia

ID number

5946948000

Main activity

provision of assistance services

Share capital (EUR)

8,902

Book value of combined equity interest of all

Group members (EUR)

8,012

% equity share / voting rights held by Group members

Sava Re: 90%

Governing bodies

managing director

Edvard Hojnik

holder of procuration

Aleksandra Tkalčič



Zavarovalnica Vita (SVN)

Official long name

Vita, življenjska zavarovalnica, d.d.

Registered office

Trg republike 3, 1000 Ljubljana, Slovenia

ID number

1834665000

Main activity

dejavnost zavarovanja (življenjska zavarovanja)

Share capital (EUR)

7,043,900

Book value of combined equity interest of all

Group members (EUR)

7,043,900

% equity share / voting rights held by Group members

Sava Re: 100%

Governing bodies

management board

Barbara Smolnikar (chair)

Irena Prelog

Tine Pust

supervisory board

David Benedek (chair)

Pavel Gojkovič

Andreja Rahne

Jure Košir

Jasna Kajtazovič (from 26/5/2025)



DCB (SVN)

Official long name

Diagnostični center Bled d.o.o.

Registered office

Pod skalo 4, 4260 Bled, Slovenia

ID number

5690366000

Main activity

hospital activities

Share capital (EUR)

379,123

Book value of combined equity interest of all

Group members (EUR)

189,562

% equity share / voting rights held by Group members

Sava Re: 40.1%/50%

Governing bodies

managing director

Zvonko Novina

Robert Cugelj

supervisory board

David Benedek (chair)

Blaž Jakič

Jaka Kirn

Milan Marinič

Matej Narat

Stanka Pintar



Sava Infond (SVN)

Official long name

SAVA INFOND, družba za upravljanje, d.o.o.

Registered office

Ulica Eve Lovše 7, 2000 Maribor, Slovenia

ID number

5822416000

Main activity

fund management activities

Share capital (EUR)

1,460,524

Book value of combined equity interest of all

Group members (EUR)

1,460,524

% equity share / voting rights held by Group members

Sava Re: 84%/84.85%

Governing bodies

management board

Jožica Palčič (chair)

Jure Dubravica

supervisory board

David Benedek (chair)

Polona Pirš

Jure Košir

Uroš Lorenčič



Sava Neživotno Osiguranje (SRB)

Official long name
SAVA NEŽIVOTNO OSIGURANJE
AKCIONARSKO DRUŠTVO ZA
OSIGURANJE BEOGRAD

Registered office
Bulevar vojvode Mišića 51,
11040 Beograd, Serbia

ID number
17407813

Main activity
non-life insurance

Share capital (EUR)
6,314,464

**Book value of combined equity interest of all
Group members (EUR)**
6,314,464

**% equity share / voting rights held by Group
members**
Sava Re: 100%

Governing bodies
management board
Bojan Mijailović (chair)
Aleksandar Ašanin
Nenad Nenadić
supervisory board
Peter Skvarča (chair)
Nebojša Šćekić
Josif Jusković



Sava Životno Osiguranje (SRB)

Official long name
"SAVA ŽIVOTNO OSIGURANJE"
akcionarsko društvo za osiguranje, Beograd

Registered office
Bulevar vojvode Mišića 51,
11040 Beograd, Serbia

ID number
20482443

Main activity
life insurance

Share capital (EUR)
4,326,664

**Book value of combined equity interest of all
Group members (EUR)**
4,326,664

**% equity share / voting rights held by Group
members**
Sava Re: 100%

Governing bodies
management board
Miloš Brusin (chair until 30/12/2025)
Nataša Marjanović (chair from 30/12/2025)
Ana Bojanić
supervisory board
Polona Pirš (chair)
Pavel Gojković
Uroš Ćamilović



ASP (SRB)

Official long name
APPLICATION SOFTWARE PARTNER
DOO BEOGRAD

Registered office
Bulevar kralja Aleksandra 17,
11000 Beograd, Serbia

ID number
17077295

Main activity
computer programming

Share capital (EUR)
1,129

**Book value of combined equity interest of all
Group members (EUR)**
1,129

**% equity share / voting rights held by Group
members**
Sava Re: 100%

Governing bodies
managing director
Ivana Ivetić



Sava Car (SRB)

Official long name
PRIVREDNO DRUŠTVO ZA TEHNIČKI
PREGLED I REGISTRACIJU SAVA CAR
DOO BEOGRAD

Registered office
Braće Jerkovića 108A,
11041 Beograd, Serbia

ID number
21822302

Main activity
technical testing and analysis

Share capital (EUR)
100,000

**Book value of combined equity interest of all
Group members (EUR)**
100,000

**% equity share / voting rights held by Group
members**
Sava Neživotno Osiguranje (SRB): 100%

Governing bodies
managing director
Nemanja Parapid



Illyria (RKS)

Official long name
KOMPANIA E SIGURIMEVE
"ILLYRIA " SH.A.

Registered office
Sheshi Nëna Terezë 33,
10000 Pristina, Kosovo

ID number
810483769

Main activity
non-life insurance

Share capital (EUR)
7,228,040

Book value of combined equity interest of all Group members (EUR)
7,228,040

% equity share / voting rights held by Group members
Sava Re: 100%

Governing bodies
managing director
Shpend Balija
deputy managing director:
Fazile Gashi Mehmeti

board of directors
Rok Moljk (chair until 1/10/2025)
Jasna Kajtazović (chair from 1/10/2025)
Milan Viršek
Ilirijana Dželadini
Maja Jerič
Albert Lumezi



Illyria Life (RKS)

Official long name
Kompania për Sigurimin e Jetës
" Illyria – Life " SH.A.

Registered office
Sheshi Nëna Terezë 33,
10000 Pristina, Kosovo

ID number
810793837

Main activity
life insurance

Share capital (EUR)
3,285,893

Book value of combined equity interest of all Group members (EUR)
3,285,893

% equity share / voting rights held by Group members
Sava Re: 100%

Governing bodies
managing director
Albin Podvorica
deputy managing director:
Fisnik Mehmeti

board of directors
Rok Moljk (chair until 26/11/2025)
Jasna Kajtazović (chair from 26/11/2025)
Milan Viršek
Ilirijana Dželadini
Maja Jerič
Albert Lumezi



Sava Osiguranje (MNE)

Official long name
AKCIONARSKO DRUŠTVO SAVA
OSIGURANJE PODGORICA

Registered office
Ulica Svetlane Kane Radević br. 1,
81000 Podgorica, Montenegro

ID number
02303388

Main activity
non-life insurance

Share capital (EUR)
4,033,303

Book value of combined equity interest of all Group members (EUR)
4,033,303

% equity share / voting rights held by Group members
Sava Re: 100%

Governing bodies
board of directors
executive director:
Nebojša Ščekić
non-executive directors of the company:
Marko Jazbec (chair)
Milan Viršek
Zvonko Peković



Sava Car (MNE)

Official long name
Društvo sa ograničenom odgovornošću
– SAVA CAR – Podgorica

Registered office
Ulica Svetlane Kane Radević br. 1,
81000 Podgorica, Montenegro

ID number
02806380

Main activity
technical testing and analysis

Share capital (EUR)
485,000

Book value of combined equity interest of all Group members (EUR)
485,000

% equity share / voting rights held by Group members
Sava Osiguranje (MNE): 100%

Governing bodies
executive director
Siniša Mićunović



Sava Agent (MNE)

Official long name
DRUŠTVO ZA ZASTUPANJE
U OSIGURANJU "SAVA AGENT" D.O.O.
- Podgorica

Registered office
Ulica Svetlane Kane Radević br. 1,
81000 Podgorica, Montenegro

ID number
02699893

Main activity
insurance agency

Share capital (EUR)
10,000

Book value of combined equity interest of all Group members (EUR)
10,000

% equity share / voting rights held by Group members
Sava Osiguranje (MNE): 100%

Governing bodies
executive director
Irena Gojković



Sava Osiguruvanje (MKD)

Official long name

SAVA osiguruvanje a.d. Skopje

Registered office

Železnička 41, Opština Centar, PF 133,
1000 Skopje, North Macedonia

ID number

4778529

Main activity

non-life insurance

Share capital (EUR)

3,820,077

Book value of combined equity interest of all Group members (EUR)

3,585,524

% equity share / voting rights held by Group members

Sava Re: 93.86%

Governing bodies

board of directors

managing director:
Melita Gugulovska

executive director:
Kristian Leskov

non-executive directors of the company:
Rok Moljk (chair)
Milan Viršek
Borut Mavsar



Sava Station (MKD)

Official long name

Društvo za tehničko ispitivanje i analiza
na motorni vozila SAVA STEJŠN DOOEL
Skopje

Registered office

Železnička 41, Opština Centar,
1000 Skopje, North Macedonia

ID number

7005350

Main activity

technical testing and analysis

Share capital (EUR)

199,821

Book value of combined equity interest of all Group members (EUR)

199,821

% equity share / voting rights held by Group members

Sava Osiguruvanje (MKD): 100%

Governing bodies

managing director

Aleksandar Mihajloski



Sava Penzisko Društvo (MKD)

Official long name

Društvo za upravuvanje so zadolžitelni i
dobrovolni penziski fondovi Sava penzisko
društvo a.d. Skopje

Registered office

Dimche Mirchev br. 20,
1000 Skopje, North Macedonia

ID number

5989434

Main activity

fund management activities

Share capital (EUR)

2,110,791

Book value of combined equity interest of all Group members (EUR)

2,110,791

% equity share / voting rights held by Group members

Sava Re: 100%

Governing bodies

management board

Snežana Stanković (chair)
Petar Taleski (until 31/12/2025)
Tatjana Bojkovska

supervisory board

David Benedek (chair)
Pavel Gojković
Rok Moljk
Silvana Mojsovska (from 27/9/2025)
Erol Hasan (until 26/9/2025)

Vita S Holding (MKD)

Official long name

VITA S HOLDING DOO Skopje

Registered office

Ul. 50-ta Divizija br. 24A, Opština Centar,
1000 Skopje, North Macedonia

ID number

7690088

Main activity

non-specialised wholesale trade

Share capital (EUR)

1,820,000

Book value of combined equity interest of all Group members (EUR)

1,365,000

% equity share / voting rights held by Group members

Sava Re: 75%

Governing bodies

managing director

Sonja Lovaceva
Suzana Jovanova

supervisory board

David Benedek (chair)
Ivo Donevski (from 24/4/2025)
Ana Lučić Štefelin (from 24/11/2025)
Nataša Zdravkov (from 24/11/2025)
Zvonko Novina (from 24/11/2025)
Snežana Stanković (from 24/11/2025)
Simon Trpeski
Nebojša Mojsoski (until 23/4/2025)



PZU Vita S (MKD)

Official long name

Privatna zdravstvena ustanova - poliklinika na
sekundarno nivo VITA S Skopje

Registered office

Ul. 50-ta Divizija br. 24A, Opština Centar,
1000 Skopje, North Macedonia

ID number

7823266

Main activity

specialist medical practice activities

Share capital (EUR)

130,001

Book value of combined equity interest of all Group members (EUR)

97,501

% equity share / voting rights held by Group members

Vita S Holding: 100%

Governing bodies

managing director

Zlatko Temelkovski
Sonja Lovaceva

supervisory board

/

2.8 Changes in Group composition

In 2025, Vita S Holding established PZU Vita S, a wholly owned subsidiary providing specialist healthcare services.

In 2025, Sava Re transferred its 3.62% stake in Vita S Holding to a minority shareholder. Following this transfer, Sava Re retained a 75% stake.

In the first half of 2025, Asistim was removed from the companies register.



3 Shareholders and share trading

In 2025, Sava Re shares gained 66.3%, compared with an increase of 25.1% in the STOXX Europe 600 Insurance index and 50.3% in the Ljubljana Stock Exchange SBITOP index.

The gross dividend of EUR 2.25 per share paid in 2025 was higher than in previous years and represents a dividend yield of 4.0% (before tax). Including the dividend, the total shareholder return on the share in 2025 was 71.9%. The management and supervisory boards intend to propose to the annual general meeting on 11 May 2026 the payment of a dividend of EUR 2.75 per share.

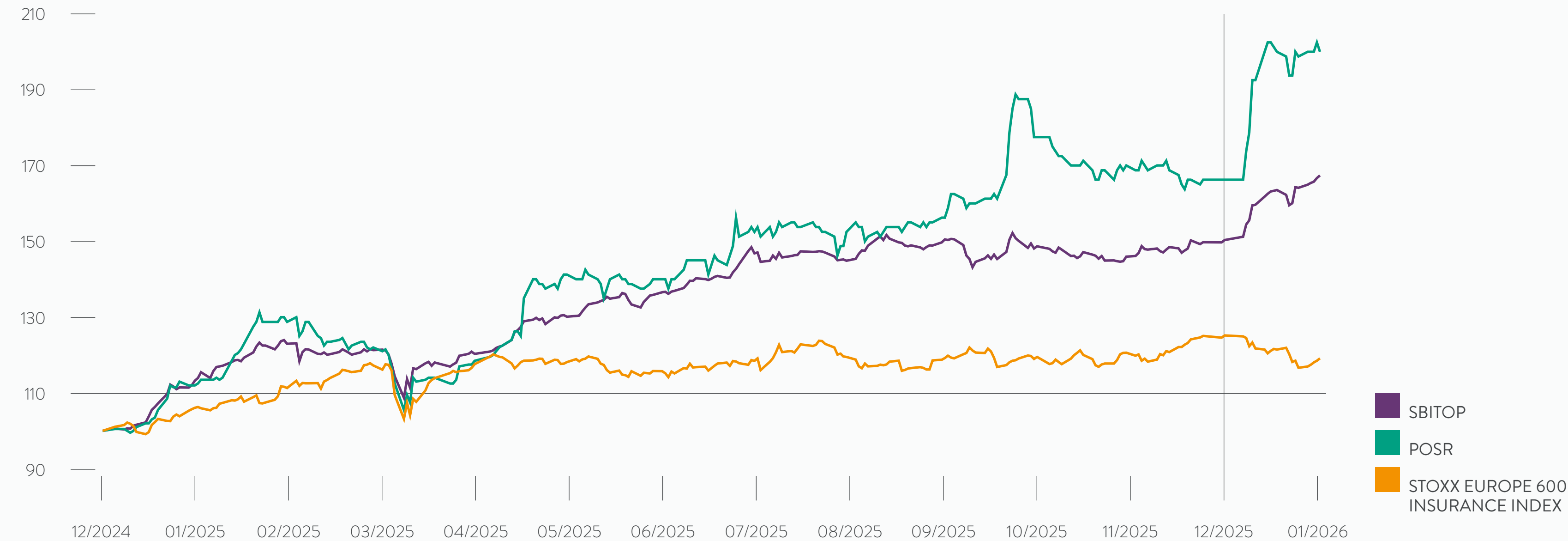
The share price of Sava Re increased by 66.3% in 2025. Starting the year at EUR 40.0, it closed at EUR 66.5, marking one of the strongest annual increases in recent years and outperforming both the Slovenian SBITOP index (50.3%) and the STOXX Europe 600 Insurance index (25.1%). During the year, the Sava Re share price reached a peak of EUR 75.5.

The trading volume of Sava Re shares on the Ljubljana Stock Exchange increased from EUR 27.5 million in 2024 to EUR 45.4 million in 2025. The average daily trading volume in 2025 was EUR 183,084, or 3,211 shares, compared to EUR 112,174, or 3,214 shares, in 2024.

For more information on the Sava Re share, please visit the Company's website: <http://www.sava-re.si/en-si/investor-relations/our-share/>.

Share price
+66.3%

► Sava Re share price movement against two selected indices in % (31 December 2024 = 100)





► Basic details about the Sava Re share

	31 December 2025	31 December 2024	31 December 2023
Ticker symbol	POSR		
Type of share	ordinary		
Listing	Ljubljana Stock Exchange, prime market		
Number of shares issued	17,219,662	17,219,662	17,219,662
Number of treasury shares	1,721,966	1,721,966	1,721,966
Number of shareholders	4,675	4,422	4,376
Consolidated book value per share (EUR)	47.91	41.85	37.79
Market capitalisation at end of period (EUR)	1,030,596,784	619,907,840	433,935,488
	2025	2024	2023
Consolidated earnings per share (EUR)	7.35	5.66	4.16
Share price at end of period (EUR)	66.50	40.00	28.00
Average share price during reporting period (EUR)	56.66	34.59	24.56
Period low (EUR)	39.80	26.80	22.10
Period high (EUR)	75.50	40.40	28.00
Trading volume in the period (EUR)	45,404,929	27,482,673	15,801,226
Trading volume in the period (number of shares)	796,271	787,399	649,304
Average daily trading volume (EUR)	183,084	112,174	66,114
Average daily trading volume (number of shares)	3,211	3,214	2,717

All shares of Sava Re are registered no-par value ordinary shares, all issued in book-entry form and of the same class. They confer the following rights on their holders:

- the right to participate in the Company’s management, with each share carrying one vote at the general meeting;
- the right to a proportionate share of the Company’s profits (dividends);
- the right to a proportionate share of the remaining assets in the event of liquidation or bankruptcy of the Company.

In accordance with Sava Re’s articles of association and applicable legislation, Sava Re’s current shareholders also have pre-emptive rights entitling them to subscribe for shares in proportion to their existing shareholdings in any future stock offering; their pre-emptive rights may be excluded only on the basis of a resolution to increase the share capital adopted by the general meeting by a majority of at least three quarters of the share capital represented.

Share transfer restrictions

All shares of Sava Re are freely transferable.

Holders of securities with special control rights

Sava Re has issued no securities carrying special control rights.

Treasury shares

From 11 April 2016 to 31 December 2025, Sava Re did not buy back or sell any of its own shares. The total number of treasury shares as at 31 December 2025 was 1,721,966, representing 10% less one share of all issued shares. The Company’s management board does not have a new authorisation of the general meeting to acquire own shares.

Contingent capital

The Company had no contingent capital as at 31 December 2025.

Excellent year
for Sava Re shares



Shareholders

► **Ten largest shareholders and qualifying shareholders under the Slovenian Takeover Act as at 31 December 2025⁵**

	Shareholder	Number of shares	% of share capital	% voting rights
1	InterCapital Securities Ltd. – fiduciary account	3,296,436	19.1%	21.3%
2	Slovenian Sovereign Holding	3,043,883	17.7%	19.6%
3	Republic of Slovenia	2,392,436	13.9%	15.4%
4	European Bank for Reconstruction and Development (EBRD)	1,071,429	6.2%	6.9%
5	OTP Banka d.d. – fiduciary account	917,063	5.3%	5.9%
6	Modra Zavarovalnica d.d.	714,285	4.1%	4.6%
7	Hrvatska Poštanska Banka – fiduciary account	392,750	2.3%	2.5%
8	Guaranteed civil servants’ sub-fund	320,346	1.9%	2.1%
9	Kapitalska Družba d.d. – SODPZ	238,109	1.4%	1.5%
10	Modri Zajamčeni Podsklad (guaranteed sub-fund)	168,150	1.0%	1.1%
	Total	12,554,887	72.9%	81.0%
	Sava Re d.d., treasury shares*	1,721,966	10.0%	-

* Treasury shares do not carry voting rights.
Pursuant to Article 235a of the Slovenian Companies Act (ZGD-1), in April 2023 Sava Re started the process of identifying shareholders who are registered with intermediaries as holders of shares and who are not themselves intermediaries (ultimate shareholders). According to the information received, Croatia Osiguranje d.d. held 3,278,049 POSR shares on 24 April 2025.

In 2025, the combined share of equity and the combined share of voting rights of the 10 largest shareholders increased from 71.1% to 72.9% and from 78.8% to 81.0%, respectively.

On 31 December 2025, four shareholders reached or exceeded the five-percent share threshold (a qualifying holding in accordance with Article 77 of the Slovenian Takeover Act, ZPre-1).

► **Sava Re shareholder structure as at 31 December 2025**

Type of investor	Domestic investors	Changes vs 2024	International investors	Changes vs 2024
Insurance and pension companies	17.9%	0.0%	0.0%	0.0%
Other financial institutions*	17.9%	0.0%	19.7%	+0.1%
Republic of Slovenia	13.9%	0.0%	0.0%	0.0%
Natural persons	11.3%	0.0%	0.1%	-0.1%
Investment funds and mutual funds	1.7%	0.0%	0.0%	0.0%
Other commercial companies	2.2%	-0.3%	0.3%	-0.5%
Banks	0.0%	0.0%	15.0%	+0.8%
Total	64.9%	-0.3%	35.1%	+0.3%

* The other financial institutions item includes Slovenian Sovereign Holding with a stake of 17.7%.

The composition of shareholders remained broadly unchanged in 2025. Among domestic investors, the ownership share declined most notably for other companies, by 0.3 percentage points, while among foreign investors, the ownership share increased the most for banks, by 0.8 percentage points. International ownership increased by 0.3 percentage points to 35.1%.

Fiduciary accounts held with banks, attorneys and other financial institutions together accounted for 28.6% of all POSR shares.

Shares held by the members of the management and supervisory boards

In 2025, the chairman of the management board, Marko Jazbec, increased his holding of Sava Re shares by 500 shares, bringing his total holding to 12,500 shares. Management board member David Benedek increased his holding by 150 shares and now holds 1,500 shares. There were no other changes in the number of shares held by the members of the management board in 2025. At the end of 2025, the members of the management and supervisory boards together held 19,518 shares, representing 0.11% of the share capital.

Dividends

At the 41st general meeting of shareholders held on 26 May 2025, the shareholders approved the proposal of the management and supervisory boards to use EUR 34,869,816.00 of distributable profit for the payment of a dividend of EUR 2.25 per share. Dividends were paid on 11 June 2025 to shareholders of record as at 10 June 2025.

Sava Re has set an annual dividend payout target for the 2023–2027 period to distribute between 35% and 45% of the Sava Insurance Group’s net profit.

► Sava Re shares held by members of the supervisory and management boards as at 31 December 2025

	Number of shares	% of share capital	% voting rights
Marko Jazbec	12,500	0.073%	0.081%
Polona Pirš	4,318	0.025%	0.028%
Peter Skvarča	1,200	0.007%	0.008%
David Benedek	1,500	0.009%	0.010%
Total management board	19,518	0.113%	0.126%
Total supervisory board	0	0.000%	0.000%
Total management and supervisory boards	19,518	0.113%	0.126%

Dividend
yield
4.0%

► Details of dividends paid each year in respect of the previous financial year⁶

EUR, except percentages	2019	2020	2021	2022	2023	2024	2025
Amount of dividend payment	14,722,811	0	13,173,042	23,246,544	24,796,314	27,120,968	34,869,816
Dividend per share	0.95	0,00	0.85	1.50	1.60	1.75	2.25
Dividend yield	5.6%	-	3.4%	5.9%	6.5%	5.1%	4.0%

6 Dividend paid in the current year out of the previous year’s distributable profits. The dividend yield was calculated as the ratio of the dividend per share to the average share price over the last 12-month period.

Responsibility to investors

Our shareholders, investors and analysts are important stakeholders of Sava Re, with whom we regularly maintain a transparent, professional and comprehensive relationship. We want to maintain an open communication space with these stakeholders. We want to increase awareness of the true value of the Sava Re and Sava Insurance Group brands and, consequently, of all that investing in Sava Re shares and bonds means. In 2025, we continued our efforts to improve the liquidity of the Sava Re share.

Transparent communication, in line with established principles and rules

As a prime market company of the Ljubljana Stock Exchange, we respect the principle of equal treatment and equal access to information for all market participants. Our communications follow recommendations for information symmetry, and our public announcements provide simultaneous and transparent information in line with the financial calendar. In this way, we build the confidence of our shareholders and other potential investors in the Company and its shares. Key information is published according to the

financial calendar on the Company's website and via the SEOnet regulatory information service system of the Ljubljana Stock Exchange. A total of 23 regulatory announcements were published simultaneously in Slovenian and English in 2025.

Sava Re communicates in compliance with the Slovenian Financial Instruments Market Act (ZTFI-1), the Slovenian Companies Act (ZGD-1), the aforementioned recommendations of the Ljubljana Stock Exchange for listed companies, the Corporate Governance Code for Listed Companies, the rules of procedure of the supervisory board and the Company's internal communication rules.

Reaching out to shareholders, investors and analysts in a variety of ways

Our responsibility to the investment community is reflected in our active engagement and two-way communication. We communicate regularly with investors through face-to-face meetings, video conferencing, telephone and email. In 2025, we spoke to shareholders, investors and analysts at investor and analyst conferences, participated

in the quarterly events of the Ljubljana Stock Exchange and the conference of the Securities Market Agency, and held a press conference to announce our annual results. Ahead of the AGM, we sent a letter to all shareholders outlining the highlights of the year and encouraging them to attend the 41st annual general meeting. A total of 82.46% of shares with voting rights were represented at the meeting.

We also engage with investors through our support of the Trade on the Stock Exchange and the Ljubljana Stock Exchange's Financial Festival projects, which aim to develop the capital market in Slovenia, and the Capital Markets Conference organised by the Delo media company. In 2025, we continued to support the Investor Max (Vlagatelj Maks) project of the local business daily Finance, which promotes the responsible management of personal finances.

Two market makers

In 2025, the Company engaged two market makers for POSR shares on the Ljubljana Stock Exchange.

Visit our website

We also use our official website www.sava-re.si, in particular the Investors subpage, to provide timely and uniform information to investors, shareholders and other members of the financial community. All essential information about Sava Re shares is published there, including key indicators, dividends, bonds, financial reports and analyses, and the financial calendar.

A calendar of past investment conferences is also available on the website, together with the material presented at each event. The events we will be attending in 2026 are also listed.

Investors, shareholders and analysts may contact the office of the management board and of compliance by telephone at +386 1 47 50 200 or via the investor relations email address at ir@sava-re.si.

4 Report of the supervisory board

In 2025, the supervisory board of Sava Re d.d. (the Company or Sava Re) monitored the Company’s operations and oversaw its management in a responsible manner. It periodically examined reports on various select aspects of the business, passed appropriate resolutions, and monitored their implementation. Individual issues were addressed in more detail by the relevant supervisory board committees, and, on the basis of the supervisory board committee findings, the supervisory board also adopted appropriate resolutions and recommendations.

The supervisory board acted within the framework of the powers and responsibilities conferred upon it by legal and regulatory provisions, the Slovenian Corporate Governance Code for Listed Companies, the Company’s articles of association, and its rules of procedure.

This report has been prepared in accordance with Article 282 of the Slovenian Companies Act (ZGD-1).

Operation of the supervisory board

Composition in 2025

The composition of the supervisory board in 2025 is presented in section 5 “Corporate governance statement” (Supervisory board) of the business report part of this annual report, and as at 31 December 2025 the supervisory board comprised the following members: Davor Ivan Gjivoje Jr (chairman), Klemen Babnik (deputy chairman), Mojca Androjna, Nataša Damjanovič, Edita Rituper and Blaž Garbajs.

Operation in 2025

In its work and decision-making, the supervisory board is guided by the goals of the Company and the Sava Insurance Group as a whole. During sessions, the members expressed their opinions and positions and sought to reconcile any differences.

The supervisory board notes that the reports prepared by the management board for the supervisory board’s own use, and that of its committees, were appropriate for a careful examination of issues, and that they conformed with both the relevant laws and internal

regulations. Session materials were provided in a timely manner, allowing the members sufficient time to prepare themselves for the discussion of agenda items. The Company’s professional staff assisted in the conduct of the sessions and organised other supporting activities.

The supervisory board met eight times in 2025, in four sessions during the previous term of office until 17 July 2025 and in four sessions during the term of office beginning 18 July 2025. Most members attended all the sessions they were eligible to attend. The number of sessions the members were eligible to attend varied due to members recusing themselves from the discussion of certain matters to avoid conflicts of interest or recusing themselves from a nomination process. One member, who apologised in advance, did not attend one supervisory board session. Most of the sessions were held at the Company’s head office.

The members of the management board and the secretary of the supervisory board also participated in the discussions, whereas other professional staff assisted in certain agenda items.

During the year, the supervisory board discussed select and relevant aspects of the operations and activities of the Company and the Sava Insurance Group within its powers under Slovenian law and the Company’s articles of association.

The major issues to which the supervisory board members paid particular attention in 2025 are outlined below.

Business plans of the Company and the Sava Insurance Group

In late 2025, the supervisory board discussed and approved the Business Plan of the Sava Insurance Group and Sava Re d.d. for 2026.

Financial reports – annual report

The supervisory board reviewed the unaudited financial statements of the Group and the Company for 2024, and it adopted the audited annual report of the Group and the Company for 2024, including the auditor’s report and opinion on the 2024 annual report, and the supervisory board’s own report on its activities in 2024.



Financial reports – interim reports

The supervisory board also periodically reviewed other select financial reports in 2025, in particular the statements of results of the Sava Insurance Group with the financial statements of Sava Re d.d. for January–March 2025 and January–September 2025, and the unaudited financial report for January–June 2025.

Investment

The supervisory board monitored asset management periodically and as part of its review of the annual report and interim financial reports of the Company and the Group.

Reinsurance operations and claims experience

The supervisory board was informed of the Company’s reinsurance programme for the current year. Throughout 2025, the board was regularly updated by the management board on major loss events in the domestic and global markets, and on expected claim payments that could have a material impact on the Company.

Monitoring corporate finance projects

The management board kept the supervisory board informed of developments in corporate finance projects.

Supervision of subsidiaries

In addition to overseeing the operations of Sava Re as the parent company of the Sava Insurance Group, the supervisory board actively monitored the performance of the Group’s subsidiaries to the extent permitted by law.

Risk management system

Risk management function

The supervisory board monitored risk management periodically and as part of its review of the annual report and interim financial reports of the Company and the Group.

The supervisory board took note of the risk report for the last quarter of 2024 and the risk reports for the first, second and third quarters of 2025. In March, it also took note of the Own Risk and Solvency Assessment (ORSA) Report of Sava Re d.d. and the Sava Insurance Group for 2025. The report covered select and relevant information on the own risk and solvency assessment of Sava Re d.d. (the parent company) and the Sava Insurance Group. The supervisory board gave its consent to the Risk Strategy of the Sava Insurance Group and Sava Re for 2023–2027.

Actuarial function

In 2025, the supervisory board discussed the actuarial function report of Sava Re d.d. for 2024, and it took note of the Sava Insurance Group non-life actuarial function report for 2024 and the Sava Insurance Group life actuarial function report for 2024.

Compliance function

In 2025, the supervisory board of Sava Re took note of the annual report of the compliance function holder for 2024 and his annual work plan for 2025. It also took note of the compliance function holder’s half-yearly report for the period from 1 January to 30 June 2025.

Internal audit function

In 2025, the supervisory board oversaw the activities of the Company’s internal audit department in accordance with its statutory powers. It also reviewed the internal audit report for the period from 31 October to 31 December 2024 and the annual report on internal auditing for 2024, including a quality assurance and improvement programme of the Company’s internal audit department, and drew up an opinion on the annual report, which was presented to the Company’s general meeting of shareholders. It also discussed quarterly internal audit reports for the periods ending on 31 March 2025, 30 June 2025 and 30 September 2025. In addition, it monitored the quarterly reports of the internal

audit department on internal auditing of the Sava Insurance Group (Group Internal Audit). All reports prepared by the Company’s internal audit department were presented by the head of the department.

The supervisory board is of the opinion that the internal audit reports are independent and objective and that the internal auditor’s recommendations and findings have been taken into consideration by the management board. It notes that the internal audit’s reviews, based on its available resources, have not revealed any significant irregularities in the Company’s operations. The supervisory board also notes that the internal audit department regularly monitors the development of the internal audit departments of Group subsidiaries, providing them with appropriate support. In addition, it also monitors the operations of these companies and has not detected any major irregularities.

At the end of 2025, the supervisory board discussed and approved the internal audit department’s annual plan for 2026.

In accordance with the International Standards on Internal Auditing, the supervisory board approved the proposed bonus for the head of the internal audit department relating to her individual performance in 2024.



Joint statement of key function holders

The supervisory board took note of the joint statement of all key function holders of the Group and the Company for 2024, including the opinion that key risk areas were effectively managed and their functions were aligned to ensure ample coverage of the risks to which the Company and the Group were exposed.

Solvency II policies

In 2025, the supervisory board also took note of the update on the periodic review of Solvency II policies, discussing individual policies and giving its consent to the proposed amendments.

Personnel matters

Report on the activities of the works council

In March 2025, the supervisory board discussed the works council’s report on the state of employee participation in management for 2024.

Nomination procedures

Supervisory board

Nomination process for three supervisory board members (term of office commencing on 18 July 2025)

In early 2025, the supervisory board, with the professional support of the relevant committees, undertook a nomination process and drafted a proposal for the general meeting to appoint

three supervisory board members. The general meeting elected Mojca Androjna, Klemen Babnik and Nataša Damjanovič as members of the supervisory board to represent shareholders’ interests. The four-year term of office of these supervisory board members commenced on 18 July 2025.

Supervisory board committees

At its constitutive session, held on 22 July 2025, the supervisory board appointed four supervisory board committees: the audit committee, the risk committee, the nominations and remuneration committee, and the fit and proper committee.

Key function holders

In April 2025, the supervisory board of Sava Re authorised the management board to appoint Maja Potočnik as the actuarial function holder for the life business of the Sava Insurance Group. And in November 2025, the supervisory board authorised the management board to renew Polonca Jug Mauko’s term of office as director of Sava Re’s internal audit department for a further four years, and to approve her remuneration for the position. As part of the renewal process, the supervisory board approved the proposed set of competencies required of the head of internal audit for performing the internal audit function.

Remuneration of members of management and supervisory bodies

Directors’ remuneration report for 2024

In accordance with the Slovenian Companies Act, the management and supervisory boards submitted the Directors’ Remuneration Report of Sava Re d.d. for 2024 to the Sava Re general meeting of shareholders in 2025. At its 41st session, held on 26 May 2025, the general meeting of shareholders of Sava Re approved this document.

Variable remuneration of the management board in 2024

In 2025, the supervisory board adopted a resolution on the payment of variable remuneration to the members of the management board for business and individual performance in 2024, in accordance with the internal methodology for determining the variable remuneration of the management board members.

Goals of the management board for determining the variable remuneration for 2026

In late 2025, the supervisory board approved the management board’s goals for 2026 in order to determine the variable remuneration of a management board member.

Adoption of internal regulations

In November 2025, the supervisory board approved amendments to its own rules of procedure and to the act on the management board.

Calling and holding shareholder meetings

The supervisory board, together with the management board, called one shareholder meeting in 2025, scheduled for 26 May 2025.

Sustainable operations

In August 2025, the supervisory board approved a draft contract with the audit firm Deloitte Revizija d.o.o. for the audit of the Group’s sustainability reports for the financial years 2025, 2026 and 2027, and, in November 2025, the board approved the revised Group sustainable business policy.

Consideration of additional reports

Benchmark analyses

The supervisory board discussed in detail the analysis of performance, solvency and financial condition reports of the Sava Insurance Group and its competitors for 2024.

Overseeing the work of supervisory board committees

In March 2025, the supervisory board discussed the reports of the risk and audit committees for 2024. It also assessed the quality of the work of the two committees. At each session, it monitored the activities of all four of its committees through reports from the committee chairs and session minutes.

Correspondence with market regulators

As part of the periodic risk reports, the supervisory board reviewed reports on correspondence between the Company and the Insurance Supervision Agency (ISA), other market regulators and inspection services.

Education and training

An induction programme was prepared for the two new members of the supervisory board upon the start of their terms of office.

All supervisory board members undertook individual training on sustainability-related topics.

In addition to in-house training, supervisory board members also attended external training sessions tailored to their individual needs and to those of the board as a whole.

Strengthening supervisory board best practices

In line with best practice, the members of the supervisory board complete questionnaires upon taking office and annually thereafter, including a declaration that they have no conflicts of interest. In 2025, all the members of the supervisory board and its committees declared themselves to be independent. The declarations were noted by the supervisory board. The Company publishes the declarations of the supervisory board on its website.

In accordance with best practice, the supervisory board carried out an evaluation in 2025 of its composition and functioning, as well as the work of its individual members and the supervisory board as a whole, including its cooperation with the management board. The results of the self-assessment analysis will be discussed at the first session in 2026.





Operation of supervisory board committees

Audit committee

In accordance with statutory requirements, the Company’s supervisory board has established an audit committee to deal with accounting, financial and auditing matters.

Terms of reference

The duties and powers of the audit committee of the supervisory board are laid down by the Slovenian Companies Act, its rules of procedure and those of the supervisory board, and other autonomous legal acts (e.g., recommendations for audit committees).

Composition in 2025

The composition of the audit committee in 2025 is presented in section 5 “Corporate governance statement” (Audit committee) of the business report contained in this annual report, and as at 31 December 2025 the committee comprised the following members: Mojca Androjna (chair), Blaž Garbajs (deputy chairman), Dragan Martinović and Simona Korošec Lavrič.

Operation in 2025

The audit committee met nine times in 2025, in five sessions during the previous term of office until 17 July 2025 and in four sessions during the term of office beginning on 18 July 2025. All members attended all sessions convened during the two terms of office.

The main activities of the audit committee in 2025 are outlined below.

Overseeing the integrity of financial information

The audit committee monitored the integrity of financial information. The committee focused mainly on overseeing the financial reporting processes. In this respect, it made recommendations and suggestions on materials for supervisory board sessions to ensure compliance with all regulatory requirements and relevant professional standards and adherence to appropriate reporting principles, such as completeness, transparency and consistency in reporting.

Monitoring the efficiency and effectiveness of internal controls and internal audit

The audit committee took note of the report on the external quality assessment of internal auditing carried out across all Group companies. It also considered the action plan for implementing the recommendations set out in the report on the external quality assessment of internal auditing at Sava Re, which includes the internal audit’s response to the findings of the external quality assessment report.

The audit committee monitored the efficiency and effectiveness of internal controls and internal audit activities based on the annual and quarterly internal audit reports. In addition, it monitored the quarterly reports of the internal audit department on internal auditing of Group companies (Group Internal Audit). It also reviewed the quality assurance and improvement programme of the Company’s internal audit department and the department’s self-assessment for 2024. The committee also assessed the adequacy of the annual internal audit work plan for 2026.

The audit committee discussed the proposed bonus for the head of internal audit for her individual-performance-based pay for 2024. Furthermore, it issued a favourable opinion on the reappointment

of the head of the internal audit department for the period from 1 January 2026 to 31 December 2029 and on her remuneration for the position. The committee also considered the proposed set of competencies required of the head of internal audit for performing the internal audit function.

The audit committee carried out an interview with the head of the internal audit department in the absence of management board members and the minute taker, in accordance with the internal audit standards and the recommendations for the work of audit committees issued by the Slovenian Directors’ Association.

Overseeing the operation of the risk management system

In line with the Company’s corporate governance system (the supervisory board having established a separate risk committee), the audit committee oversaw the effectiveness and efficiency of the risk management framework by taking note of the minutes of the work and findings of the risk committee of the Sava Re supervisory board. The committee also took note of the report on the regular annual review of the Solvency II policies for 2025. It also considered the reports of other key function holders of Sava Re and the Sava Insurance Group for 2024.



Monitoring the statutory audit of separate and consolidated financial statements

Statutory audit of the financial statements for 2024

During 2025, the audit committee met several times with the selected external auditor, monitored the audit of the separate and consolidated financial statements, and took note of the post-audit management letter and the additional auditor's report in relation to the audit of the financial statements for 2024. It also took note of the auditor's findings from the review of compliance with the ESEF Regulation, the findings from the review of the sustainability report, and the findings from the review of the absolute level of net assets as required by the local regulators in the relevant markets. The committee also took note of a number of other reports by the Company and the external auditor relating to the audit of the financial statements.

Monitoring the effectiveness of the statutory audit

In accordance with the revised methodology for monitoring the effectiveness of the statutory audit ⁷, the audit committee prepared a report for the supervisory board on the procedure followed to monitor the effectiveness of the statutory audit of the financial statements for 2024. The review concluded that the 2024 audit had been successfully conducted, with no improvements proposed.

Monitoring the independence of the auditor of the Company's annual report

Based on quarterly management board reports on non-audit services provided by the audit firms, the audit committee assessed the independence of the auditor of the annual report of the Company and the Group. It also took note of the report on the recruitment of the Group auditor's team members or the granting of mandates to the Group auditor's team members in corporate bodies or other key functions in individual companies of the Sava Insurance Group. The audit committee also carried out a separate interview with the external auditor in May 2025 without the presence of management.

Appointment of audit firm for the financial years 2025, 2026 and 2027

Selection process for the auditor of the Company's annual report

At the general meeting of shareholders of Sava Re in 2022, Deloitte was elected to audit the financial statements for the period from 2022 to 2024. The external auditor completed its first three-year term with the 2024 audit and is eligible for reappointment under Slovenian insurance legislation. The audit committee began the process of nominating an external auditor for a new three-year term in May 2024, completing it in March 2025. In its recommendation to the supervisory board, the committee proposed that the general meeting of shareholders be

advised to reappoint Deloitte as the auditor of the financial statements of Sava Re and the Sava Insurance Group for the new three-year period. At its 41st session, held on 26 May 2025, the general meeting approved the supervisory board's proposal and reappointed Deloitte as the external auditor for the financial years 2025, 2026, and 2027.

Preparation of the contract between the auditor and the Company for the period 2025–2027

The audit committee also discussed the following two proposed contracts with the external auditor: (1) the contract for the audit of the financial statements of Sava Re d.d. and the consolidated financial statements of the Sava Insurance Group, and (2) the contract for the provision of limited assurance on the Group's consolidated sustainability report. In both cases, the contracts were concluded for the financial years 2025, 2026 and 2027.

Other contracts with the external auditor

The audit committee also discussed proposals for other contracts with the external auditor.

Statutory audit of the financial statements for 2025

Setting audit focus areas

The audit committee took note of the 2025 audit plan and, among other things, participated in setting the audit focus areas. In December 2025,

it also took note of the external auditor's report and the management letter following the pre-audit of the 2025 financial statements.

Performing other tasks

The audit committee took detailed note of the management board's quarterly reports in 2025 on the Company's correspondence with ISA, other market regulators and inspection services.

It also considered the revised methodology for monitoring the effectiveness of the statutory audit and approved the amended Policy for Ensuring the Independence of the Auditor of Financial Statements of Sava Re d.d. and the Sava Insurance Group.

The audit committee also prepared a report on its activities in 2024 for the supervisory board. In the context of corporate integrity, the committee took note of the report on implementing the whistleblower protection system in a work-related context at Sava Re. The committee also confirmed its work plan with the meeting schedule for 2026.

7 The methodology was developed in line with the updated Guidelines for Audit Committees on the Oversight of the Statutory Audit of the Financial Statements, published by the Agency for Public Oversight of Auditing and the Slovenian Directors' Association.

Further strengthening audit committee best practices

The audit committee carried out a self-assessment of the quality of its work, which was then presented to the supervisory board.

The committee in turn took note of the assessment of the quality of its work carried out by the supervisory board in 2024. It also took note of information on the fit and proper assessments of its members and the assessment of its own competence as a collective body, which were carried out in accordance with the internal fit and proper policy for relevant personnel (1) on a periodic basis in March 2025 and (2) when the composition of the audit committee changed in August 2025.

All the audit committee members signed an annual declaration of their independence, which was also presented to the supervisory board.

Conclusions

The chair of the audit committee reported regularly to the supervisory board on the work and positions of the audit committee. The supervisory board regularly reviewed the minutes of the committee’s sessions. The minutes of the audit committee sessions are also a regular item on the risk committee’s agenda.

The supervisory board is of the opinion that the audit committee thoroughly considered relevant issues within its terms of reference, taking into account the fact that the board established a separate risk committee. It provided the supervisory board with high-quality professional assistance in the form of opinions and proposals.

The supervisory board also believes that the composition of the audit committee is appropriate and that the members have the professional and personal qualities to maintain a high level of quality and independence in their work.

Furthermore, the supervisory board is of the opinion that the audit committee received appropriate support in carrying out its work.

Risk committee

The supervisory board believes that identifying and managing risk is a central part of good governance and has therefore set up a risk committee to monitor risk developments and provide advice and support to the supervisory board on risk-related matters.

Terms of reference

The risk committee performs its duties in accordance with the resolutions of the supervisory board, the Solvency II Directive, its rules of procedure, the rules of procedure of the supervisory board, the Insurance Act, the Slovenian Corporate Governance Code for Listed Companies, and other applicable risk management regulations.

Composition in 2025

The composition of the risk committee in 2025 is presented in section 5 “Corporate governance statement” (Risk committee) of the business report part of this annual report, and as at 31 December 2025 the committee comprised the following members: Nataša Damjanovič (chair), Davor Ivan Gjivoje Jr, Slaven Mičković and Janez Komelj.





Operation in 2025

The risk committee met five times in 2025, in three sessions during the previous term of office until 17 July 2025 and in two sessions during the term of office beginning on 18 July 2025. All members attended all sessions convened during the two terms of office.

The main activities of the risk committee in 2025 are outlined below.

Overseeing the operation of the risk management system

The risk committee focused on overseeing the risk management system, primarily in terms of its reliability, effectiveness, and efficiency. It assessed the adequacy of the risk management system in place.

The risk committee reviewed in detail the risk management documents submitted to it, brought to its attention or approved by the supervisory board, including:

- the proposed amendments to the Risk Strategy of the Sava Insurance Group for 2023–2027;
- the quarterly risk reports of the Sava Insurance Group and Sava Re for the periods ending on 31 December 2024, 31 March 2025, 30 June 2025 and 30 September 2025;
- the Own Risk and Solvency Assessment (ORSA) Report of Sava Re and the Sava Insurance Group for 2025;
- the annual reports on the capital adequacy calculations under Solvency II and solvency and financial condition reports of the Company and the Group for 2024 (Company SFCR and Group SFCR).

As reinsurance is one of the areas of the risk management system by which an insurance company covers part of the assumed risks in excess of its retentions according to its tables of retention limits, the risk committee also reviewed the Company’s reinsurance programme for 2025.

The risk committee also took note of the report on the regular annual review of the Solvency II policies for 2025.

Performing other tasks

The risk committee also performed other tasks in 2025: It prepared a report on its work in 2024 for the supervisory board. It also took note of the audit committee’s work (audit committee session minutes) to ensure that there is mutual information and insight into each other’s work, that relevant areas are adequately monitored and that gaps or overlaps in the work of the two committees are minimised as far as possible. The committee also confirmed its work plan with the meeting schedule for 2025.

Further strengthening risk committee best practices

The risk committee carried out a self-assessment of the quality of its work, which was subsequently presented to the supervisory board.

The committee in turn took note of the assessment of the quality of its work carried out by the supervisory board in 2025. It also took note of information on the fit and proper assessment of its members and the assessment of its own competence as a collective body, which

were carried out in accordance with the internal fit and proper policy for relevant personnel (1) on a periodic basis in March 2025 and (2) when the composition of the risk committee changed in August 2025.

All the risk committee members signed an annual declaration of their independence, which was also noted by the supervisory board.

Conclusions

The chair of the risk committee reported regularly to the supervisory board on the committee’s work. The supervisory board regularly reviewed the minutes of the committee’s sessions.

The supervisory board believes that the composition of the risk committee is appropriate and that the members have the professional and personal qualities to perform its duties with quality and independence.

Furthermore, the supervisory board is of the opinion that the risk committee received appropriate support in carrying out its work.

Nominations and remuneration committee

In accordance with the Slovenian Corporate Governance Code for Listed Companies, the supervisory board has established a nominations and remuneration committee as a permanent special committee to make proposals on the selection criteria and the selection of candidates for the management and supervisory boards, prepare proposals on the remuneration of the management and supervisory boards, and assist the supervisory board in other areas where, amongst other possible tasks, conflicts of interest may arise among the members of the supervisory board.

Terms of reference

The nominations and remuneration committee operates in accordance with the resolutions of the supervisory board, the Solvency II Directive, the rules of procedure of the supervisory board, the Insurance Act, and the Slovenian Corporate Governance Code for Listed Companies.

Composition in 2025

The composition of the nominations and remuneration committee in 2025 is presented in section 5 “Corporate governance statement” (Nominations and remuneration committee) of the

business report part of this annual report, and as at 31 December 2025 the committee comprised the following members: Klemen Babnik (chairman), Davor Ivan Gjivoje Jr, Mojca Androjna, Nataša Damjanovič, Edita Rituper and Blaž Garbajs.

Operation in 2025

The nominations and remuneration committee met five times in 2025, in four sessions during the previous term of office until 17 July 2025 and in one session during the term of office beginning on 18 July 2025. Most members attended all the sessions they were eligible to attend. The number of sessions the members were eligible to attend varied due to members recusing themselves from the discussion of certain matters to avoid conflicts of interest or recusing themselves from a nomination process. One member, who apologised in advance, did not attend one committee session. Most of the sessions were held at the Company’s head office.

The main activities of the nominations and remuneration committee in 2025 are outlined below.

Remuneration of members of management and supervisory bodies

Directors’ remuneration report

The nominations and remuneration committee discussed the proposed Directors’ Remuneration Report of Sava Re d.d. for 2024 (Article 294(b)

of ZGD-1). The committee recommended that the supervisory board submit the document to the 41st general meeting for approval.

Variable remuneration of the management board in 2024

In accordance with the internal methodology for determining the variable pay of a management board member, the nominations and remuneration committee assessed the management board’s performance in 2024. This assessment served as the basis for the supervisory board’s resolution on the payment of variable remuneration to management board members for their business and individual performance in 2024.

Goals of the management board for determining the variable remuneration for 2026

At the end of 2025, after extensive discussion, the nominations and remuneration committee proposed that the supervisory board approve the proposed goals of the management board for 2026.

Nomination procedures

Nomination process for three supervisory board members (term of office commencing on 18 July 2025)

By resolution of the supervisory board, the nominations and remuneration committee carried out its activities in the first quarter of 2025, in connection with the nomination process for the

appointment of three supervisory board members with a term of office commencing on 18 July 2025. This nomination process was completed by the time of the notice of the general meeting for 2025.

Further strengthening nominations and remuneration committee best practices

All the nominations and remuneration committee members signed an annual declaration of their independence, which was also noted by the supervisory board.

Conclusions

The chair of the nominations and remuneration committee reported regularly to the supervisory board on the committee’s work. The supervisory board regularly reviewed the minutes of the committee’s sessions.

The supervisory board believes that the composition of the nominations and remuneration committee is appropriate and that the members have the professional and personal qualities to perform its duties with quality and independence.

Furthermore, the supervisory board is of the opinion that the nominations and remuneration committee received appropriate support in carrying out its work.

Fit and proper committee

In accordance with the law and the Company’s fit and proper policy, the management and supervisory boards have appointed a dedicated fit and proper committee for the fit and proper assessment of the management board and the supervisory board, including all its committees, and the members of these bodies.

Terms of reference

The fit and proper committee operates in accordance with the resolutions of the supervisory board, the fit and proper policy, the Solvency II Directive, the rules of procedure of the supervisory board, the Insurance Act, the Slovenian Corporate Governance Code for Listed Companies, and the ISA recommendations.

Composition in 2025

The composition of the fit and proper committee in 2025 is presented in section 5 “Corporate governance statement” (Fit and proper committee) of the business report part of this annual report, and as at 31 December 2025 the committee comprised the following members: Nataša Damjanovič (chair), Klemen Babnik, Rok Saje and Klara Hauko.

Operation in 2025

The fit and proper committee met five times in 2025, in two sessions during the previous term of office until 17 July 2025 and in three sessions during the term of office beginning on 18 July 2025. All members attended all the sessions they were eligible to attend. The number of sessions the members were eligible to attend varied due to members recusing themselves from the discussion of certain matters to avoid conflicts of interest or recusing themselves from a nomination process.

The main activities of the fit and proper committee in 2025 are outlined below.

In February 2025, the committee carried out a fit and proper assessment of candidates to join the Sava Re supervisory board as shareholder representatives (three vacancies for the term from July 2025 to July 2029), as well as an assessment of the competence of the supervisory board as a collective body in its expected future composition. In April and December 2025, it carried out regular annual fit and proper assessments of all incumbent members of the management and supervisory boards, including members of the supervisory board committees. It also conducted its periodic fit and proper assessment of the aforementioned management and supervisory boards as collective bodies.

When a replacement in or an addition to any supervisory board committee was made, the committee reassessed the fitness and propriety of the new members to also serve as members of the individual committees. It also reassessed the competence of each committee as a collective body in its new composition.

Further strengthening fit and proper committee best practices

All the fit and proper committee members signed an annual declaration of their independence, which was also noted by the supervisory board.

Conclusions

The chair of the fit and proper committee reported regularly to the supervisory board on the committee’s work. The supervisory board regularly reviewed the minutes of the committee’s sessions.

The supervisory board believes that the composition of the fit and proper committee is appropriate and that the members have the professional and personal qualities to perform its duties with quality and independence.

Furthermore, the supervisory board is of the opinion that the fit and proper committee received appropriate support in carrying out its work.



Concluding findings

Sava Re and the Sava Insurance Group performed exceptionally well once again in 2025.

The Group's strategy of controlled organic growth, prudent underwriting and sustained high profitability, together with favourable claims experience and strong revenue growth, delivered excellent results in 2025. Business volume increased across all operating segments, and the Group exceeded all targets set out in its business plan once again. The Group's net profit passed the EUR 100 million milestone for the first time.

This assessment of the supervisory board is also based on the report of the independent auditor on the financial statements of Sava Re d.d. and the Sava Insurance Group for 2025, and those of the key function holders of the Company's risk control system.

In 2026, the supervisory board will continue to pay very close attention to overseeing the management of risks arising from business operations. In addition to its day-to-day responsibilities, it will also focus on monitoring the implementation of the 2026 business plan and on preparing a new Group strategy roadmap for the next five-year period.

Equally so, the supervisory board will continue to give its steadfast support to the management board, within the scope of its responsibilities, capabilities and defined powers.

Annual report 2025

The Company's management board submitted the audited Annual Report of the Sava Insurance Group and Sava Re d.d. for 2025 for approval to the supervisory board. The audit committee of the supervisory board considered both the unaudited and audited Annual Report of the Sava Insurance Group and Sava Re d.d. for the year ended 31 December 2025, including the sustainability report. It also took note of the additional auditor's report to the audit committee on the audit of the financial statements as at 31 December 2025, prepared in accordance with Article 11 of Regulation (EU) No 537/2014, and the auditor's report on the sustainability report, and expressed its opinion and views thereon. In accordance with its powers, the supervisory board examined the audited annual report at its session on 2 April 2026.

The supervisory board notes that the annual report for 2025 is clear and extensive, and complies with the content and disclosure requirements of the Slovenian Companies Act and the Slovenian Insurance Act with its implementing regulations. The financial statements with notes have been prepared in accordance with International Financial Reporting Standards, and the sustainability report has been prepared in accordance with European Sustainability Reporting Standards (ESRS) and Article 8 of the Taxonomy Regulation.

The supervisory board also took note of the opinion of the auditor Deloitte Revizija d.o.o., Dunajska Cesta 165, 1000 Ljubljana, which audited the financial statements of Sava Re d.d. and the consolidated financial statements of the Sava Insurance Group. The supervisory board agrees with the opinion of the authorised auditor Deloitte, who finds that the separate and consolidated financial statements provide, in all material respects, a fair view of the financial position of the Company and the Group as at 31 December 2025, and their financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards, as adopted by the European Union. The supervisory board also agrees with the independent auditor's assurance report with limited assurance issued by the authorised auditor Deloitte Revizija d.o.o. regarding the sustainability report.

Based on its review of the 2025 annual report, and based on the opinion of the external auditor and the opinion of the audit committee, the supervisory board is of the opinion that the annual report gives a true and fair view of the assets and liabilities, financial position, profit or loss, and cash flows of the Sava Insurance Group and Sava Re d.d.

The supervisory board hereby approves the audited Annual Report of the Sava Insurance Group and Sava Re d.d. for 2025, as submitted by the management board.

Determination of and proposal for appropriation of distributable profit of Sava Re

The supervisory board has also reviewed the management board's proposal regarding the appropriation of the distributable profit for 2025, subject to final approval by the general meeting of shareholders of Sava Re. The supervisory board of Sava Re d.d. hereby gives its consent to the management board's proposal to the general meeting on the appropriation of the distributable profit for 2025 of EUR 57,429,261.65; EUR 42,618,664.00 to be appropriated for dividends, and the remaining part of the distributable profit of EUR 14,810,597.65 to be left unallocated and be carried forward to the following year. Thus, the proposed gross dividend per share is EUR 2.75.

The supervisory board proposes that the general meeting of shareholders grant discharge to the management board for the financial year 2025.



Klemen Babnik
Chairman of the Supervisory Board of Sava Re d.d.

Ljubljana, 2 April 2026

5 Corporate governance statement

Sava Re issues this corporate governance statement to publicly disclose information on the nature, structure and effectiveness of the Company’s internal governance and control system. It aims to increase transparency, accountability and trust among all the Company’s stakeholders, including investors, employees and the general public. The Company prepares this statement in accordance with Article 70(5) of the Slovenian Companies Act (ZGD-1) and the recommendations of the Slovenian Corporate Governance Code for Listed Companies. The statement is a special section of the business report as part of the 2025 annual report. It covers the period from 1 January 2025 to 31 December 2025, with additional disclosure of significant events occurring after this period up to the date of its publication. The statement is available in electronic form for at least five years from the date of its publication on the website of the Ljubljana Stock Exchange d.d. in its SEOnet information system (seonet.ljse.si) and on the Company’s official website (www.sava-re.si).

5.1 Corporate governance policy

In November 2023, with the consent of the Company’s supervisory board, the Sava Re management board adopted the revised Corporate Governance Policy of the Sava Insurance Group and the revised Corporate Governance Policy of Sava Re d.d. The documents set out the main subsidiary governance guidelines for the Sava Insurance Group and the governance rules for Sava Re, taking into account the goals, mission, vision and values of the Group. The policies represent a commitment to future action.

The Corporate Governance Policy of Sava Re d.d. is available through the Ljubljana Stock Exchange SEOnet information system and from the Company’s website.

5.2 Compliance with the Slovenian Corporate Governance Code for Listed Companies

As a public limited company, Sava Re’s reference code in 2025 was the Slovenian Corporate Governance Code for Listed Companies adopted by the Ljubljana Stock Exchange and the Slovenian Directors’ Association on 9 December 2021. It is available in Slovenian and English from the Ljubljana Stock Exchange website.

The management and supervisory boards of Sava Re hereby state that Sava Re operates in compliance with the Code, with individual deviations that are disclosed and explained as follows.

Corporate governance statement

Recommendation 5.6: External assessments of the adequacy of the corporate governance statement at least every three years

The Company has yet to ensure an external assessment of the adequacy of the corporate governance statement.

Sava Re is a regulated company, and its operations are supervised by the Insurance Supervision Agency. One of the key functions operating within the Company is internal audit. Within the scope required by the Global Internal Audit Standards and the Slovenian Insurance Act, the

internal auditors regularly monitor processes related to corporate governance.

Relationship between the Company and shareholders – Relations with shareholders

Recommendation 10.1: Holding general meetings by electronic means

The Company has not yet provided for the possibility of attending and voting at the general meeting by electronic means without physical presence. It intends to amend its internal rules (articles of association and rules of procedure for the general meeting) during the current strategy period.

Supervisory board

Recommendation 16.4: Evaluation of the supervisory board

The supervisory board does not perform periodic external assessments of its evaluation.

The members of the supervisory board, with the support of professional staff, carry out an annual self-assessment of their own work and that of the supervisory board committees, in accordance with the methodology and the Supervisory Board Assessment Manual drawn up by the Slovenian Directors' Association. The evaluation process is conducted in a professional and objective manner. In addition, the internal audit department regularly monitors processes related to corporate governance, within the scope required of internal auditors by the Global Internal Audit Standards and the Slovenian Insurance Act.

Transparency in operations – Public disclosure of significant information

Recommendation 32.7: Public disclosure of the rules of procedure of management bodies

The Company has published the rules of procedure of both the general meeting and the supervisory board on its website but not those of the management board, as they are an internal procedural document.

5.3 Bodies of Sava Re

Management system

Sava Re has a two-tier management system with a management board that conducts the business and a supervisory board that oversees operations. The governing bodies – the general meeting, and the supervisory and management boards – act in compliance with laws, regulations, the articles of association and internal rules. The Company's articles of association and the rules of procedure of both the general meeting and the supervisory board are posted on the Company's website.

The risk management system is a cornerstone of strong governance. The management board ensures the effectiveness of this system. The rules of the risk management system and the own risk and solvency assessment rules are set out in detail in the Company's internal regulations.

The Company has certain functions integrated into its organisational structure and decision-making processes. These are the risk management function, internal audit function, actuarial function and compliance function, defined by applicable law as the key functions of the governance system (key functions). They are integrated in order to strengthen the three-lines-of-defence framework in the Company's control

system. The key function holders cooperate closely with each other, regularly exchanging information they need for their functioning.

Rules governing individual key functions are set out in detail in the Company's internal regulations.

5.3.1 General meeting of shareholders

The general meeting of shareholders is the supreme body of the Company through which shareholders exercise their rights in Company matters. The terms of reference of the general meeting are governed by its rules of procedure, which are posted on the Company's website.

Convening the general meeting

The general meeting of shareholders, through which the shareholders of Sava Re exercise their rights in the affairs of the Company, is convened at least once a year, but not later than by the end of August. The general meeting may be convened in other cases as provided by law, the Company's articles of association, and whenever this is in the interest of the Company. As a rule, the general meeting is convened by the management board. In the cases stipulated by law, it may be convened by the supervisory board or shareholders.

The Company publishes general meeting notices through the SEOnet system provided by the Ljubljana Stock Exchange and through its website (www.ljse.si), on the AJ PES website (www.ajpes.si) and on the Company's official website (www.sava-re.si), as well as in printed form in one daily newspaper as provided for in the articles of association (in Delo or Dnevnik) or in the Official Gazette of the Republic of Slovenia.

Participation in the general meeting

To attend the general meeting and exercise their voting rights, shareholders must send the Company a registration form no later than by the end of the fourth day prior to the general meeting and must be registered holders of shares listed in the central register of book-entry securities at the end of the seventh day prior to the general meeting.

The conditions of participation or exercise of voting rights at the general meeting must be set out in detail in the notice of the general meeting.

Adoption of resolutions

General meeting resolutions are adopted by a majority of votes cast (simple majority), unless a larger majority or other requirements are stipulated by law or the articles of association.



Exercise of voting rights

Shareholders may exercise their voting rights in the general meeting according to their share of the Company’s share capital. Each no-par-value share with voting rights carries one vote. Voting rights can be exercised by proxy based on a written proxy form, or through financial organisations or shareholder associations.

Treasury shares carry no voting rights.

The general meeting in 2025

The general meeting of shareholders was convened once in 2025.

In accordance with the Company’s 2025 financial calendar, the 41st general meeting of shareholders was held on 26 May 2025. Among other things, the general meeting was presented with the annual report for 2024, including the auditor’s opinion and the written report of the supervisory board to the annual report, and the annual report on internal auditing for 2024 with the opinion of the supervisory board thereto. The general meeting received the management board’s report on treasury shares. At the general meeting, the shareholders approved, among other things, the management and supervisory boards’ proposal to use EUR 34,869,816.00 of the distributable profits for dividends. The gross dividend was EUR 2.25 per share, payable on 11 June 2025 to the shareholders of record as at 10 June 2025.

The shareholders granted discharge to the management and supervisory boards for 2024. Because the terms of office of three supervisory board members were due to expire, the general meeting elected their successors, comprising two newly elected and one returning member, to serve for a four-year term: Mojca Androjna, Klemen Babnik and Nataša Damjanovič, with their term of office starting on 18 July 2025. The general meeting reappointed the audit firm Deloitte Revizija d.o.o., Dunajska Cesta 165, 1000 Ljubljana, as the external auditor for the financial years 2025, 2026 and 2027. The general meeting approved the Directors’ Remuneration Report of Sava Re d.d. for the Financial Year 2024. This report was posted on the Company’s website and will remain publicly available for at least ten years. No legal actions to challenge any general meeting resolutions were announced at the general meeting.

5.3.2 Supervisory board

The supervisory board oversees the Company’s conduct of business and appoints members of the management board.

In accordance with the Company’s articles of association and applicable law, the supervisory board is composed of six members, of which four (shareholder representatives) are elected by the Company’s general meeting, and two (employee

representatives) are elected by the works council, which informs the general meeting of its decision. Supervisory board members are appointed for a term of up to four years and may be re-elected. The supervisory board members elect a chair and deputy chair from among their number.

The supervisory board is composed in such a manner as to ensure responsible oversight and decision-making in the best interest of the Company. Its composition takes account of diversity in terms of technical knowledge, experience and skills, and the way members complement each other so as to form a homogeneous team, which also ensures a sound and prudent oversight of the Company’s affairs. In 2025, the Company sought to align the composition of the supervisory board with the Company’s policy on the diversity of the management and supervisory boards. The Company’s policy on diversity of the management and supervisory boards is posted on the Company’s website (www.sava-re.si/en-si/about/corporate-governance/).

In 2025, the gender balance on the supervisory board was 16.67% women and 83.33% men until 17 July 2025, and 50% women and 50% men from 18 July 2025.⁸ The implementation of the policy on diversity of the supervisory board in 2025 is detailed as follows.

Terms of reference and operation of the supervisory board

The supervisory board must comply with the applicable legislation, particularly the Slovenian Companies Act and the Insurance Act, the Company’s articles of association and the supervisory board’s rules of procedure. In accordance with the law, the supervisory board must be convened at least on a quarterly basis, generally after the end of each quarter of the financial year, and more frequently if necessary. The terms of reference of the supervisory board are governed by the Rules of Procedure of the Supervisory Board of Sava Re d.d., which are posted on the Company’s website.

Remuneration, compensation and other benefits

The supervisory board members are entitled to remuneration for performing their function, attendance fees and reimbursement of expenses. The remuneration must not be directly linked to the Company’s performance, as demonstrated by its financial statements. The amount of the above remuneration was set by resolution of the general meeting and is also regulated by the Remuneration Policy for Members of Management and Supervisory Bodies of Sava Re d.d., which was submitted for approval to the 40th general meeting (held on 27 May 2024).



The remuneration of supervisory board members in 2025 is disclosed in section [C.3.9 “Related party disclosures”](#) and in more detail in the Directors’ Remuneration Report for 2025, which will be submitted as a separate document to the general meeting.

Commitment to identify conflicts of interest

Before taking office and afterwards periodically (annually) and upon each change, each supervisory board member signs and submits to the supervisory board a statement of their independence, thereby taking a position with respect to individual conflicts of interest, in accordance with the criteria set out in the Code. The statements of independence of the members of the Company’s supervisory board are posted on the Company’s website.

POSR holdings of supervisory board members

Supervisory board members report any acquisition or disposal of Company shares to the Company and relevant organisations, and Sava Re posts this information.

Details on Sava Re shares held by supervisory board members as at 31 December 2025 are provided in section [A.3 “Shareholders and share trading”](#).

The supervisory board in 2025

In 2025, the supervisory board comprised the following six⁹ members:

- until 17 July 2025: Davor Ivan Gjivoje Jr (chairman), Keith William Morris (deputy chairman), Klemen Babnik, Matej Gomboši, Edita Rituper and Blaž Garbajs;
- from 18 July 2025: Davor Ivan Gjivoje Jr (chairman), Klemen Babnik (deputy chairman), Mojca Androjna, Nataša Damjanovič, Edita Rituper and Blaž Garbajs.

5.3.3 Supervisory board committees

Pursuant to legislation, the Code and best practice, the supervisory board appoints one or more committees, tasking them with specific areas, the preparation of draft resolutions of the supervisory board, the implementation of resolutions of the supervisory board and other tasks requiring specialist expertise, thereby providing the board with professional support.

The Company has established the following supervisory board committees:

- the audit committee,
- the risk committee,
- the nominations and remuneration committee,
- the fit and proper committee.

Audit committee

The main tasks of the audit committee are to:

- oversee the integrity of financial information;
- monitor the efficiency and effectiveness of internal controls, the operation of the internal audit department and risk management systems;
- monitor the statutory audit of independent and consolidated financial statements;
- perform other tasks assigned by a valid resolution of the supervisory board, in line with statutory requirements and best practices of comparable companies or insurance groups.

In 2025, the audit committee comprised the following members:

- until 17 July 2025: Matej Gomboši (chairman), Blaž Garbajs, Dragan Martinović (external member pursuant to Article 280 of ZGD-1) and Simona Korošec Lavrič (external member pursuant to Article 280 of ZGD-1);
- from 18 July 2025: Mojca Androjna (chair), Blaž Garbajs (deputy chairman from 8 December 2025), Dragan Martinović (external member pursuant to Article 280 of ZGD-1) and Simona Korošec Lavrič (external member pursuant to Article 280 of ZGD-1).

Risk committee

The main tasks of the risk committee are to:

- assess the impact of various types of risk on economic and regulatory capital;
- assess the Group’s overall risk governance framework, including the risk management policy, and the risk strategy, and monitor operational risks;
- assess the appropriateness and adequacy of risk management documents to be approved by the supervisory board;
- perform other tasks assigned by a resolution of the supervisory board, in line with statutory requirements and best practices of comparable companies or insurance groups.

In 2025, the risk committee comprised the following members:

- until 17 July 2025: Keith William Morris (chairman), Davor Ivan Gjivoje Jr, Slaven Mičković (external member) and Janez Komelj (external member);
- from 18 July 2025: Nataša Damjanovič (chair), Davor Ivan Gjivoje Jr, Slaven Mičković (external member) and Janez Komelj (external member).

Nominations and remuneration committee

The main tasks of the nominations and remuneration committee are to:

- draft proposals for the supervisory board regarding the criteria for membership of the management board, and consider and draft proposals concerning nominations to be decided by the supervisory board;
- preliminarily consider the proposal of the chair of the management board regarding the composition of the management board and the Company’s governance, and draw up proposals for the supervisory board;
- carry out the nomination process for candidates for membership of the supervisory board who are shareholder representatives;
- provide support in drawing up and implementing a system for remuneration, reimbursements and other benefits for management board members.

In 2025, the nominations and remuneration committee comprised the following members:

- until 17 July 2025: Klemen Babnik (chairman), Davor Ivan Gjivoje Jr, Keith William Morris, Matej Gomboši, Edita Rituper and Blaž Garbajs;
- from 18 July 2025: Klemen Babnik (chairman), Davor Ivan Gjivoje Jr, Mojca Androjna, Nataša Damjanovič, Edita Rituper and Blaž Garbajs.

Temporary composition of the nominations and remuneration committee for the purpose of the nomination processes for new members of the supervisory board

On 10 October 2024, regarding the nomination process for membership of the supervisory board of Sava Re (three vacancies for the term July 2025 – July 2029), the supervisory board took note of the statements of Klemen Babnik and Matej Gomboši by which, in order to avoid any conflicts of interest as members of the nominations and remuneration committee, they recused themselves from all activities of the above committee that related to the candidate selection process for membership of the Sava Re supervisory board.

The nominations and remuneration committee carried out the activities relating to the candidate selection process for members of the supervisory board (three vacancies for the term July 2025 – July 2029) in the following changed composition: Davor Ivan Gjivoje (chairman), Keith William Morris, Edita Rituper and Blaž Garbajs.

Fit and proper committee

The main tasks of the fit and proper committee are to:

- carry out procedures for assessing the competence of the supervisory board, supervisory board committees and the management board as collective bodies, and conduct fit and proper assessments of individual members of these bodies;
- at the request of the Company’s works council, carry out a fit and proper assessment of any employee representative on the supervisory board elected by the works council.

In 2025, the fit and proper committee comprised the following members:

- until 17 July 2025: Keith William Morris (chairman), Klemen Babnik, Rok Saje (compliance officer) and Klara Hauko (director of human resource management);
- from 18 July 2025: Nataša Damjanovič (chair), Klemen Babnik, Rok Saje (compliance officer) and Klara Hauko (director of human resource management).

Temporary composition of the fit and proper committee for the purpose of the nomination process for new members of the supervisory board

On 10 October 2024, regarding the nomination process for membership of the supervisory board of Sava Re (three vacancies for the term July 2025 – July 2029), the supervisory board took note of the statement of Klemen Babnik by which, in order to avoid any conflicts of interest as a member of the fit and proper committee, he recused himself from all activities of the above committee that related to the candidate selection process for membership of the Sava Re supervisory board.

The fit and proper committee carried out the activities relating to the candidate selection process for members of the supervisory board in the following changed composition: Keith William Morris (chairman), Davor Ivan Gjivoje Jr, Rok Saje and Klara Hauko.

► Composition of the supervisory board in 2025¹⁰

Full name	Davor Ivan Gjivoje Jr	Keith William Morris	Klemen Babnik	Matej Gomboši	Edita Rituper	Blaž Garbajs***	Mojca Androjna	Nataša Damjanovič
Function	chair	deputy chair	member, deputy chair (since 18/7/2025)	member	member	member	member	member
Employment	Networld Inc. / DGG Holdings Ltd., USA	retiree	Ministry of Finance of the Republic of Slovenia	Financial Administration of the Republic of Slovenia	Sava Re d.d.	Sava Re d.d.	retiree	retiree
First appointed	7 March 2017	15 July 2013	17 July 2021	17 July 2021	1 January 2022	13 June 2023	18 July 2025	18 July 2025
End of term of office	25 February 2026*	17 July 2025	18 July 2029	17 July 2025	13 June 2027	13 June 2027	18 July 2029	18 July 2029
Representative of shareholders/ employees ¹¹	of shareholders	of shareholders	of shareholders	of shareholders	of employees	of employees	of shareholders	of shareholders
Attendance at sessions / eligibility to attend**	7/8	4/4	8/8	4/4	8/8	8/8	4/4	4/4
Gender	M	M	M	M	F	M	F	F
Nationality	American	British	Slovenian	Slovenian	Slovenian	Slovenian	Slovenian	Slovenian
Year of birth	1968	1948	1983	1975	1966	1980	1960	1965
Education ¹²	B.A. in political science, master of science in economics	B.Sc. in management sciences, specialised in finance and marketing	university graduated lawyer	doctoral degree in computing and informatics	university graduated economist	university graduated economist	university graduated economist	graduated economist
Professional profile ¹³	strategic management, business administration, management of equity investments, risk management, insurance business	strategic management, business administration, banking and insurance business, risk management	business administration, leadership, corporate governance, general legal affairs, compliance monitoring	business administration, leadership, information technology, digitalisation, audit	insurance business, leadership, corporate governance, sustainable operations ¹⁴	finance, corporate finance, insurance business, leadership	strategic leadership, executive and administrative management, corporate governance, finance, accounting, insurance business	banking and insurance business, leadership, corporate governance, risk management
Independence under the Code	yes	yes	yes	yes	yes	yes	yes	yes
Possible conflict of interest ¹⁵	There were no members with a continuing and material conflict of interest in 2025. All members (100%) of the supervisory board are considered independent. Their independence is assessed based on the questionnaire set out in the Code. Members' statements of independence are posted on the Company's website.							
Memberships in committees and functions	• risk committee, member • nominations and remuneration committee, member • fit and proper committee, interim member for the purpose of the nomination process	• risk committee, chair • nominations and remuneration committee, member • fit and proper committee, chair	• nominations and remuneration committee, chair • fit and proper committee, member	• audit committee, chair • nominations and remuneration committee, member	• nominations and remuneration committee, member	• audit committee, member and deputy chair • nominations and remuneration committee, member	• audit committee, chair • nominations and remuneration committee, member	• risk committee, chair • nominations and remuneration committee, member • fit and proper committee, chair
Attendance at committee sessions / eligibility to attend*	• risk committee: 5/5 • nominations and remuneration committee: 5/6 • fit and proper committee: 1/1	• risk committee: 3/3 • nominations and remuneration committee: 5/5 • fit and proper committee: 2/2	• nominations and remuneration committee: 3/3 • fit and proper committee: 4/4	• audit committee: 5/5 • nominations and remuneration committee: 2/2	• nominations and remuneration committee: 6/6	• audit committee: 9/9 • nominations and remuneration committee: 6/6	• audit committee: 4/4 • nominations and remuneration committee: 1/1	• risk committee: 2/2 • nominations and remuneration committee: 1/1 • fit and proper committee: 3/3
Notes on memberships of management or supervisory bodies of third parties	Networld Inc. / DGG Holdings Ltd. , USA – chief executive officer Adria Lines Dover, Delaware, USA – chief executive officer Sava d.d. – chair of the supervisory board Sava Turizem d.d. – chair of the supervisory board	HMS Victory Preservation Endowment Fund Ltd , UK – chair of the board of directors URG IC Ltd , UK – non-executive member of the board of directors	Sava d.d. – member of the supervisory board Sava Turizem d.d. – member of the supervisory board	Imark, Matej Gomboši, Inštitut za Svetovanje in Informatiko, s.p. – founder	/	/	/	SID – Slovenska Izvozna in Razvojna Banka, d.d. – member of the supervisory board
Function in public administration, including regulatory bodies ¹⁶	no	no	yes	no	no	no	yes	no

* Early termination of the term of office.

** The number of sessions the members were entitled to attend varied due to the commencement or termination of a term of office, or due to members recusing themselves from the discussion of certain agenda items to avoid conflicts of interest or to recuse themselves from a nomination process, as detailed in the subsections “The supervisory board in 2025” and “Supervisory board committees”.

*** Blaž Garbajs was also a member of the audit committee of the associate company Diagnostic Centre Bled until 31 January 2026, and this committee also serves as the audit committee for two of the associate’s subsidiaries.

Events after the reporting date

Following the resignation of Davor I. Gjivoje Jr on 25 February 2026 as member and chairman of the Sava Re supervisory board, his memberships of the risk committee and the nominations and remuneration committee also ended on the same date. At its session on 5 March 2026, the supervisory board appointed Klemen Babnik as the new chairman and Mojca Androjna as deputy chair of the supervisory board, both from among its members. The supervisory board appointed Edita Rituper to fill the vacant position on the risk committee, while the nominations and remuneration committee will temporarily operate with five members until further notice.

10 ESRS 2 GOV-1 paragraph 22 (a).

11 ESRS 2 GOV-1 paragraph 21 (b).

12 ESRS 2 GOV-1 paragraph 23 (a).

13 ESRS 2 GOV-1 paragraph 21 (c).

14 ESRS 2 GOV-1 paragraph 23 (a) and ESRS G1.GOV-1 paragraph 5 (b).

15 ESRS 2 GOV-1 paragraph 21 (e).

16 ESRS G1-5 paragraph 30.



► External member of supervisory board committees in 2025

Full name	Dragan Martinović	Simona Korošec Lavrič	Slaven Mičković	Janez Komelj	Rok Saje	Klara Hauko
Supervisory board committee	audit committee	audit committee	risk committee	risk committee	fit and proper committee	fit and proper committee
First appointed	17 July 2021	21 November 2024	17 July 2021	17 July 2021	17 July 2021	17 July 2021
End of term of office	n/a	n/a	n/a	n/a	n/a	n/a
Attendance at sessions / eligibility to attend	9/9	9/9	5/5	5/5	5/5	5/5
Gender	M	F	M	M	M	F
Nationality	Slovenian	Slovenian	Slovenian	Slovenian	Slovenian	Slovenian
Year of birth	1959	1971	1958	1954	1977	1972
Education	university graduated economist	master of science in economics	master of mathematical sciences, doctor of science in economics	master of economics, master of computer science, doctor of science in economics	university graduated lawyer	university graduated economist, MBA, master of occupational psychology and organisation
Professional profile	audit, accounting, finance, taxation, commercial trade, senior accounting auditor, certified tax adviser	audit, accounting, finance, taxation, banking and insurance, corporate governance, certified auditor, sustainable operations	banking, modelling, risk management	insurance operations, actuarial affairs, risk management	insurance operations, general legal affairs, insurance law, compliance	human resources management and development, work organisation
Employment	retiree	Association of Accountants, Treasurers and Auditors of Slovenia	Ministry of Labour, Family, Social Affairs and Equal Opportunities	retiree	Sava Re d.d.	Sava Re d.d.
Independence under the corporate governance code	yes	yes	yes	yes	yes	yes
Notes on memberships of management or supervisory bodies of related parties	/	Zavarovalnica Sava d.d. – external audit committee member	/	/	/	/
Notes on memberships of management or supervisory bodies of third parties	Modra Zavarovalnica d.d. – external audit committee member	SKL Finance d.o.o. – founder and representative Pokojninska Družba A d.d. – external audit committee member Slovenske Železnice d.o.o. – external audit committee member Koto d.o.o. – external audit committee member Termana d.d. – external audit committee member	Poslovno Svetovanje, Slaven Mičković, s.p. – founder	/	/	/

The operation of the supervisory board and its committees in 2025 is detailed in section [A.4 “Report of the supervisory board”](#).



5.3.4 Management board

The management board runs the Company and represents it in public and legal matters. It is composed of at least two but no more than five members, of whom one is the chair. The chair and members of the management board are appointed by the supervisory board for a period of five years. Such appointments are renewable without limitation. The chair and all members of the management board are in regular employment on a full-time basis. The exact number of management board members and the areas for which they are responsible are laid down by the supervisory board in the Act on the Management Board of Sava Re d.d.

The management board is composed in a manner to ensure responsible oversight and decision-making in the best interest of the Company. The management board's composition takes into account the diversity of technical knowledge, experience and skills, and the way members complement each other so as to form a homogeneous team and ensure sound and prudent conduct of the Company's business. In 2025, the Company sought to align the composition of the management board with the Company's policy on diversity of the management and supervisory boards.

The Company's policy on diversity of the management and supervisory boards is posted on the Company's website (www.sava-re.si/en-si/about/corporate-governance/).

In 2025, the gender balance on the management board was 25% women and 75% men. The implementation of the policy on diversity of the management board in 2025 is detailed as follows.

Terms of reference and operation of the management board

The management board represents the Company in its legal transactions. Through its efforts and using its knowledge and experience, the management board pursues the long-term success of the Company, ensuring optimal guidance and risk management. The management board determines the Company's goals, values, mission, vision and business strategy. Business operations are optimised through an adequate structure of human resources and prudent use of financial resources. The management board operates in accordance with the applicable legislation, particularly the Slovenian Companies Act and the Insurance Act, as well as with the articles of association and the act on the management board and its rules of procedure. Terms of reference and operation of the management board are defined in more detail in the rules of procedure of the Sava Re management board.

Delimitation of competencies between the management and supervisory bodies is presented in greater detail in the Corporate Governance Policy of Sava Re d.d., which is posted on the Company's website.

Remuneration, compensation and other benefits

The remuneration of the management board members consists of a fixed and a variable component. The variable part of a management board member's salary comprises (1) variable pay for business performance (business-performance-based pay) based on annual business financial criteria that pursue the long-term strategic financial targets of the Sava Insurance Group and (2) variable pay for individual performance (individual-performance-based pay) based on non-financial criteria that pursue the long-term strategic targets of the Group.

The variable component must not be determined so as to allow the rewarding of behaviour that encourages the exposure of the Company to uncontrolled risk. Remuneration, reimbursements and other benefits of management board members are set out in the employment contract made between the Company and each management board member. The methodology used to establish both the variable pay and the amount of the bonus of each management board member is adopted by the supervisory board.

The remuneration of the members of the management board in 2025 is disclosed in section [C.3.9 "Related party disclosures"](#), and in more detail in the Directors' Remuneration Report for 2025, which will be submitted as a separate document to the general meeting.

Share ownership

The management board members report any acquisition or disposal of the Sava Re shares to the Company and to the relevant institutions, which is then published by Sava Re.

Details on Sava Re shares held by management board members as at 31 December 2025 are provided in section [A.3 "Shareholders and share trading"](#).

The management board in 2025

In 2025, the management board comprised the following four¹⁷ members: Marko Jazbec (chairman), Polona Pirš, Peter Skvarča and David Benedek.

The average age of the members of the management board is 51.75 years. All the members of the management board are citizens of the Republic of Slovenia.



► Composition of the management board in 2025¹⁸

Full name	Marko Jazbec	Polona Pirš	Peter Skvarča	David Benedek
Function	chair	member	member	member
Area of responsibility at management board level ¹⁹	• coordination of work of the management board • general, security, HR, organisational and legal affairs • public relations • compliance • internal audit • management of strategic investments in insurance subsidiaries in Slovenia • information technology, data and artificial intelligence • sustainable development	• strategic planning and controlling • accounting • investor relations • subordinated debt, capital and risk management • actuarial affairs	• development of reinsurance and reinsurance underwriting, Group and non-Group • reinsurance protection (retrocession), Group and non-Group • development of reinsurance processes and technology • management of strategic investments in non-Slovenian subsidiaries	• financial operations and asset management • corporate finance • management of strategic investments in pension companies and asset management companies (AMCs) • management of strategic investments in healthcare companies • managing overarching cooperation with commercial banks or banking groups at the Group level
First appointed	12 May 2017	14 January 2018	19 June 2020	22 March 2023
End of term of office	13 May 2027	15 January 2028	20 June 2030	22 March 2028
Gender	M	F	M	M
Nationality	Slovenian	Slovenian	Slovenian	Slovenian
Year of birth	1970	1975	1975	1973
Education	university graduated economist	university graduated economist, master of science in economics	university graduate in political sciences / international relations, master's degree in European integration	university graduated economist, master of science in economics
Professional profile	banking, insurance business, finance, strategic management, corporate governance, business administration, sustainable operations ²⁰	insurance and reinsurance business, corporate governance, controlling, accounting, risk management, actuarial affairs, corporate governance, business administration	insurance and reinsurance business, corporate governance, business administration	banking, insurance business, finance, corporate governance, business administration
Notes on memberships of management or supervisory bodies of related parties	Zavarovalnica Sava, d.d. – chair of the supervisory board Sava Osiguranje a.d. , Montenegro – chair of the board of directors	Zavarovalnica Sava, d.d. – deputy chair of the supervisory board Sava Životno Osiguranje a.d.o. , Serbia – chair of the supervisory board Sava Infond, Družba za Upravljanje, d.o.o. – deputy chair of the supervisory board	Zavarovalnica Sava d.d. – member of the supervisory board Sava Neživotno Osiguranje a.d.o., Serbia – chair of the supervisory board	Vita, Življenjska Zavarovalnica, d.d. – chair of the supervisory board Sava Pokojninska Družba d.d. – chair of the supervisory board DCB d.o.o. – chair of the supervisory board Sava Infond, Družba za Upravljanje, d.o.o. – chair of the supervisory board Vita S Holding, d.o.o., Skopje , North Macedonia – chair of the supervisory board
Notes on memberships of management or supervisory bodies of third parties	Petrol, Slovenska Energetska Družba, d.d. – member of the supervisory board Slovenian Insurance Association, GIZ – member of the association's council	/	Tennis Association of Slovenia – member of the board of directors	/
Function in public administration, including regulatory bodies ²¹	no	no	no	no

18

ESRS 2 GOV-1 paragraph 21 (a).

20

ESRS 2 GOV-1 paragraph 23 (a) and ESRS G1.GOV-1 paragraph 5 (b).

19

ESRS 2 GOV-1 paragraph 21 (c).

21

ESRS G1-5 paragraph 30.

5.4 Internal control and risk management systems relating to financial reporting

Internal controls comprise a system of guidelines and processes designed and implemented by Sava Re at all levels to manage risks associated with, among other things, financial reporting, for both Sava Re and the Sava Insurance Group. These controls work to guarantee the efficiency and effectiveness of operations, the reliability of financial reporting and compliance with applicable external and internal regulations.

Apart from the Slovenian Companies Act (ZGD-1), Sava Re is governed by the Slovenian Insurance Act (ZZavar-1), which provides that insurance companies must put in place and maintain an appropriate internal control and risk management system. Relevant implementing regulations based on the Insurance Act are issued by the Insurance Supervision Agency and strictly complied with by the Company.

Financial controls are closely linked to information technology controls, which aim, among other things, to limit and control access to the network, information and applications, and to control the completeness and accuracy of data input and processing. The latter is established at the Group and parent company level through compliance

with the information security policy and the enforcement of security policies.

Internal controls applicable to financial reporting on a consolidated basis are set out in the internal accounting rules and the Sava Insurance Group Financial Control Rules.

Internal controls, which are mainly preventive and detective in nature, include regular checks on account balances, reconciliation of subsidiary records with general ledger balances, built-in system controls (access restrictions, segregation of duties, limit systems and authorisations), automation of reporting and transfers between systems, additional manual controls on reporting and checks on consolidation packages. Reporting consistency is achieved through the use of a uniform data reporting system.

Internal controls include the four-eye principle, information transfer (including with subsidiaries), regular review and monitoring of transactions, department meetings, ongoing monitoring of announced regulatory changes, regular training and mentoring.

The valuation of assets and liabilities arising from insurance and reinsurance contracts follows the four-eyes principle, while the calculations are based on the valuation methodology for insurance and reinsurance contracts in accordance with IFRS 17. In addition, for consolidation purposes, additional internal controls are in place to review the consolidation processes for manual data entry and internal controls over items where adjustments are made to the Group, as well as controls over all the procedures carried out for the Group (e.g., consolidation adjustments). Members of the Group submit the financial information required for the preparation of the consolidated financial statements in reporting packages, prepared in accordance with International Financial Reporting Standards (IFRS) and the parent company's guidelines, within the time limits set out in the Company's financial calendar. In addition, Group members submit their separate financial statements, and this constitutes an additional control measure. By unifying information systems and applications that support consolidation, planning and reporting, the exchange and control of financial data between subsidiaries and the parent company is becoming ever more efficient. Whether necessary

information system controls have been put in place and function adequately is verified, on an annual basis, by relevant experts as part of the regular annual auditing of financial statements.

A system of internal controls is also in place for other important business processes. Effective risk management requires that companies ensure a functioning and established internal control system. The systematic internal controls of companies ensure the achievement of their objectives in terms of the efficiency and effectiveness of their operations, the reliability, timeliness and transparency of internal and external reporting, and compliance with applicable laws, legal provisions and internal regulations. All major business processes have been specified, including details on control points and the persons responsible for each control. Basic controls are carried out by reviewing documents received or by automated or manual control procedure applied to processed data.

Sava Re complies with all rules and regulations on handling confidential data and inside information, allocating investments and prohibiting trading based on inside information.

Other entities authorised by Sava Re to provide individual services must do so in compliance with the law, implementing regulations, service contracts, internal rules and work instructions in force at Sava Re.

The risk management department monitors improvements in the internal control environment and keeps track of internal controls in the internal control register, which is linked to the risk register. In accordance with the Insurance Act, Sava Re has its own internal audit department, which provides assurance and advice to the management board on how to increase added value and improve the efficiency and effectiveness of operations. The internal audit department assists the Company in achieving its goals by systematically and methodically assessing the effectiveness and efficiency of the governance, risk management and internal control systems and making recommendations for their improvement. The internal audit also reports on its findings to the management board, the audit committee and the supervisory board.



5.5 External audit

In 2025, two contracts were signed with Deloitte Revizija d.o.o., Dunajska Cesta 165, 1000 Ljubljana, one for auditing the Company's financial statements and the Group's consolidated financial statements, and the other for providing limited assurance on the Group's consolidated sustainability report. Both contracts covered the financial years of 2025, 2026 and 2027.

Accordingly, Deloitte has audited the separate financial statements of Sava Re and the consolidated financial statements of the Sava Insurance Group for 2025. In 2025, most of the Group's subsidiaries were audited by the local auditing staff of the same auditing firm. The 2025 financial statements of four Group members were audited by other audit firms.



5.6 Disclosures in accordance with Article 70(6) of the Slovenian Companies Act

Sava Re is subject to the Slovenian Takeovers Act (ZPre-1).

The composition of Sava Re’s share capital, the list of qualified shareholders under the Slovenian Takeovers Act as at 31 December 2025, the rights and obligations attached to the shares, the restrictions on share transfer and the absence or existence of shares carrying special control rights are presented in section [A.3 “Shareholders and share trading”](#).

Employee share scheme

Sava Re has no employee share scheme.

Restrictions on voting rights

Sava Re has not adopted any restrictions on voting rights.

Shareholders’ agreements restricting transferability of shares and voting rights

Sava Re is not aware of any such agreements between shareholders.

Rules on appointment or removal of members of management or supervisory bodies and on amendments to the articles of association

Company rules on appointment or removal of management board members

Under the Sava Re articles of association, the chair and the members of the management board are appointed by the supervisory board for a period of five years. Such appointments are renewable without limitation. To be appointed as a member of the management board, natural persons must have full legal capacity and meet the requirements set down by law and the Company’s internal rules. The process and criteria for the selection of candidates for members of the

management board and the process of periodic fit and proper assessments of individual members, as well as the assessment of the competence of the management board as a collective body, are clearly set out in the Company’s fit and proper policy for relevant persons.

The management board as a whole and its individual members may be removed from office by the supervisory board for reasons prescribed by law.

Company rules on appointment and removal of supervisory board members

Under the Sava Re articles of association, the supervisory board is composed of six members, of which four (shareholder representatives) are elected by the Company’s general meeting, and two (employee representatives) are elected by the works council, which subsequently informs the general meeting of its decision. Shareholder representatives of the supervisory board are elected by the general meeting by a majority of votes present. The term of office of supervisory board members is four years and is renewable. To be appointed as a member of the supervisory board, natural persons must have full legal

capacity and meet the requirements set down by law and the Company’s internal rules. The process and criteria for selecting candidates for membership of the supervisory board and for drafting proposals for general meeting resolutions on the appointment of supervisory board members, including the process of periodic fit and proper assessments of individual members, as well as the assessment of the competence of the supervisory board as a collective body, are clearly set out in the Company’s fit and proper policy for relevant persons.

Supervisory board members who are shareholder representatives may be removed from office by the general meeting for reasons prescribed by law, by a resolution passed by a majority of at least three quarters of the share capital represented.

Company rules on amendments to its articles of association

The Sava Re articles of association do not contain special provisions governing their amendment. Under the applicable legislation, they may be amended by resolution of the general meeting by a majority of at least three quarters of the share capital represented.

Powers of the management board (increase in share capital, acquisition of treasury shares)

The management board has no authorisation to increase the share capital.

The Company's management board has no authorisation to purchase treasury shares.

With the additional treasury share repurchases in April 2016, the management board fully exhausted the general meeting authorisation granted in 2014 to purchase treasury shares up to 10% minus one share of the share capital.

Important agreements that become effective, change or terminate after a public takeover bid results in a control change

Sava Re limits its exposure by reinsuring its own account (retrocession). As is customary in the industry, retrocession contracts contain provisions governing contract termination in cases involving significant changes in ownership or control of the counterparty.

Agreements between an entity and members of its management or supervisory bodies on compensation in case of (i) resignation, (ii) dismissal without cause or (iii) termination of employment relationship due to any bid specified in the law governing takeovers

A management board member is entitled to severance pay if recalled for other economic or business reasons (major change in shareholder structure, reorganisation, launch of a new product, major change in the Company's business and the like) or if the member's term of office ends and he or she is not reappointed as a management board member.

A management board member is entitled to a termination benefit in the event of a mutually agreed termination of the office, unless the dismissal is due to misconduct.

A management board member is entitled to a termination benefit referred to in the previous two paragraphs only if his employment relationship with all companies of the Sava Insurance Group is terminated.

A management board member is also entitled to severance pay upon retirement.

Management board members are not entitled to severance pay in case of resignation.



5.7 Governance of Sava Insurance Group members

The parent company’s management and supervisory bodies are responsible for the proper governance and supervision of the entire Group and for setting up a governance framework appropriate to the structure, business and risks of the Group as a whole and of its individual members.

The parent company fully exercises its governance function by setting the business strategy from the top down, taking into account both the Group as a whole and its individual members. For optimal capital allocation and resilience against unforeseen

events, capital allocation and capital adequacy are managed on the Group level following the top-down principle. As part of its risk strategy, the Group sets the risk appetite at the Group level and the level of its members.

The Group has set up a systematic approach to risk management, including risk management at the level of individual companies, appropriate monitoring of the risks of individual companies by the parent company and risk management at the Group level. The latter takes into account any interaction between the risks of individual Group

companies, in particular risk concentration and other material risks associated with the operation of the Group.

Management or supervisory bodies of each Group subsidiary pursue the same values and corporate governance policies as the parent company, unless otherwise required by law, the local regulator or based on the principle of proportionality. Therefore, the management or supervisory bodies of each Group subsidiary, as part of their responsibility for the governance of their company with regard to the implementation

of the Group’s policies, consider the need for any adjustments to local legislation as well as any other necessary adjustments and, in accordance with the procedures set out in the Group’s policies, determine their adjustments to these policies, ensuring that the subsidiary complies with applicable laws, implementing regulations, and the rules of sound and prudent operation.

The governance of the Sava Insurance Group is described in more detail in the Corporate Governance Policy of Sava Re d.d. posted on the Company’s website.

Ljubljana, 16 March 2026
Sava Re Management Board

Ljubljana, 2 April 2026
Sava Re Supervisory Board

Marko Jazbec, Chairman

Polona Pirš, Member

Peter Skvarča, Member

David Benedek, Member

Klemen Babnik, Chairman



6 Mission, vision, strategic priorities and goals

OUR MISSION

Through commitment and constant progress, we ensure security and quality of life.

OUR VISION

We are building a customer-centric, flexible and sustainability-oriented insurance group.

OUR VALUES

- We build relationships with care, integrity and respect.
- We exceed customer expectations by our ongoing effort to make improvements and strengthen relationships.
- We are active in relation to our natural and social environment.

Our values are reflected in responsible risk management, the promotion of environmentally and socially responsible practices, and active contributions to the stability and development of the environment in which we operate. Sustainability considerations are becoming an increasingly important part of our strategic decision-making and business policies.

Our fundamental orientation is to build trust among all stakeholders – policyholders, business partners, employees, shareholders and the wider community. We aim to be a recognised provider of comprehensive insurance and reinsurance services in our target markets, operating in a transparent, ethical and professional manner. In doing so, we strengthen stakeholder loyalty and create appropriate returns on capital for our owners.

6.1 Unique corporate culture

In the Sava Insurance Group, we are developing a corporate culture based on responsibility, professionalism, cooperation and a sustainability-oriented mindset. We understand it as a set of shared values, beliefs and behaviours that guide our decisions, relationships and business processes and directly influence the Group’s long-term performance. A positive working environment, open communication and

systematic investment in the knowledge and development of employees form the foundation of our organisational culture. By encouraging continuous learning, knowledge exchange and synergies among the companies in the Group, we strengthen innovation and ensure the ongoing development of insurance and reinsurance products and the optimisation of business processes. Our culture of cooperation and

professional excellence is reflected in the quality of our services and the high level of employee commitment.

Insurance as an economic activity is based on creating economic security through the diversification of risk, and it is therefore inseparably embedded in the broader economic and social environment. From this also derives our responsibility for sustainable development.

The corporate culture of the Sava Insurance Group is therefore expressed not only in written values, but above all in everyday behaviour, decisions and relationships. By systematically embedding the values in business policies, HR practices and leadership competencies, we ensure their long-term implementation and strengthen the organisational identity of the Group.



6.2 Strategic priorities of the Sava Insurance Group

The strategy of the Sava Insurance Group sets out strategic goals in two ways, based on its three key focus areas in the 2023–2027 strategy period and based on the Group’s key pillars of business operations.

► Key pillars of the Group

Integral risk management			
Insurance	Reinsurance operations	Asset management and pensions	Other
Non-life, Slovenia	Non-Group	Mutual funds	Healthcare
Life, Slovenia	Group	Managed accounts	Assistance
Non-life, international		Pensions	
Life, international			
Corporate support functions			

For the 2023–2027 period, we have adopted a strategy that will drive the Group forward on three key strategic priorities:

We will take the **customer-at-the-centre** approach to the next level by always ensuring that customers, their wishes and their needs are central to the way business is done. To this end, we have set ourselves three Group-level objectives. The first objective is customer-oriented communication, which is achieved by integrating all communication channels through a centralised customer relationship management system. The second objective is to establish a hybrid sales model that will allow the sales network to focus on more complex types of insurance and on advising customers. The third objective is to set up self-care platforms, such as customer portals, websites, and mobile applications, which will improve customer service during sales, claims handling and other services.

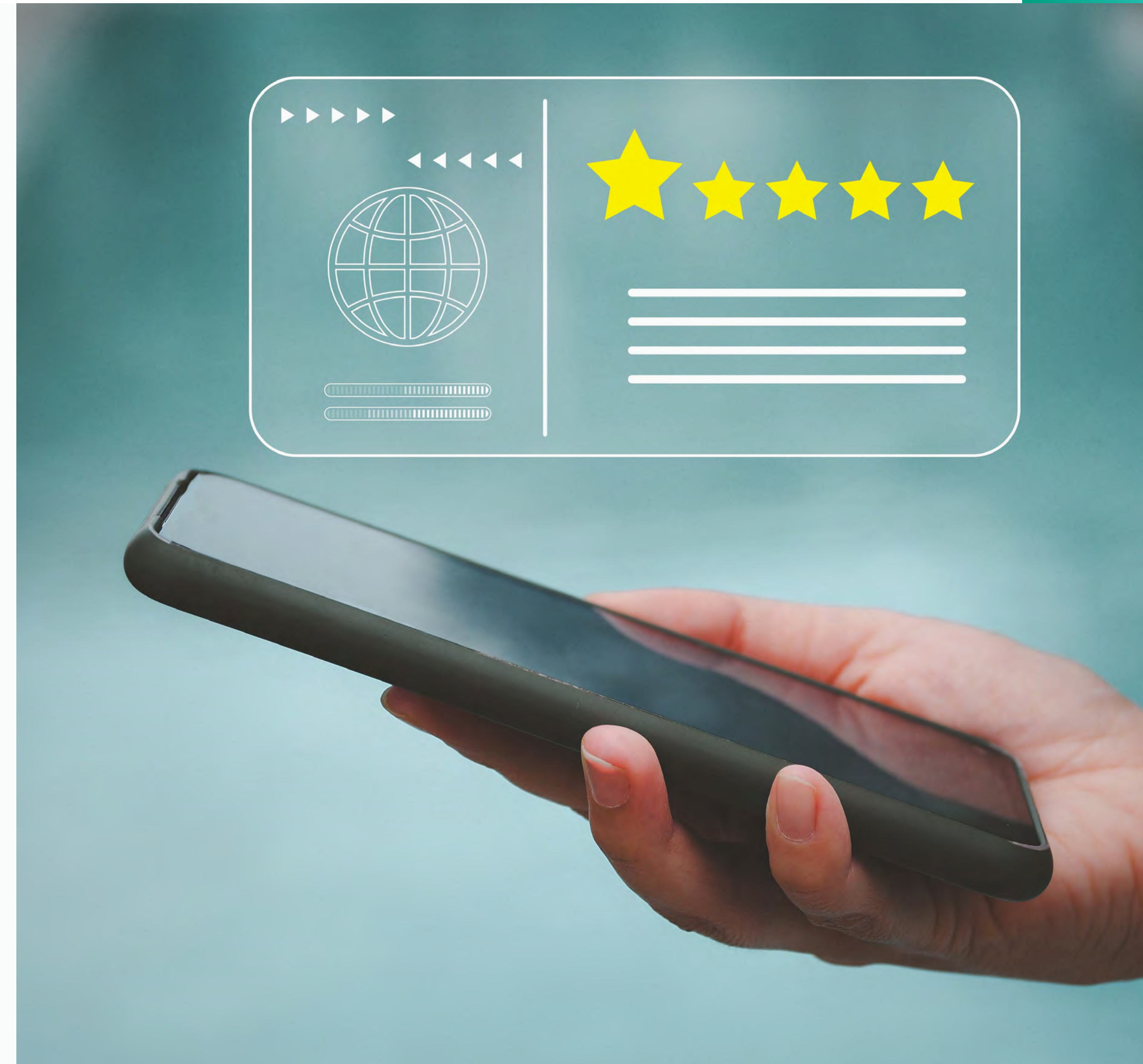
Optimising business processes within the Group enables us to achieve two key objectives: to speed up and simplify customer service and internal processes. This will also help achieve cost efficiency, which will play a more important role in the next strategy period than in the past, given the changed macroeconomic environment.

To achieve this strategic priority, the Group will undertake a comprehensive review of its processes to identify opportunities for improvement. Processes will then be redesigned, and any other necessary changes will be made to align the organisation with these new processes.

We will pursue **sustainability**²² in all key aspects: environmental, social and governance. We will continue to support global sustainability trends and focus on goals related to climate change and the health and well-being of our customers, employees and the wider community.

Long-term strategic targets:

- Over a five-year period, we will achieve a return on equity (excluding accumulated other comprehensive income) of between 9.5% and 10.5%.
- For the period 2023 to 2027, the solvency ratio at the level of the Sava Insurance Group will be between 170% and 210% (within the optimal capital range).
- Non-life (re)insurance operations will achieve an underwriting combined ratio not exceeding 95%.
- The return on the Group's investment portfolio, net of subordinated debt expenses, will reach 2.2% in 2027.



6.3 Business plan of the Sava Insurance Group for 2026

- In 2026, the Group will continue to advance its business strategy across its three key strategic priorities.
- It will expand digital and self-service solutions for customers, enhance customer interaction management and encourage wider use of digital communication channels.
 - The Group will continue to drive intensive optimisation of customer-facing and internal processes. In both areas, it will also gradually and in a controlled manner introduce solutions enabled by artificial intelligence.
 - In sustainability, the Group will further implement its policy, grounded in a commitment to environmental protection, social responsibility, and the development of innovative, sustainability-driven products and services.

The Group has set the following financial targets for 2026.

All financial targets achieved

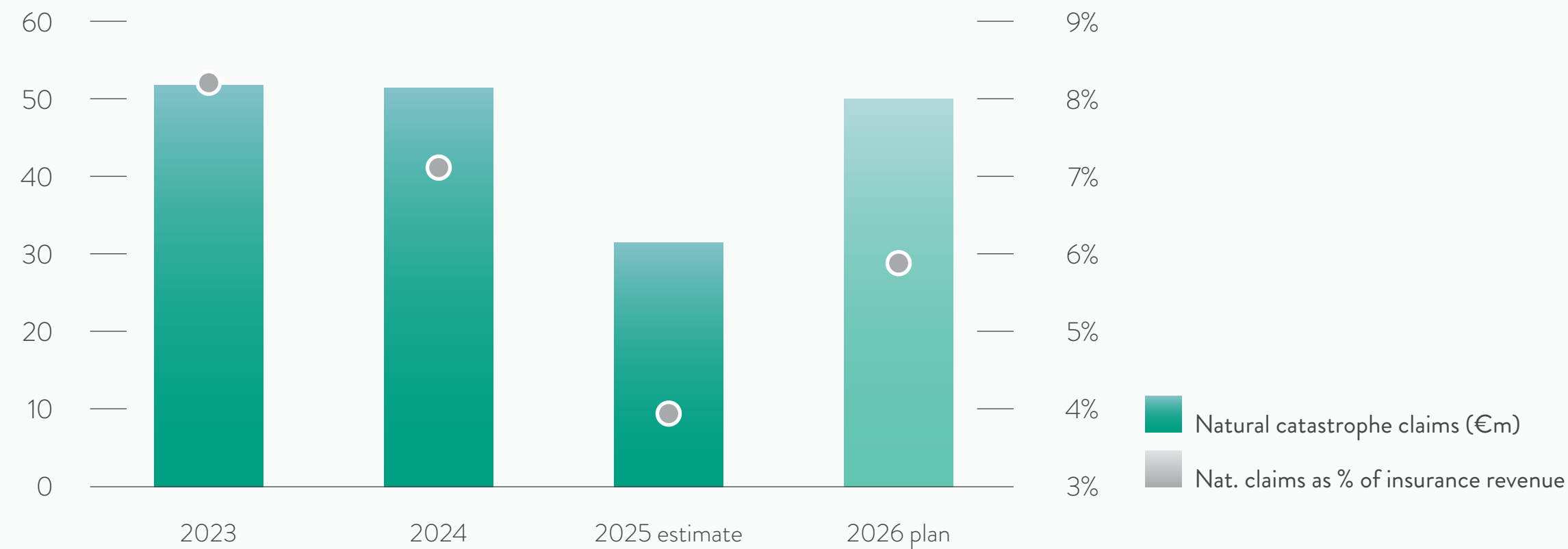
Key targets for 2026

	2026 plan
Business volume growth	> 5%
Profit, net of tax	> EUR 95 million
Return on equity	> 12%
Combined ratio	< 93%

Planned business volume growth for 2026

	2026 plan
Non-life, EU	> 3%
Life, EU	> 2%
Reinsurance	> 10%
Non-life, non-EU	> 10%
Life, non-EU	> 15%
Pensions and asset management	> 10%

Natural catastrophe claims





6.4 Objectives achieved in the year 2025

6.4.1 Targets achieved in 2025

The Sava Insurance Group performed exceptionally well in 2025, exceeding all financial targets. The Group increased its business volume by 9.5%, almost double the planned amount. All business segments exceeded their targets for business volume. The target profitability was also

exceeded, as the achieved combined ratio was much better than planned. Net profit for the year was EUR 114.1 million, significantly exceeding the Group’s expectations. This marked an important milestone in the Group’s business performance, as it passed the EUR 100 million net profit threshold for the first time. The target return on equity was also significantly exceeded at 15.9%.

► Actuals versus targets in 2025

€m	2025	2025 plan	As % of plan
Business volume growth	9.5%	> 5%	✓
– Non-life, EU	6.3%	> 5%	✓
– Life, EU	4.8%	> 3%	✓
– Reinsurance	23.2%	> 4%	✓
– Non-life, non-EU	14.9%	> 8%	✓
– Life, non-EU	13.7%	> 10%	✓
– Pensions and asset management	15.0%	> 9%	✓
Return on equity	15.9%	> 11%	✓
Profit, net of tax	114.1	> 84	135.8%
Solvency ratio	215%–221%	170%–210%	✓
Combined ratio	87.4%	< 94%	✓

6.4.2 Achievement of strategic goals

Goals achieved in the Group’s key strategic priorities

Customer at the centre

We continued to implement activities related to our customer-centric strategy, with a strong emphasis on optimising processes in insurance and investment contracting, as well as in the reporting and handling of customer claims across various touchpoints. We adapted our processes to include the collection and cleaning of customer contact details, as well as the acquisition of consent for business communication via digital channels. These steps are essential for the successful strategic digitalisation of customer communication activities.

We also expanded the systematic monitoring of customer satisfaction – based on regular feedback collection and the implementation of improvements informed by the results – into several decision-making processes. This included product development, the introduction and management of digital solutions for customers,

and the execution of back-office processes that influence customer experience.

We expanded the customer interaction management system to additional Group companies and broadened its use within larger companies by integrating new processes and functionalities, ensuring greater consistency and efficiency across the Group.

Activities included the introduction and upgrading of self-service portals for customers (both individuals and legal entities) and the development of other digital solutions for individual and business customers. These solutions included the option of taking out insurance and paying insurance premiums online.

In 2025, we concentrated on elevating the user experience and boosting the performance of our solutions by deepening the integration between digital tools and back-end systems, while refining our technical infrastructure to support reliable operation as system demands increased. In addition, at Zavarovalnica Sava, we upgraded our automated e-communication solution with customers, which now enables better use of data for automated customer notifications.



Process optimisation

Our primary focus is on implementing process optimisations to simplify business operations for our clients, change internal processes to increase efficiency and agility, enable greater synergies and enhance the Group’s digital maturity.

In 2025, we optimised the call centre’s operations, shortening response times and reducing the number of return calls. This directly led to greater user satisfaction. By introducing additional digital channels, we have enabled customers to choose the method of communication that suits them best. We also simplified the process of obtaining consent for electronic communication, thereby reducing paper consumption and speeding up procedures from the preparation of offers to the settlement of claims.

In the claims handling process, we provided customers with a clearer insight into the progress of their claims, reducing the need for additional explanations. We introduced an online system for scheduling damage surveys, which has significantly reduced waiting times and improved the organisation of assessment centres. We further

eased the customer journey by automating the retrieval of data from official databases and registers, such as vehicle permits and financial information, saving customers time and reducing the need for additional documentation.

We identified broader synergies and risks related to artificial intelligence and automation across several companies in the Group, which led us to establish a central project programme at the Group level. Its purpose is to ensure the professionally robust implementation of such solutions, supported by high security standards and full compliance with legislation. In this way, we have unified our approach, both organisationally and professionally, to ensure a more optimal deployment with significantly reduced risks.

In line with technological developments, we are taking special care to strengthen our integrated IT ecosystem. At the Group level, we are directing the introduction of new technologies and the planned upgrade of our data centre to support the secure management and processing of data flows across all Group companies.

Sustainable development

We contribute to the transition to a low-carbon economy and the creation of an inclusive and fair society by responsibly managing sustainability impacts, risks and opportunities. This is why sustainable business remains one of the Group’s key strategic priorities.

In 2025, we implemented measures to decarbonise our operations and increased the share of energy from renewable sources. We also continued the digitalisation of processes within the companies and the training and awareness-raising of employees regarding the efficient use of energy and other resources.

We achieved progress in the decarbonisation of the value chain, particularly through the consistent exclusion of sectors with the most significant negative environmental impacts from the investment portfolio. We systematically integrate sustainability criteria into investment decisions, supplier selection and evaluation procedures, and product development. At the end of 2025, the share of ESG investments was 24.8%, which is in line with the target of 25%.

However, as responsible investors, we will continue to strive for further growth in ESG investments. The Group companies are continuing to expand the range of investment opportunities that promote environmental and social characteristics.

We also create positive impacts on consumers and the community through socially responsible initiatives at the Group level, such as A Heart for the World and Never Alone. We strengthen long-term relationships with the community and develop a sustainable organisational culture through sponsorships, donations, prevention programmes and volunteer activities.

Last year, as a CSRD-compliant entity, the Sava Insurance Group published its first audited sustainability report, prepared in accordance with European Sustainability Reporting Standards (ESRS). The report provides a comprehensive disclosure of our key environmental, social and governance impacts, as well as financial impacts. This significantly enhances transparency and comparability in reporting on our sustainability goals and their achievement.



Achievement of strategic goals by key business pillar

Non-life insurance

In 2025, we advanced our strategic goals primarily by streamlining our operations, accelerating the digitalisation of processes, and continuously enhancing and adapting our insurance products. We further strengthened profitability, with a particular focus on developing (new) banking sales channels, expanding alternative distribution channels, and increasing the automation of acquisition and claims processes. Alongside this, we also made significant progress through improved data analytics, which increasingly supports the effective management of our insurance portfolio.

We continued to expand and refine our product offering and sales channels within our bancassurance models, while also renewing our vehicle own-damage insurance products, home insurance, and solutions for small and medium-sized enterprises.

As part of our profitability and pricing policy management, we implemented targeted premium and tariff adjustments, introduced new tariff models and bonus schemes, and updated policy

terms and conditions and underwriting rules, particularly for health, home and property insurance.

At the same time, the further development of underwriting processes was closely aligned with efficiency gains and operational optimisation. We improved the consistency and speed of decision-making while strengthening collaboration and unlocking synergies across claims, sales, underwriting and actuarial functions, ensuring a more integrated and responsive approach. We also optimised our acquisition processes by implementing more frequent targeted monitoring and automating approvals. This enabled better load management and faster decision-making.

In terms of digitalisation and reducing paper-based business, we continued to introduce paperless processes and encourage online insurance purchases and claims reporting using e-signatures. We increased our use of digital sales platforms and strengthened online sales, which are increasingly becoming the predominant sales channel in several insurance segments.

In the area of claims process automation, we introduced numerous improvements aimed at increasing efficiency and shortening response

times. These included the introduction of automatic registration of certain claims, automated assignment of claims, classification and triage of claims, and customer appointment calendars. We overhauled the claims reporting process and continued to implement machine learning modules in specific areas. We also upgraded our protocols for handling mass claims and our network of external contractors.

In individual insurance segments, we began laying the groundwork for an environment that will support enhanced data analytics and improve the user experience across different stages of the insurance cycle. Taking into account strategic objectives related to the use of artificial intelligence, we identified areas with the greatest potential for introducing processes supported by artificial intelligence.

Life insurance and pensions

In 2025, the Group continued to develop and adapt its range of life and pension insurance products. We placed particular emphasis on upgrading insurance products, modernising business operations and complying with regulatory requirements in the insurance industry.

In the protection insurance segment, we overhauled our bancassurance products in the EU markets and adapted our credit life insurance products to meet the needs of our partner banks. In our non-EU markets, we developed and upgraded our bancassurance product portfolio through partnerships, introducing new additional coverages across life, health and accident insurance. These improvements have enabled us to provide our customers with more tailored and comprehensive insurance protection.

The unit-linked life insurance segment was also significantly modernised in 2025. In our EU markets, we supplemented our offering with policies that include a minimum guaranteed rate of return, enabling customers to adopt a safer investment strategy. In our non-EU markets, we increased the diversity of investment options by including new Invest funds.

To further improve productivity and cost efficiency, we introduced new technological solutions and optimised business processes across the Group. In the markets outside the EU, we upgraded our underwriting procedures and increased insurance limits to enable more efficient underwriting.



In EU markets, we have adapted our underwriting procedures in line with the right to be forgotten act, thereby ensuring equal access to insurance for those who have suffered from serious illnesses in the past. At the same time, we have incorporated machine learning technology into our back-office claims handling processes, resulting in faster and more cost-effective claim processing.

In the area of pension insurance, we adjusted the age limits for insured persons to switch between life cycle funds. This further optimises investment strategies based on the age of pension clients. We also adapted our operations to changes in pension legislation that will affect pension savings and annuity payment plans.

Reinsurance

The events of 2025 were greatly affected by the global situation, which was characterised by numerous crisis hotspots around the world, including the ongoing tensions in Ukraine and the Israel–Gaza region, as well as new or intensifying risks. These include the consequences of climate change, such as droughts, floods and other extreme weather events, as well as cyber risks and challenges related to the development of artificial intelligence. These issues now have a significant impact on the global economy and security.

While these factors had a significant impact on the reinsurance industry in the past, they were insufficient to maintain the hard market in 2025. Global reinsurance companies have performed exceptionally well in recent years, leading to an influx of additional capital and greater reinsurance capacity. This contributed to a change in the cycle and a shift in reinsurance trends towards greater competition, resulting in a softening market.

At Sava Re, we continued to prudently restructure our portfolio, focusing primarily on maintaining an appropriate balance between proportional and non-proportional contracts. At the same time, we paid special attention to achieving appropriate geographical diversification. By 2025, we had significantly increased the diversity of the portfolio by exploiting new business opportunities in markets where Sava Re’s presence was previously limited and by adjusting our overall exposure in individual major markets.

We expect further market softening in terms of both prices and conditions in the future. In reinsurance underwriting, our key guideline remains to carefully monitor global trends and adapt quickly to changes. Only by taking a responsible approach and maintaining the right degree of flexibility can we ensure the required profitability while keeping long-term portfolio volatility low.

Asset management

In 2025, asset management once again achieved strong growth in the value of its umbrella fund, driven by favourable capital market conditions and substantial net inflows. In terms of sales, the company maintained or strengthened its position in key channels while upgrading its investor monitoring and support processes. The company also continued to implement activities to strengthen information security and optimise and digitise back-office processes.

Assistance services

The year 2025 saw the continuation of activities that had been initiated the previous year. The introduction of a new information system brought us closer to achieving a higher level of process automation. We started implementing artificial intelligence and consolidating our business with other Group companies.

We strengthened our business by establishing new partnerships and deepening our collaboration with existing partners. With this positive momentum, we expect to achieve our goals even more effectively.

7 Business environment

Global economic developments²³

In 2025, the euro area recorded moderate economic growth despite ongoing geopolitical uncertainty, supported by a gradual decline in inflation towards the European Central Bank’s 2.0% target. Optimism persisted in the financial markets, contributing to a successful year for the capital markets, particularly equity markets.

In December 2025, euro area annual inflation stood at 2.0%²⁴. Over the course of the year, the ECB reduced its key interest rate four times, from 3.15% to 2.15%. No major changes in monetary policy are expected in 2026. The ECB forecasts inflation of 1.9% for 2026 and 1.8% for 2027²⁵.

Year-on-year GDP growth in the euro area amounted to 1.4%²⁶ in the third quarter of 2025. The latest forecasts of the European Commission indicate growth of 1.2% in 2026 and 1.4% in 2027²⁷, which confirms expectations of continued moderate economic expansion.

Among the key factors influencing economic developments are geopolitical risks, such as the ongoing war in Ukraine and tensions between the great powers, which are increasing pressure on the European economy and security. Additional risks arise from structural challenges, including population ageing and increasing trade protectionism in the United States. A positive impact on the economic environment was exerted by the change in Germany’s fiscal policy, which eased fiscal austerity and encouraged more extensive investment in infrastructure and the strengthening of defence capabilities.

In 2025, Slovenia’s economy grew by 1.1%²⁸. The main contributors to this were higher domestic consumption and growth in gross investment. In 2025, the rating agencies S&P Global Ratings and Fitch upgraded Slovenia’s sovereign credit rating – the former from “AA-” to “AA” (with a stable

outlook) and the latter from “A” to “A+” (also with a stable outlook).

For capital markets, 2025 was a very successful year, both for bond and even more so for equity investments. The European equity index STOXX 600 rose by 20.7%, the US S&P 500 by 3.9%, and the global MSCI ACWI index by 8.4%, all expressed in EUR²⁹. The Slovenian SBITOP index also performed exceptionally well, with an annual growth of 50.3%. Future movements in the equity markets will depend primarily on the dynamics of interest rates, the efficiency of companies and the stability of their earnings. The ECB’s monetary policy measures contributed to low volatility and stable bond yields. The low spreads on higher-risk corporate bonds continue to support strong market sentiment and stable credit conditions, encouraging demand for higher-risk investments.



23 Source: Eurostat, 2025, ec.europa.eu/eurostat/web/products-euro-indicators/w/2-18122024-ap.
Source: Eurostat, 2025, ec.europa.eu/eurostat/web/products-euro-indicators/w/2-30102024-ap.
Source: European Commission, 2025, economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/autumn-2024-economic-forecast-gradual-rebound-adverse-environment_en.
Source: BEA, 2025, www.bea.gov/data/gdp/gross-domestic-product.
Source: Bloomberg, 2025.
24 Source: Eurostat, 2026, ec.europa.eu/eurostat/statistics-explained/index.php?title=Inflation_in_the_euro_area.
25 Source: ECB, 2026, www.ecb.europa.eu/press/projections/html/ecb.projections202512_eurosystemstaff-12ead61977.en.html.
26 Source: Eurostat, 2026, ec.europa.eu/eurostat/web/products-euro-indicators/w/2-05122025-ap.
27 Source: European Commission, 2026, economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/autumn-2025-economic-forecast-shows-continued-growth-despite-challenging-environment_en.
28 Source: Statistical Office, 2025, www.stat.si/statweb/News/Index/14178.
29 Source: Bloomberg, 2026.



Economic developments in markets in which the Sava Insurance Group operates

In all the markets where the Sava Insurance Group operates, economic growth continued in 2025 according to first estimates. Based on the latest forecasts, growth is also expected in 2026 and 2027. After higher average inflation rates in 2023, inflation moderated in 2024 but strengthened again slightly in most countries in 2025. However, a gradual decline in inflation is projected over the next two years. The survey-based unemployment rate varies between countries, with most forecasts pointing to a gradual decline in the coming period.

► **Overview of the main macroeconomic indicators for the countries where the Sava Insurance Group is present**

	GDP (real growth in %)					Average rate of inflation (%)					Unemployment rate (%)				
	2023	2024	2025 estimate	2026 forecast	2027 forecast	2023	2024	2025 estimate	2026 forecast	2027 forecast	2023	2024	2025 estimate	2026 forecast	2027 forecast
Slovenia*	2.4	1.7	1.1	2.1	2.2	7.4	2.0	2.7	2.4	2.2	3.7	3.7	3.9	3.6	3.5
Croatia	3.3	3.9	3.1	2.7	2.6	8.4	4.0	4.4	2.8	2.4	6.2	5.3	5.0	5.0	5.0
Serbia	3.8	3.9	2.4	3.6	4.6	12.4	4.7	4.6	4.0	3.6	9.4	8.6	8.6	8.6	8.5
North Macedonia	2.1	2.8	3.4	3.2	3.2	9.4	3.5	3.9	3.0	2.2	13.1	13.0	12.8	12.7	12.5
Kosovo	4.1	4.6	4.0	4.0	3.9	4.9	1.6	3.5	2.7	2.1	10.9	–	–	–	–
Montenegro	6.5	3.2	3.2	3.2	3.0	8.6	3.3	4.1	2.3	2.3	–	–	–	–	–

Source: UMAR, Economic Mirror, Autumn Forecast of Economic Trends 2025 (Slovenia). IMF, World Economic Outlook, October 2025.

* Source for 2025 data: Statistical Office, 2025, www.stat.si/statweb/News/Index/14178.

Impact of the business environment on the operations of the Sava Insurance Group

The business environment had a favourable impact on the Sava Insurance Group’s operations in 2025.

The financial performance of the insurance companies and the performance of the pension and asset management companies benefited from the favourable developments in the financial markets, resulting in higher interest income, assets under management and contributions to funds.

In terms of natural catastrophes, the year 2025 was also favourable, as there were no major weather events that resulted in major gross claims or had an adverse effect on the Sava Insurance Group’s results.

Markets in which the Sava Insurance Group operates

Sava Re, the parent company of the Sava Insurance Group, transacts reinsurance business in over 120 countries worldwide. The following section contains a description of the international non-life insurance market and insurance markets in which the Sava Insurance Group operates.

Global non-life reinsurance markets³⁰

In 2025, the reinsurance sector passed the peak of the hard-market phase, as both traditional and alternative capital reached record levels, while premium growth was constrained by emerging signs of market softening. Fitch expects the competitive landscape to become even more intense, with supply increasingly outpacing demand. They therefore expect further price softening and limited easing of terms and conditions at the next renewals, although underwriting discipline is expected to remain in place.

Property catastrophe rates declined at the mid-2025 renewals, particularly in higher loss-free layers where there is still plenty of capacity. Despite

explicit demands from the insurance sector for lower retention rates, most reinsurers continued to maintain prudent attachment points and limited their exposure to frequency risks. Fitch expects pricing pressure to continue, although risk-adjusted returns are likely to remain above the cost of capital in 2026.

In the first half of 2025, the four largest European reinsurers – Munich Re, Swiss Re, Hannover Re and SCOR – reported a record average return on equity of 21.1%, supported by strong underwriting results and robust investment performance.

The average combined ratio for property and casualty of the leading European reinsurers fell to a record low of 81.5% in the first half of 2025, reflecting solid attritional performance and a low natural catastrophe loss ratio. This was further supported by previous rate increases and stable terms. Catastrophe losses were elevated globally – largely driven by the unprecedented Los Angeles wildfires – while large, globally diversified reinsurers were generally less affected than several Bermudian peers.





Insurance markets

All insurance markets in which the Sava Insurance Group is present with its companies grew in 2025. Most of the Group companies increased or maintained their market share from 2024.

► Overview of the main indicators of the trends in the insurance markets in which the Sava Insurance Group is present through companies

	Growth/decline in premiums (%)				Premiums, per capita (EUR)				Premiums/GDP (%)			
	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025
Slovenia ^{* 31}	7.0%	13.0%	10.7%	5.6%	858.7	970.2	1,070.3	1,130.0	3.2%	3.2%	3.4%	3.4%
Croatia ^{** 32}	7.0%	6.4%	12.0%	8.2%	402.3	414.6	463.4	503.0	2.3%	2.0%	2.1%	2.1%
Serbia ^{*** 33}	12.4%	16.0%	14.4%	8.4%	167.9	201.4	229.8	251.4	1.9%	1.9%	1.9%	1.9%
North Macedonia ^{*** 34}	10.0%	12.3%	11.2%	13.3%	113.5	127.7	142.3	162.3	1.6%	1.6%	1.7%	1.8%
Kosovo ³⁵	14.2%	9.2%	14.7%	6.6%	76.1	91.4	105.9	113.5	1.5%	1.5%	1.6%	1.6%
Montenegro ³⁶	9.6%	10.3%	12.3%	10.5%	173.6	191.6	215.2	237.7	1.8%	1.7%	1.8%	1.8%

* The premiums in the Slovenian market (excluding the branches of Zavarovalnica Sava and Generali in Croatia and FoS business), summarised based on the data of the Slovenian Insurance Association, exclude supplementary health insurance and contributions to pension funds and pension annuities.

** For 2023, 2024 and 2025, data on gross premiums written are no longer available, so premiums paid are shown. For the premium growth in 2023/2022, the premiums paid in 2022 are also taken into account for comparability. Premiums shown are premiums in the Croatian market (excluding Euroherc branches in Austria and Italy, and FoS business).

*** The 2025 estimate is based on premium growth in the first nine months of 2025.

31 Source of premium data: Slovenian Insurance Association; source for GDP: UMAR, Economic Mirror, no. 1/26; source for population: Statistical Office of the Republic of Slovenia.

32 Source of premium data: Croatian Insurance Bureau; source for GDP and population 2022–2024: Croatian National Bank, 2025: International Monetary Fund.

33 Source of premium data: National Bank of Serbia; source for GDP and population: Statistical Office of the Republic of Serbia; GDP 2025: International Monetary Fund.

34 Source of premium data: Insurance Supervision Agency, North Macedonia; source for GDP 2022–2024: National Bank of the Republic of North Macedonia; source for GDP 2025: International Monetary Fund; source for population: State Statistical Office, North Macedonia.

35 Source of premium data: Central Bank of the Republic of Kosovo; source for GDP 2022–2024 and population: Kosovo Agency of Statistics; source for GDP 2025: International Monetary Fund.

36 Source of premium data: Insurance Supervision Agency, Montenegro; source for GDP 2022–2024 and population: Statistical Office, Montenegro; source for GDP 2024: International Monetary Fund.

Slovenia

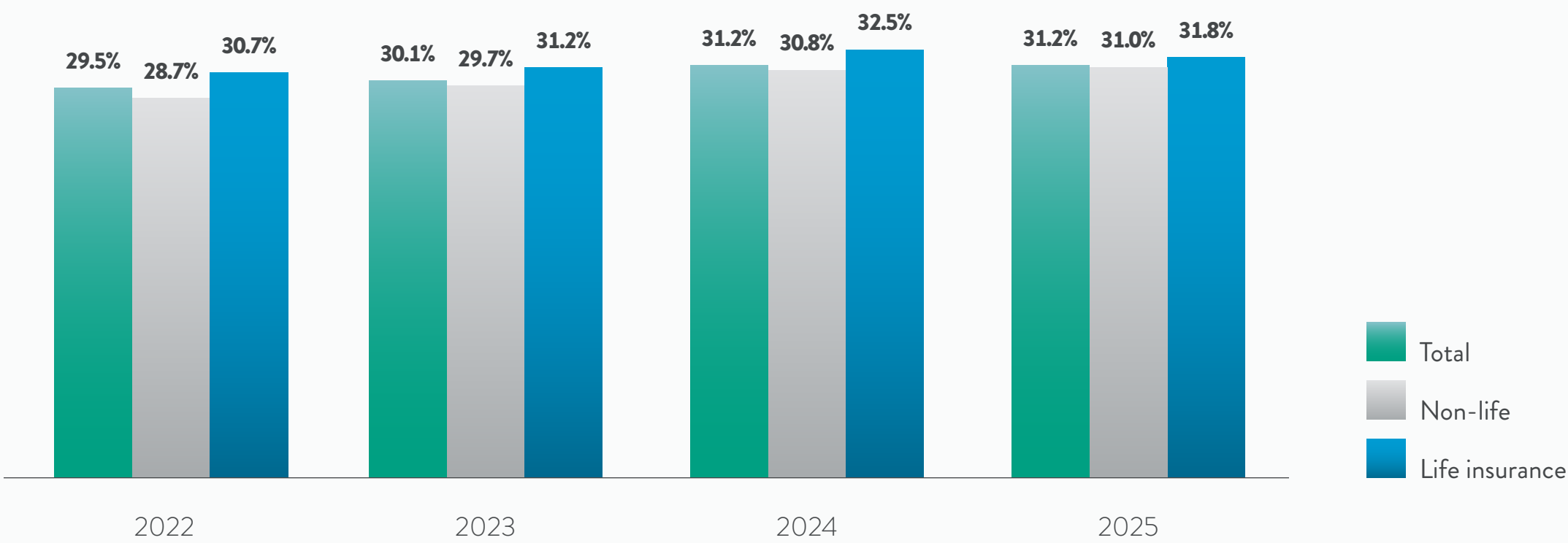
Based on data published by the Slovenian Insurance Association (SIA), in 2025 the Slovenian insurance market consisted of 11 domestic insurance companies, 5 foreign branches and 2 reinsurance companies³⁷. In 2025, the non-life insurance business accounted for 74.3% of total insurance premiums, and the life insurance business for 25.7%. In 2025, gross premiums written in the Slovenian insurance market grew by 5.6% (non-life premiums by 5.1% and life premiums by 7.2%). The Sava Insurance Group

operates in the market with two insurance companies, Zavarovalnica Sava and Zavarovalnica Vita. Together, the two insurers ranked second among Slovenian insurers in 2025, with a combined market share of 31.2%.

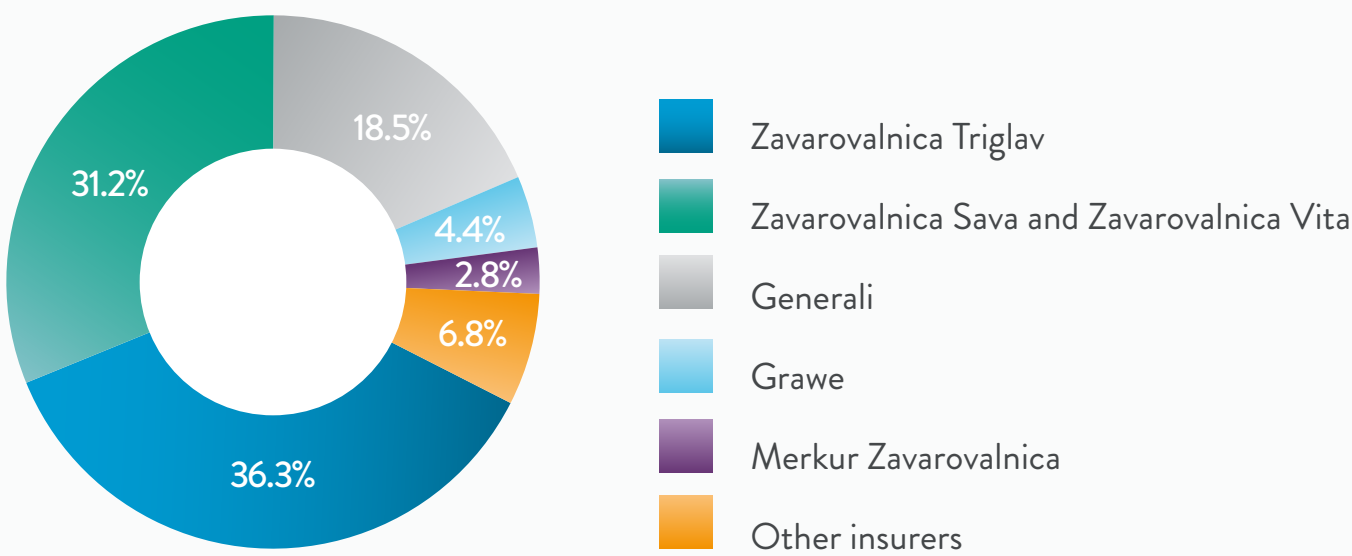
Two reinsurance companies are domiciled in Slovenia, and both are members of the Slovenian Insurance Association. The following table shows the market shares of the two reinsurance companies in the Slovenian market.

EUR	2025		2024	
	Gross premiums written	Market share	Gross premiums written	Market share
Sava Re	267,162,161	42.6%	231,825,343	40.3%
Triglav Re	359,796,478	57.4%	346,672,890	59.7%
Total	626,958,639	100.0%	578,498,233	100.0%

► Market shares of Zavarovalnica Sava and Zavarovalnica Vita*



► Slovenia: insurance market shares 2025*



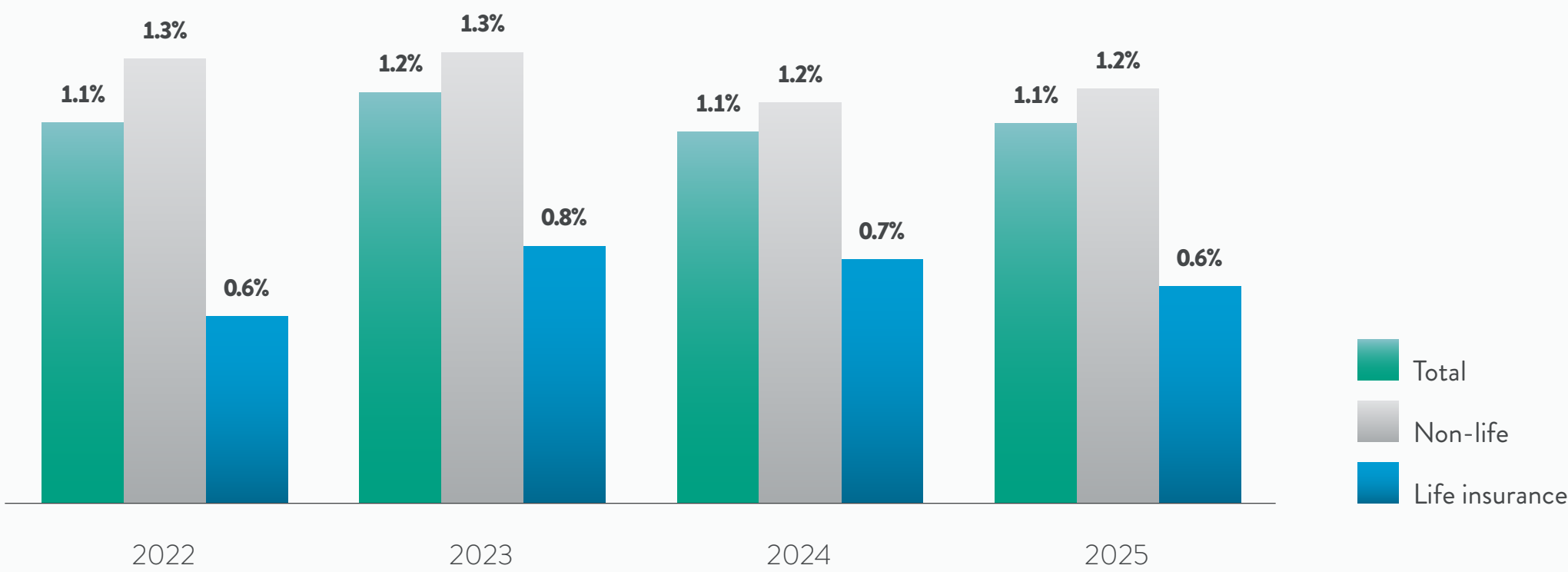
* The premiums in the Slovenian market (excluding the branches of Zavarovalnica Sava and Generali in Croatia and FoS business) exclude supplementary health insurance and contributions to pension funds and pension annuities.

37 The data are based on information provided by SIA, which receives data from its members. Not all branches and foreign insurers need to be members of SIA.

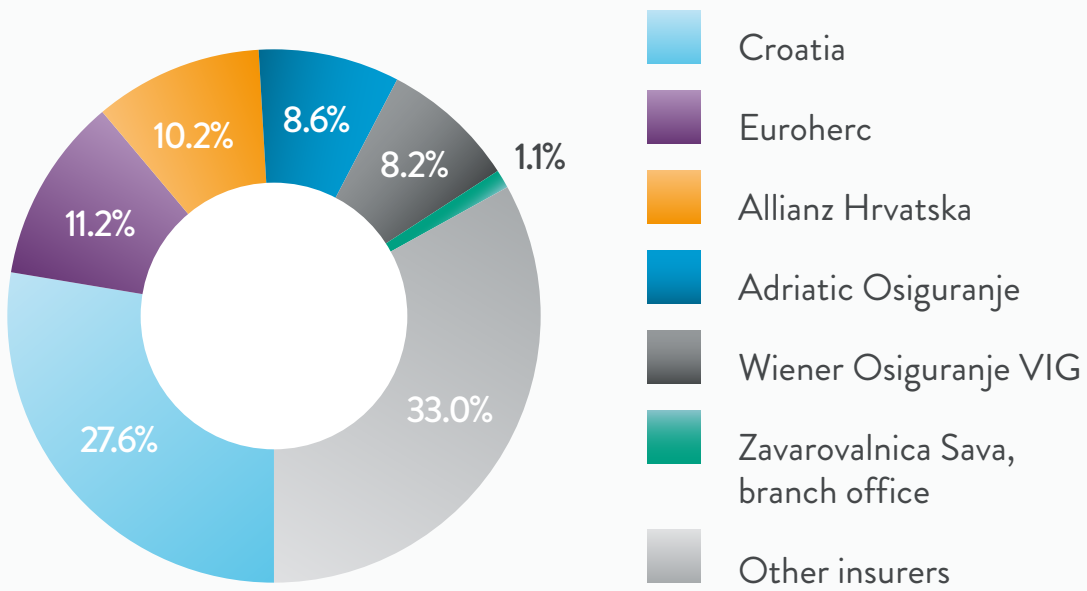
Croatia

At the end of 2025, the Croatian insurance market consisted of 14 domestic insurers and 2 foreign branches. In 2025, the non-life insurance business accounted for 82.7% of total insurance premiums, and the life insurance business for 17.3%. In 2025, premiums paid (data on gross premiums written are no longer compiled by the insurance bureau as of 2023) in the Croatian insurance market grew by 8.2% (non-life premiums grew by 10.1%, and life premiums declined by 0.1%). The Sava Insurance Group operates in the market through a branch of Zavarovalnica Sava, which sells non-life and life insurance in Croatia. In 2025, it ranked 14th by market share among all companies operating in the Croatian insurance market, holding a 1.1% share.

► Market shares of Zavarovalnica Sava – branch office*



► Croatia: insurance market shares 2025*

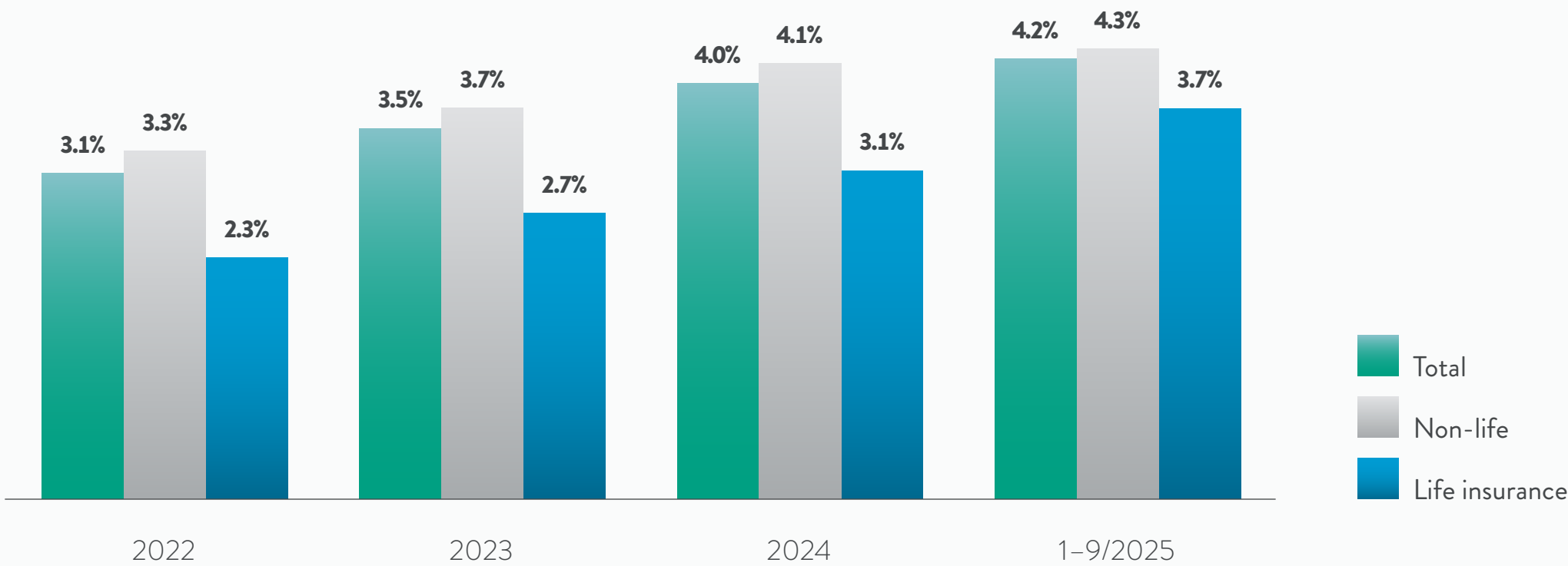


* For 2023, 2024 and 2025, data on gross premiums written are no longer available, so premiums paid are presented instead. Premiums on the Croatian market are shown (excluding branches of Croatian insurance companies abroad and FOS business).

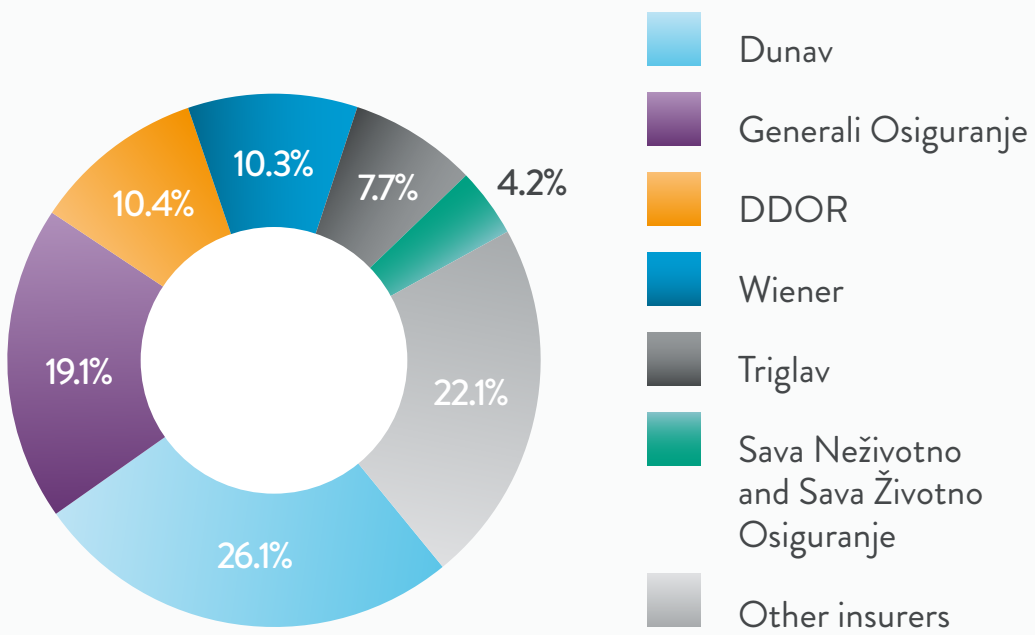
Serbia

The Serbian insurance market in 2025 consisted of 16 insurance companies. The non-life insurance business accounted for 83.3% of total insurance premiums in the first nine months of 2025, and the life insurance business for 16.7%. In the first nine months of 2025, gross premiums written in the Serbian insurance market grew by 8.4% (non-life premiums by 9.9% and life premiums by 2.2%). The Sava Insurance Group is present in the market through the non-life insurance company Sava Neživotno Osiguranje (SRB) and the life insurance company Sava Životno Osiguranje (SRB). Together, the two insurers ranked 7th among all insurers in the market in the first nine months of 2025, with a market share of 4.2%.

► Market shares of Sava Neživotno Osiguranje (SRB) and Sava Životno Osiguranje (SRB)



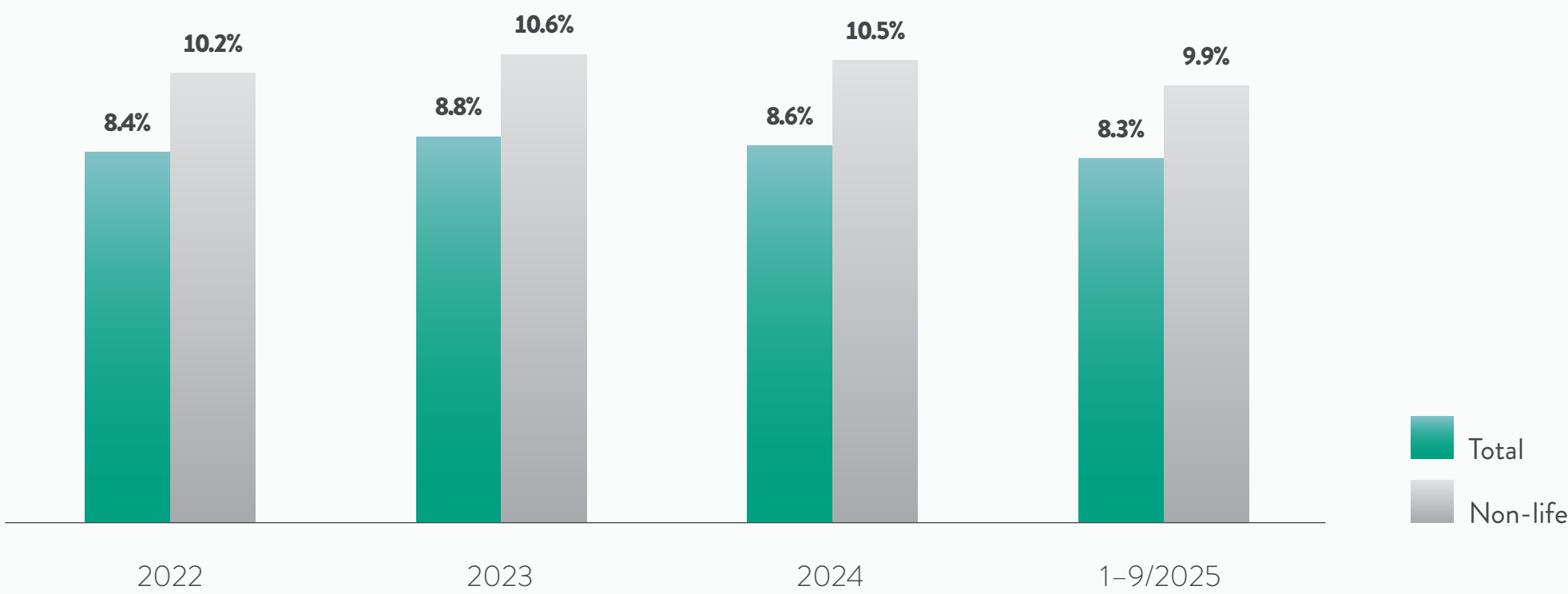
► Serbia: insurance market shares 1-9/2025



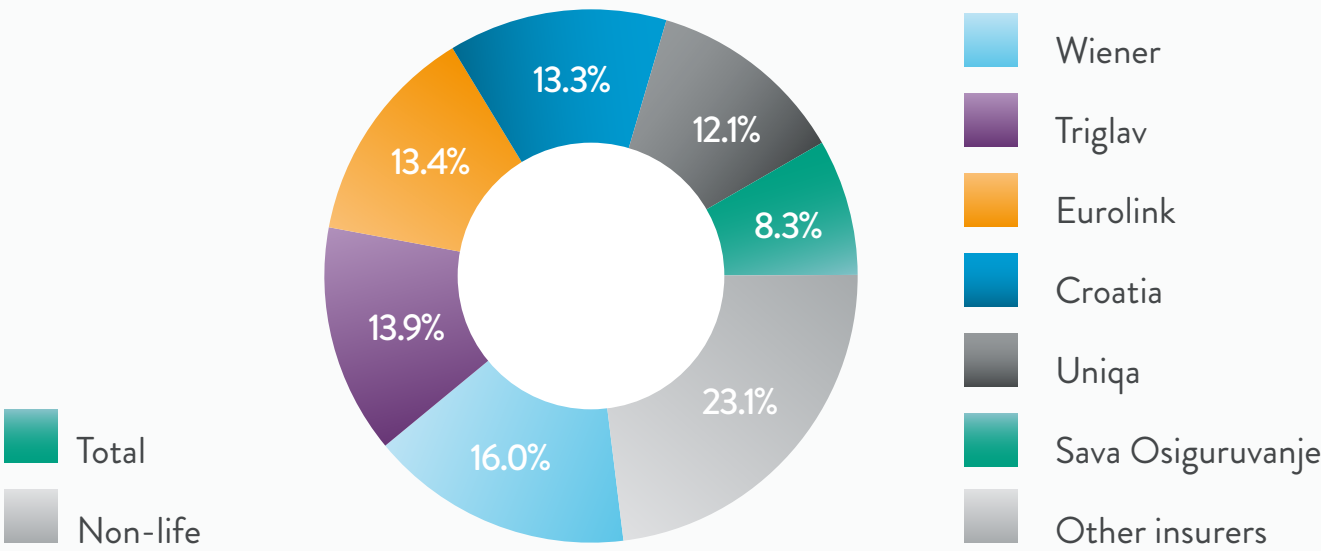
North Macedonia

The North Macedonian insurance market in 2025 consisted of 17 insurance companies. The non-life insurance business accounted for 83.5% of total insurance premiums in the first nine months of 2025, and the life insurance business for 16.5%. In the first nine months of 2025, gross premiums written in the North Macedonian insurance market grew by 13.3% (non-life premiums by 13.8% and life premiums by 10.6%). The Sava Insurance Group is present in the market through its non-life insurance company Sava Osiguruvanje (MKD), which ranked 6th among all insurers on the market in the first nine months of 2025, with a market share of 8.3%.

► Market shares of Sava Osiguruvanje (MKD)



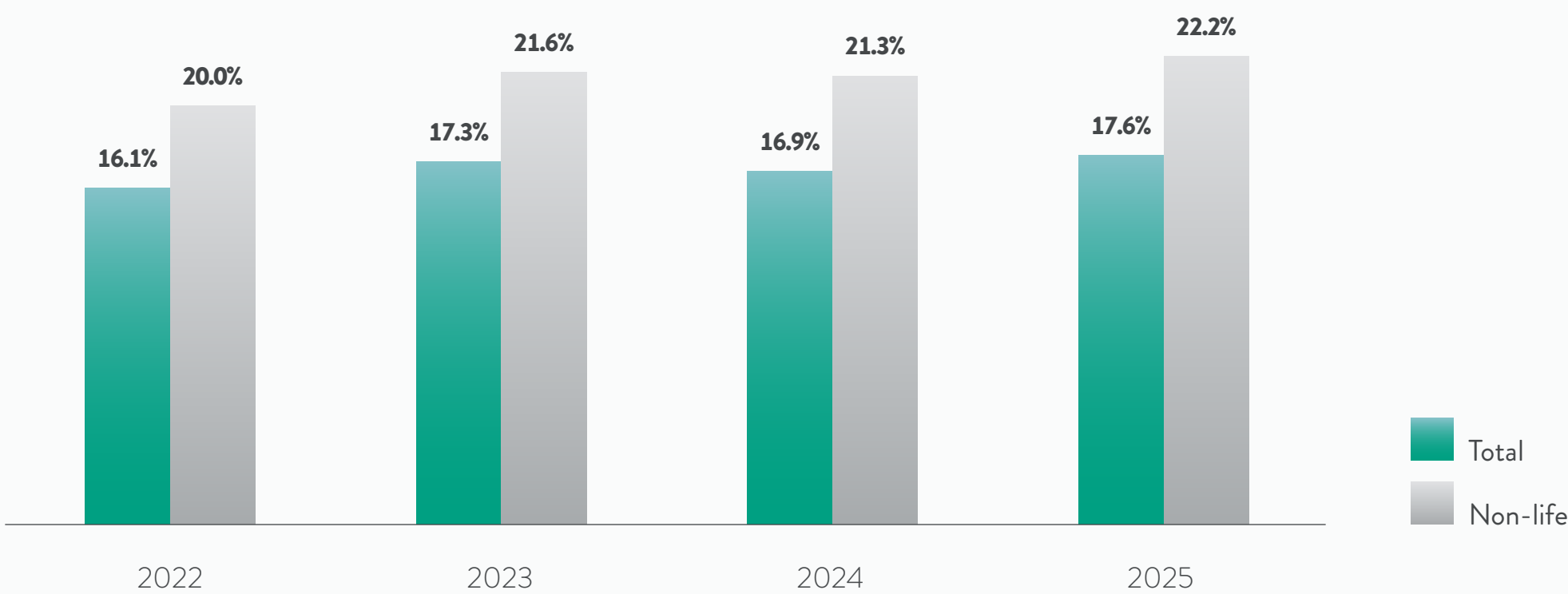
► North Macedonia: insurance market shares 1-9/2025



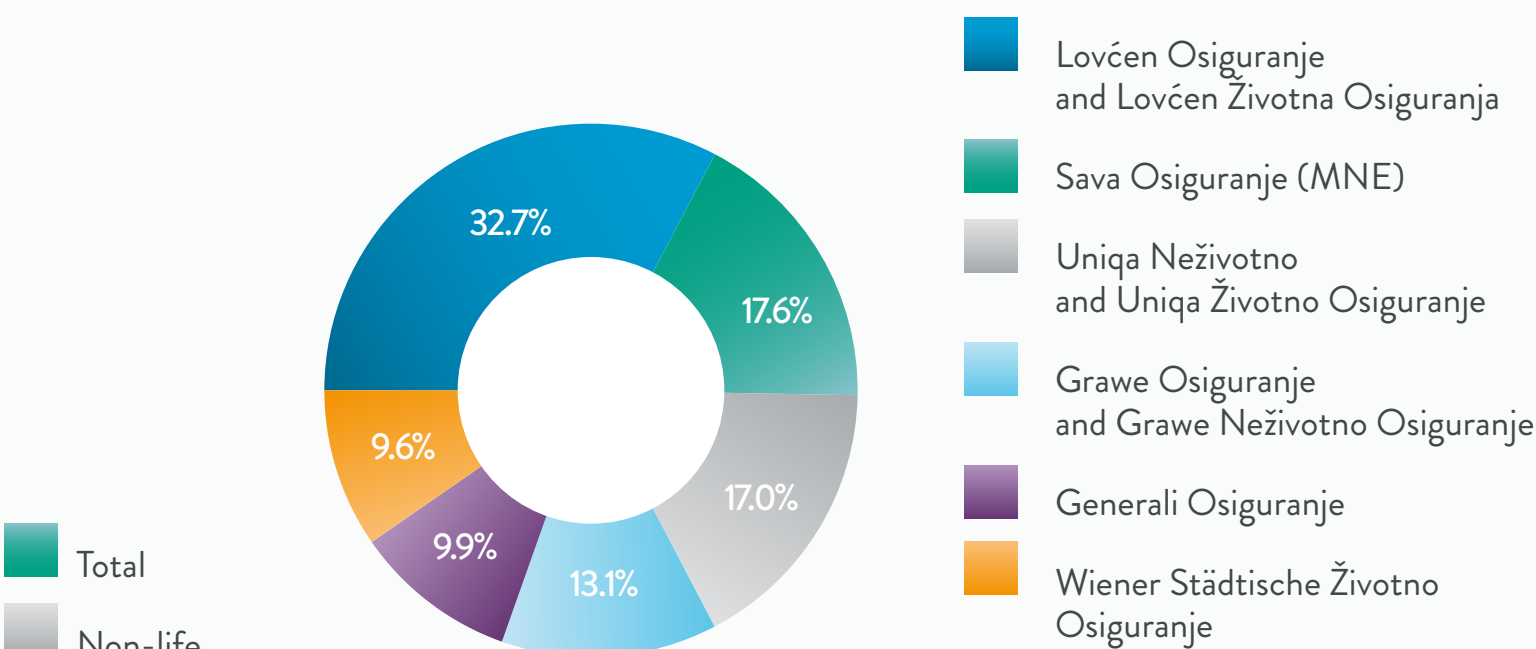
Montenegro

The Montenegrin insurance market consisted of 9 insurance companies in 2025. In 2025, the non-life insurance business accounted for 79.1% of total insurance premiums, and the life insurance business for 20.9%. In 2025, gross premiums written in the Montenegrin insurance market grew by 10.5% (non-life premiums by 10.3% and life premiums by 11.3%). The Sava Insurance Group is present in the market through the non-life insurance company Sava Osiguranje (MNE), which ranked second among all insurers in the market in 2025, with a market share of 17.6%.

► Market shares of Sava Osiguranje (MNE)



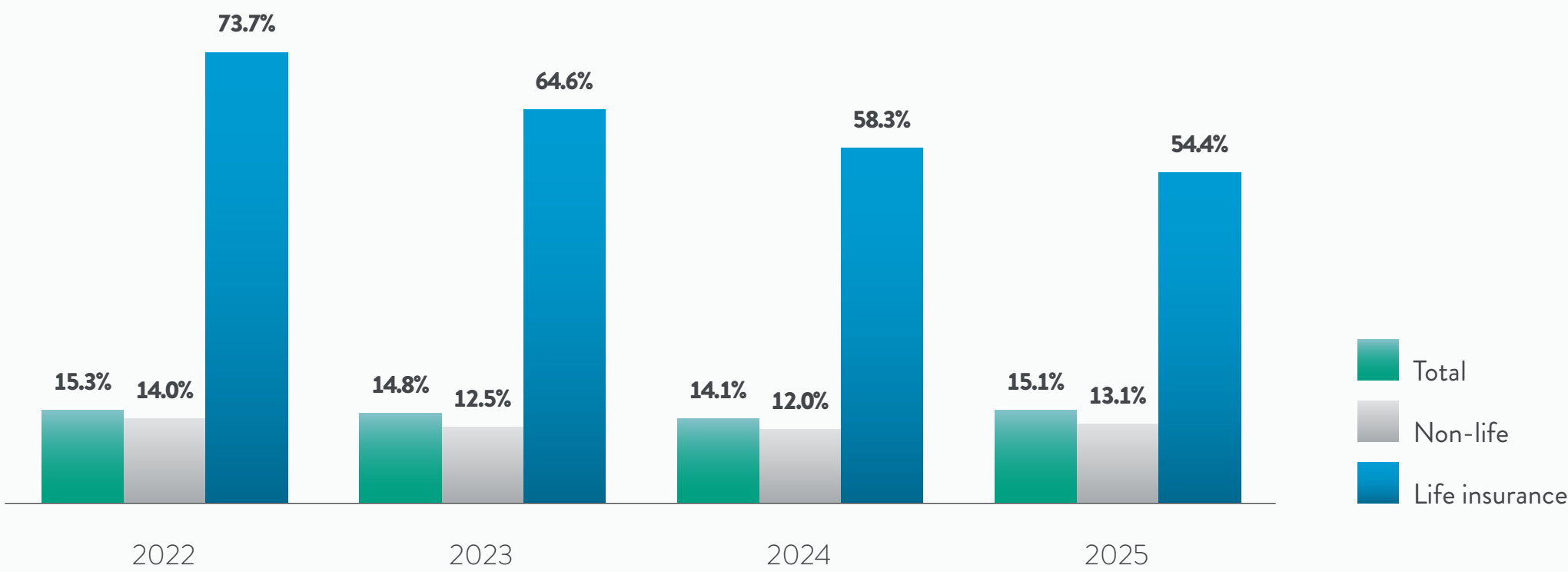
► Montenegro: insurance market shares 2025



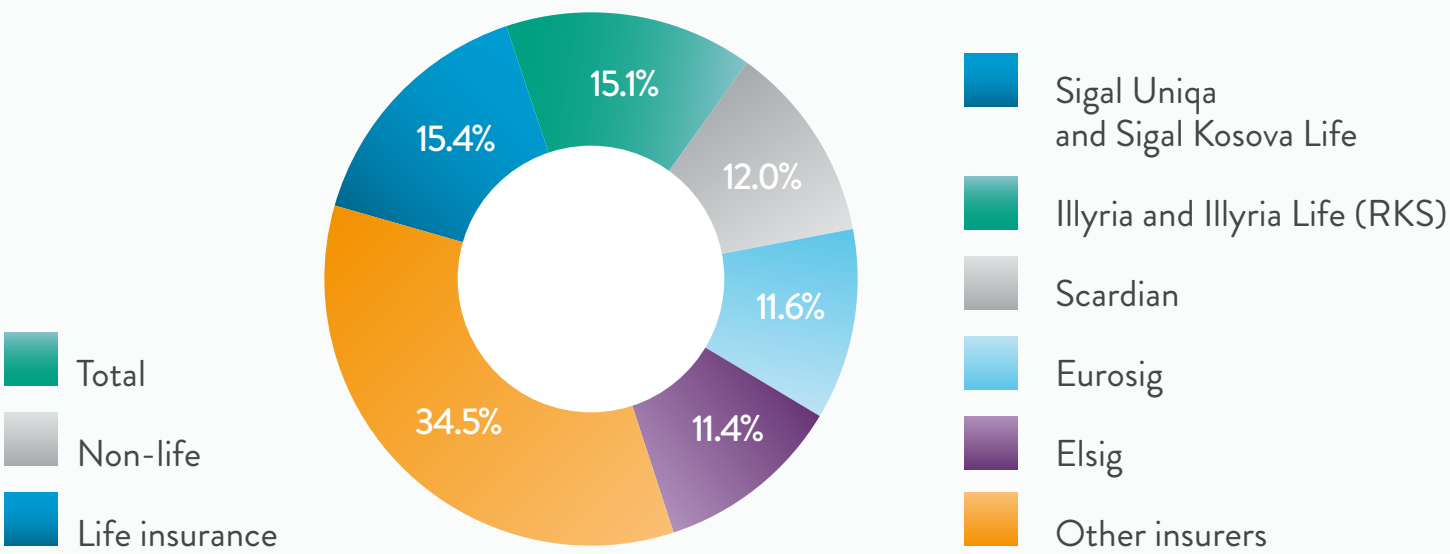
Kosovo

In 2025, the Kosovo insurance market consisted of 12 insurance companies. In 2025, the non-life insurance business accounted for 95.3% of total insurance premiums, and the life insurance business for 4.7%. In 2025, gross premiums written in the Kosovo insurance market grew by 6.6% (non-life premiums by 6.4% and life premiums by 10.5%). The Sava Insurance Group is present in the market through the non-life insurance company Illyria (RKS) and the life insurance company Illyria Life (RKS). Together, the two insurers ranked second in the market in 2025, with a combined market share of 15.1%.

► Market shares of Illyria (RKS) and Illyria Life (RKS)



► Kosovo: insurance market shares 2025



8 Review of operations of the Sava Insurance Group and Sava Re³⁸

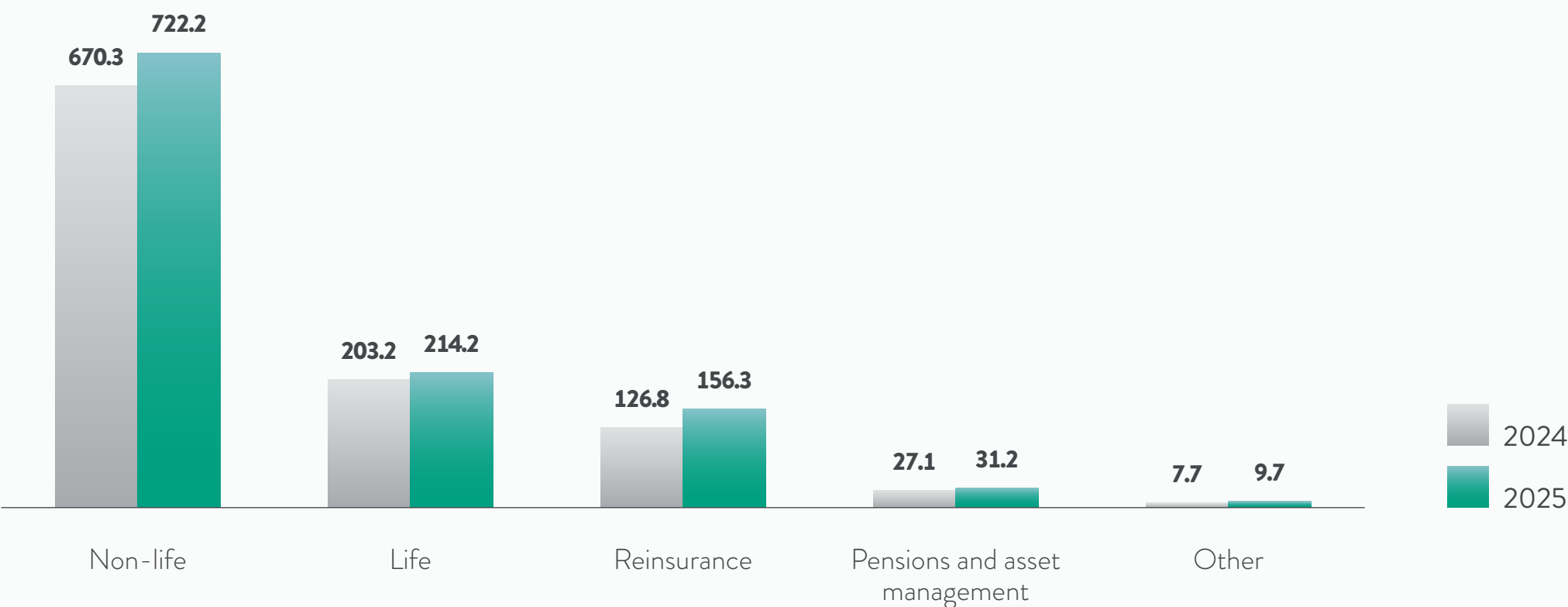
8.1 Sava Insurance Group

8.1.1 Business volume

In 2025, the business volume totalled EUR 1,133.6 million, marking a 9.5% increase on the previous year. Growth in gross premiums in non-life insurance and reinsurance was the main contributor to this increase. This result reflects growth in the number of insurance and reinsurance contracts, the impact of higher average non-life insurance premiums and the additional contribution of new opportunities pursued in the reinsurance market.

EUR	2025	2024	Change	Index
Business volume	1,133,637,585	1,035,134,973	98,502,612	109.5

► Business volume by operating segment (€m)



Gross premiums written amounted to EUR 1,096.4 million, representing an increase of 9.2% in 2025.

► Gross premiums written by class of insurance

EUR	2025		2024	
	EUR	As % of total	EUR	As % of total
Property	267,344,368	24.4%	224,062,435	22.3%
Land motor vehicles	243,574,235	22.2%	227,720,163	22.7%
Motor vehicle liability	202,222,765	18.4%	192,515,726	19.2%
Accident, health and assistance	109,911,501	10.0%	101,806,249	10.1%
General liability	30,181,166	2.8%	29,976,344	3.0%
Marine, suretyship and goods in transit	17,684,101	1.6%	19,476,289	1.9%
Other insurance	7,417,321	0.7%	1,324,099	0.1%
Total non-life insurance	878,335,456	80.1%	796,881,307	79.4%
Unit-linked life	145,597,830	13.3%	135,877,673	13.5%
Traditional life	72,423,537	6.6%	71,016,062	7.1%
Total life	218,021,367	19.9%	206,893,735	20.6%
Total	1,096,356,823	100.0%	1,003,775,042	100.0%

38 A glossary of selected insurance terms and calculation methods for ratios is appended to this report.



8.1.2 Income statement

► Summary consolidated income statement

EUR	2025	2024	Change	Index
Insurance revenue	893,614,261	801,213,638	92,400,623	111.5
Insurance service expenses	-737,013,426	-690,671,227	-46,342,199	106.7
Claims incurred	-463,526,422	-448,607,197	-14,919,226	103.3
Operating expenses, including non-attributable expenses	-271,977,739	-243,258,481	-28,719,258	111.8
Onerous contracts	-1,509,265	1,194,450	-2,703,715	–
Result before reinsurance	156,600,834	110,542,410	46,058,424	141.7
Reinsurance result	-38,056,178	-30,254,180	-7,801,998	125.8
Insurance result	118,544,656	80,288,230	38,256,426	147.6
Investment result	36,750,700	38,469,381	-1,718,681	95.5
Net insurance finance result	-15,347,622	-13,581,379	-1,766,243	113.0
Expenses from financial liabilities	-6,019,488	-3,969,473	-2,050,015	151.6
Net foreign exchange losses	-881,879	-611,940	-269,939	144.1
Finance result	14,501,711	20,306,589	-5,804,878	71.4
Non-insurance revenue	36,859,582	31,359,931	5,499,651	117.5
Other costs	-32,797,183	-28,601,873	-4,195,310	114.7
Other net income	6,858,970	6,449,524	409,446	106.3
Profit before tax	143,967,736	109,802,399	34,165,336	131.1
Income tax expense	-29,915,137	-21,955,857	-7,959,279	136.3
Net profit for the period	114,052,599	87,846,542	26,206,057	129.8

	2025	2024	Change
Combined ratio	87.4%	91.3%	-3.9 pp
Loss ratio	59.5%	63.2%	-3.7 pp
Expense ratio	27.9%	28.1%	-0.2 pp
Return on investment portfolio	2.1%	2.5%	-0.4 pp
Return on equity	15.9%	13.6%	+2.3 pp

Insurance service result

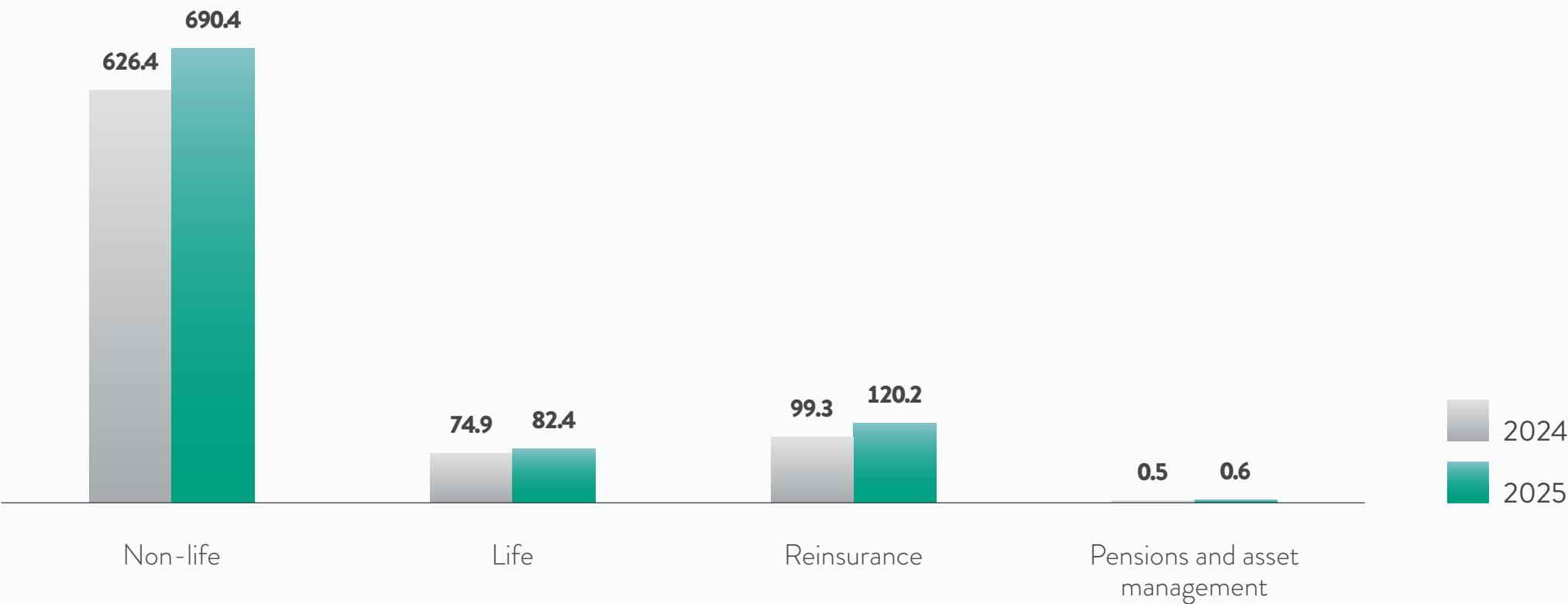
The **insurance result** amounted to EUR 118.5 million, an increase of 47.6%, due to revenue growth resulting from increased business volume and very favourable claims experience. For the Sava Insurance Group, 2025 was a favourable year in terms of severe weather events, with an impact on the Group’s result that was EUR 26.6 million

lower than in 2024. The Group also recorded less in other major man-made claims. Consequently, the **result before reinsurance** increased by as much as 41.7%. However, the **reinsurance result** decreased because of the higher cost of reinsurance, resulting from portfolio growth, broader coverage and premium rate increases.



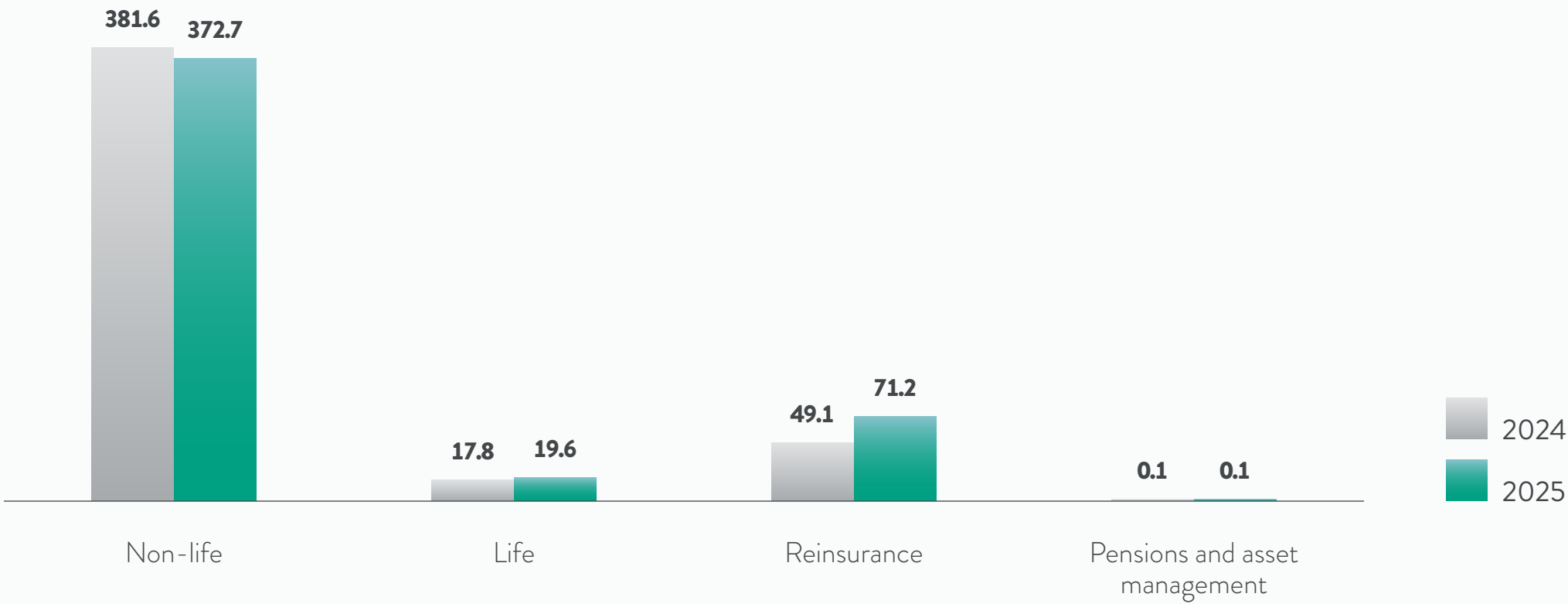
Insurance revenue totalled EUR 893.6 million, an increase of 11.5%, due to growth in premiums. This growth was primarily driven by growth in non-life insurance and reinsurance. Insurance revenue grew across all segments.

► Insurance revenue by segment (€m)



Incurred claims totalled EUR 463.5 million, representing only a slight increase on the previous year. In the non-life segment, incurred claims decreased due to more favourable claims experience, particularly in relation to natural catastrophes and other major claims.

► Claims incurred by segment (€m)

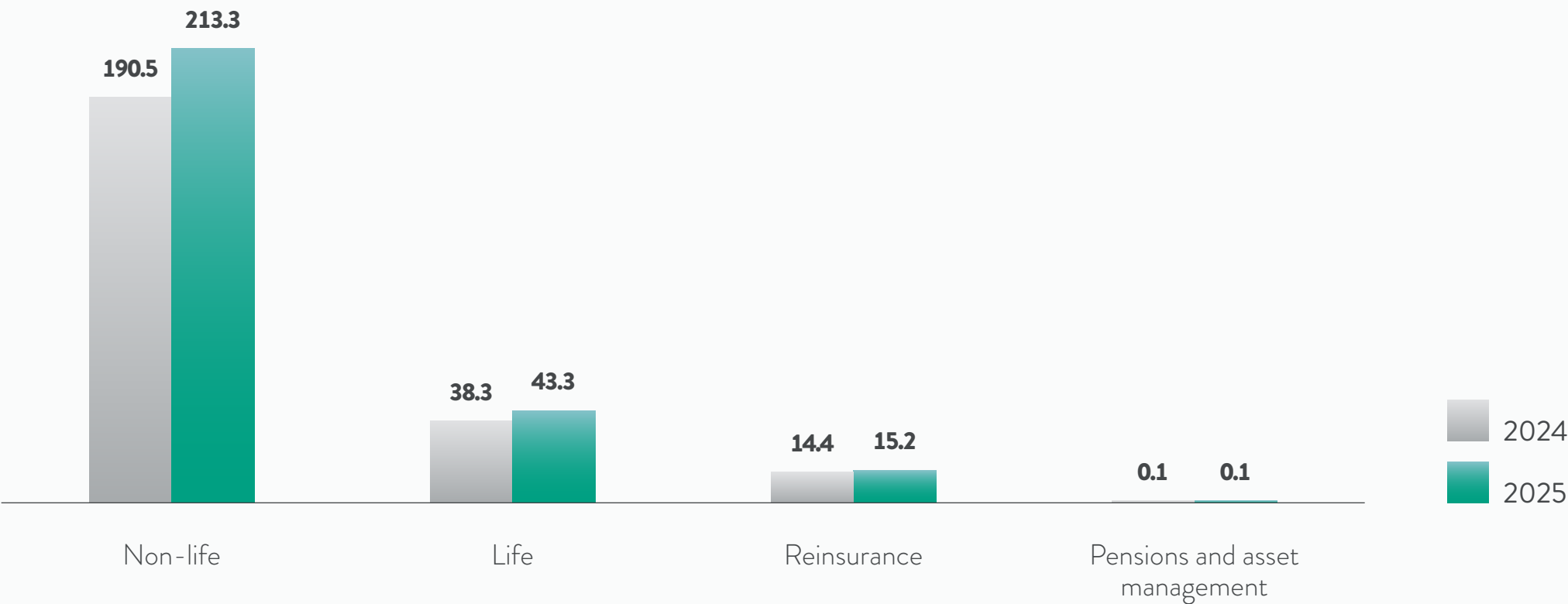


► Claims incurred by class of business

EUR	2025		2024	
	Amount	As % of total	Amount	As % of total
Land motor vehicles	144,669,635	31.2%	146,125,408	32.6%
Property	124,893,693	26.9%	114,046,949	25.4%
Motor vehicle liability	110,847,977	23.9%	105,046,076	23.4%
Accident, health and assistance	52,582,262	11.3%	50,938,979	11.4%
General liability	10,012,187	2.2%	8,135,739	1.8%
Other insurance	827,970	0.2%	6,446,936	1.4%
Total non-life	443,833,724	95.8%	430,740,087	96.0%
Total life	19,692,699	4.2%	17,867,109	4.0%
Total	463,526,423	100.0%	448,607,196	100.0%

Operating expenses amounted to EUR 272.0 million, up 11.8%. Acquisition costs increased due to higher sales, as did other expenses. This was primarily due to a higher business volume, and investments in employee development and remuneration, as well as in the development and security of information technology.

► **Operating expenses by segment (€m)**



Finance result and investment return

EUR	2025	2024	Change	Index
Investment result	36,750,700	38,469,381	-1,718,681	95.5
Net insurance finance result	-15,347,622	-13,581,379	-1,766,243	113.0
Expenses from financial liabilities	-6,019,488	-3,969,473	-2,050,015	151.6
Net foreign exchange losses	-881,879	-611,940	-269,939	144.1
Finance result	14,501,711	20,306,589	-5,804,878	71.4
Return on investment portfolio	2.1%	2.5%	-0.4 pp	–

The **finance result** amounted to EUR 14.5 million, which was 28.6% lower than in 2024. The main contributor to this result was higher **finance expenses**, arising from interest on the subordinated bonds issued in the second half of 2024. The **insurance finance result** also declined due to increased expenses linked to the larger insurance portfolio and movements in interest rates. The investment portfolio grew in line with the expansion of the insurance portfolio, resulting in higher interest income. However, the **investment result** weakened, primarily due to one-off impacts from investments. The **return on the investment portfolio** was 2.1%.

► **Investment portfolio income, expenses, net investment income and return**

EUR	2025	2024	Change	Index
Net investment income on investment portfolio	36,750,700	38,469,380	-1,718,680	95.5
Interest income	32,030,043	27,548,736	4,481,307	116.3
Change in fair value of FVTPL investments	3,988,782	3,517,065	471,718	113.4
Dividends from equity investments and income from alternative funds	2,718,953	3,979,998	-1,261,044	68.3
Income from associate companies	937,540	1,781,075	-843,535	52.6
Other investment income or expenses	-2,924,618	1,642,507	-4,567,125	-178.1
Return on investment portfolio	2.1%	2.5%	-0.4 pp	–

Other income and expenses

Non-insurance revenue totalled EUR 36.9 million, marking a 17.5% increase. The bulk of this revenue relates to asset management (EUR 27.5 million), which increased by EUR 3.9 million due to the growth in assets under management resulting from high net inflows and returns generated by the funds. Other income (EUR 9.3 million) relates mainly to assistance services, which increased by EUR 1.4 million owing to the greater business volume.

With the growth in non-insurance revenue, the costs of these activities also increased, amounting to EUR 32.8 million. However, their growth (14.7%) lagged behind the growth in revenue.

Other net income totalled EUR 6.9 million, up 6.3%, primarily as a result of one-off expenses in 2024.

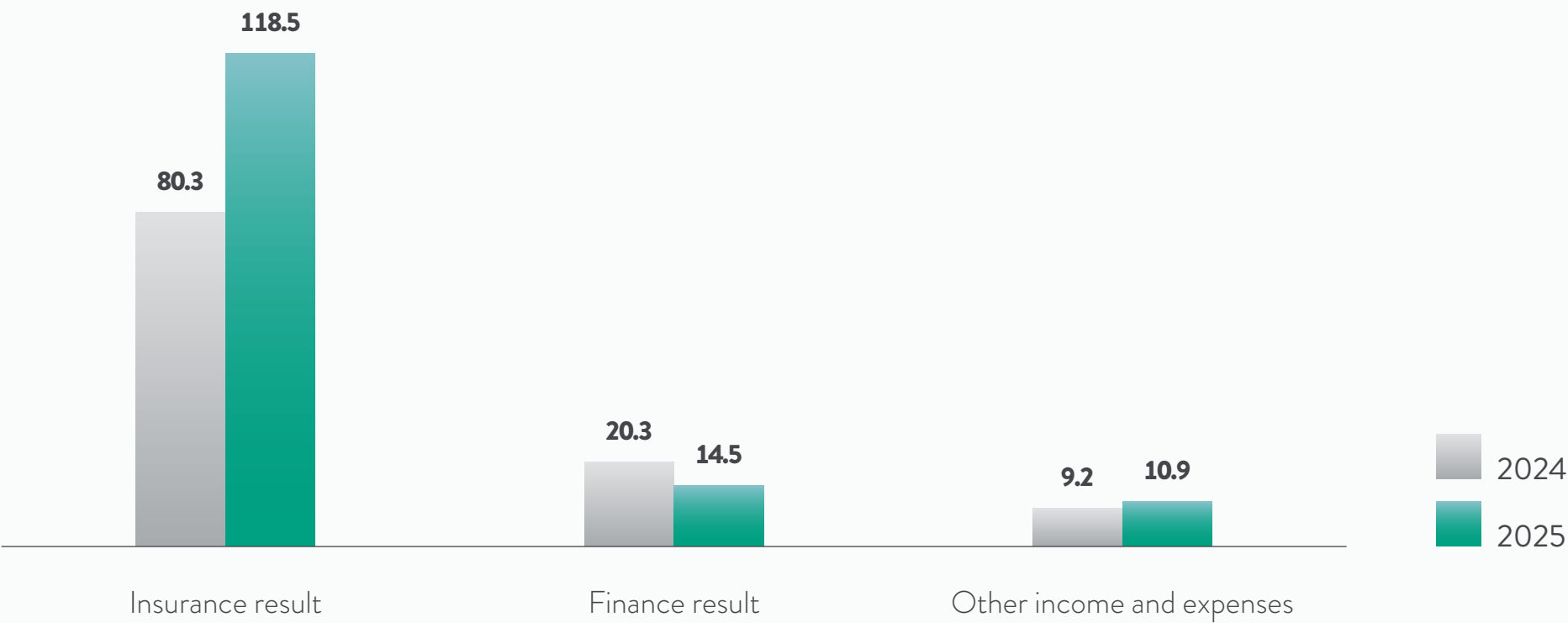
Profit for the period

Profit before tax stood at EUR 144.0 million, up 31.1%. This was primarily due to the aforementioned improvement in the insurance result. Most operating segments ended 2025 with a higher profit before tax than in 2024.

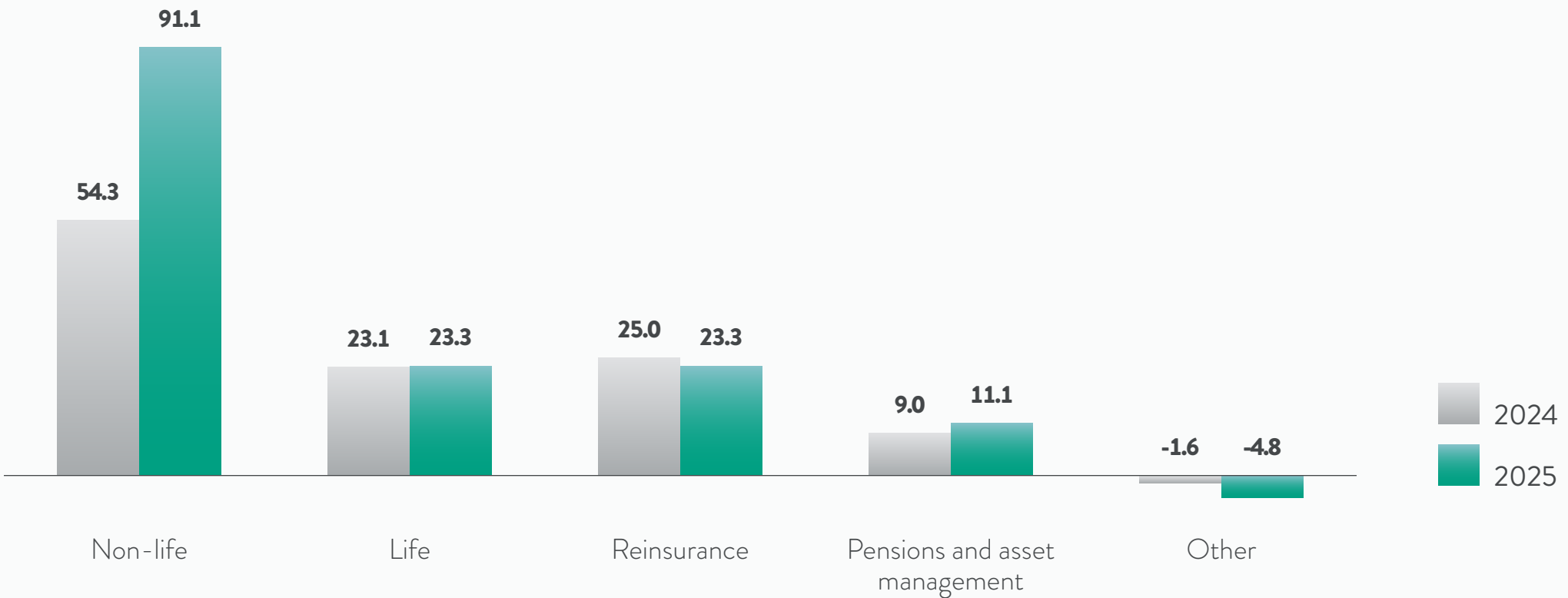
In line with growth in profit before tax, the **net profit for the period** also increased, by 29.8% to EUR 114.1 million.

As a result, the **return on equity** was higher, at 15.9%.

► Composition of profit or loss before tax (€m)



► Composition of profit or loss before tax by segment (€m)



Combined ratio

	2025	2024	Change
Combined ratio	87.4%	91.3%	-3.9 pp
Loss ratio	59.5%	63.2%	-3.7 pp
Expense ratio	27.9%	28.1%	-0.2 pp

The **combined ratio** improved, mainly due to a better **loss ratio** resulting from more favourable loss experience and revenue growth. As the growth in expenses lagged behind revenue growth, the **expense ratio** also improved.

8.1.2.1 Non-life segment

EUR	2025	2024	Change	Index
Gross premiums written	722,202,696	670,272,401	51,930,294	107.7
EU	589,696,473	554,954,482	34,741,991	106.3
Non-EU	132,506,222	115,317,919	17,188,303	114.9
Insurance service result	75,769,654	38,625,266	37,144,388	196.2
EU	68,528,822	37,042,713	31,486,109	185.0
Non-EU	7,240,832	1,582,553	5,658,279	457.5
Finance result	12,589,874	13,885,754	-1,295,880	90.7
EU	9,239,215	10,466,402	-1,227,187	88.3
Non-EU	3,350,659	3,419,352	-68,693	98.0
Other net income	2,784,789	1,821,631	963,158	152.9
EU	1,395,820	708,309	687,511	197.1
Non-EU	1,388,969	1,113,322	275,647	124.8
Profit or loss before tax	91,144,317	54,332,651	36,811,666	167.8
EU	79,163,857	48,217,424	30,946,433	164.2
Non-EU	11,980,460	6,115,227	5,865,233	195.9
Combined ratio	88.6%	93.5%	-4.9 pp	–
EU	87.8%	92.8%	-4.9 pp	–
Non-EU	92.6%	97.4%	-4.9 pp	–
Loss ratio	58.1%	63.4%	-5.3 pp	–
EU	59.0%	64.2%	-5.1 pp	–
Non-EU	53.7%	59.6%	-5.9 pp	–
Expense ratio	30.5%	30.1%	+0.4 pp	–
EU	28.8%	28.6%	+0.2 pp	–
Non-EU	38.9%	37.8%	+1.1 pp	–

Gross premiums
written
+7.7%

Combined ratio
improves by
4.9 pp





Gross premiums written

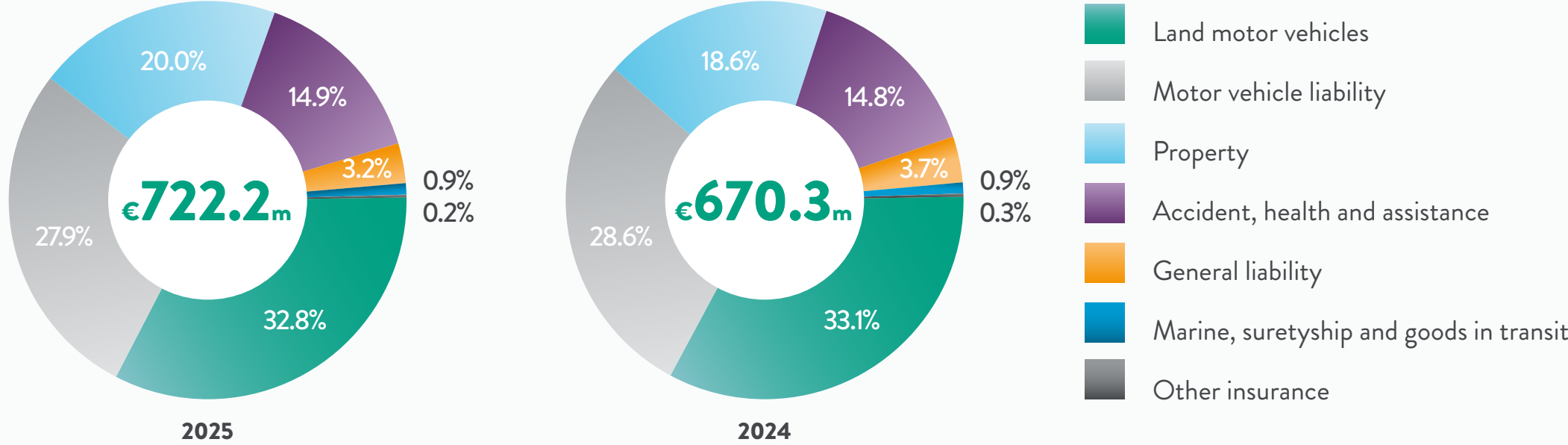
Non-life **gross written premiums** grew by 7.7% to EUR 722.2 million. All the markets recorded growth, with the EU markets advancing by 6.3% and the non-EU markets by 14.9%. Motor insurance and property insurance had the greatest impact on premium growth in the EU markets. Motor insurance saw the most growth in the personal segment. Property insurance grew in both the commercial and personal segments. This growth was achieved through an increase in the number of policies sold and higher average premiums. In the non-EU markets, motor insurance contributed the most to premium growth. The growth was driven by a higher number of insurance policies and partly also by higher average premiums. The increase in property premiums was due to increased sales of policies through new channels.

In terms of the composition of gross premiums by class of insurance, the share of property insurance increased in 2025 compared to 2024, whereas the share of motor insurance decreased.

► Gross premiums written – non-life

EUR	2025	2024	Change	Index
Slovenia	569,698,870	537,406,812	32,292,058	106.0
Croatia	19,997,604	17,547,670	2,449,933	114.0
EU	589,696,473	554,954,482	34,741,991	106.3
Serbia	59,776,087	51,139,979	8,636,108	116.9
North Macedonia	24,227,120	22,252,116	1,975,004	108.9
Montenegro	26,090,339	22,648,329	3,442,010	115.2
Kosovo	22,412,675	19,277,495	3,135,181	116.3
Non-EU	132,506,222	115,317,919	17,188,303	114.9
Total non-life insurance	722,202,696	670,272,401	51,930,294	107.7

► Gross non-life insurance premiums by class of business



Insurance service result

EUR	2025	2024	Change	Index
Insurance revenue	690,430,630	626,422,279	64,008,351	110.2
EU	574,428,950	522,286,220	52,142,731	110.0
Non-EU	116,001,680	104,136,059	11,865,621	111.4
Insurance service expenses	-587,064,677	-569,888,724	-17,175,953	103.0
Claims incurred	-372,670,098	-381,608,294	8,938,196	97.7
EU	-316,592,958	-323,385,553	6,792,595	97.9
Non-EU	-56,077,140	-58,222,741	2,145,601	96.3
Operating expenses, including non-attributable expenses	-213,259,777	-190,503,131	-22,756,646	111.9
EU	-166,736,310	-149,982,078	-16,754,232	111.2
Non-EU	-46,523,466	-40,521,053	-6,002,414	114.8
Onerous contracts	-1,134,803	2,222,701	-3,357,503	-51.1
EU	-1,229,315	2,357,143	-3,586,458	-52.2
Non-EU	94,512	-134,443	228,955	-70.3
Result before reinsurance	103,365,953	56,533,555	46,832,398	182.8
EU	89,870,367	51,275,732	38,594,635	175.3
Non-EU	13,495,586	5,257,823	8,237,763	256.7
Reinsurance result	-27,596,299	-17,908,289	-9,688,010	154.1
EU	-21,341,545	-14,233,019	-7,108,526	149.9
Non-EU	-6,254,754	-3,675,270	-2,579,484	170.2
Insurance result	75,769,654	38,625,266	37,144,388	196.2
EU	68,528,822	37,042,713	31,486,109	185.0
Non-EU	7,240,832	1,582,553	5,658,279	457.5

The **insurance result** reached EUR 75.8 million, representing a significant increase of 96.2%. It increased by 85.0% in the EU markets and by 357.5% in the non-EU markets. This exceptionally favourable insurance result is due to growth in insurance revenues and more favourable claims experience.

Insurance revenue totalled EUR 690.4 million, marking a 10.2% increase. Growth of 10.0% in the EU markets was due to last year's price increases and more policies sold. In the non-EU markets, insurance revenue grew by 11.4%, driven by increased business volume.

Insurance service expenses totalled EUR 587.1 million, up 3.0%, with growth of 2.9% in the EU markets and 3.7% in the non-EU markets. **Incurred claims** decreased by 2.3%. The main reason for this was milder weather in 2025. Apart from a few major claims, the attritional claims experience in 2025 was also more favourable. **Operating expenses** increased by 11.9%, reflecting growth in the insurance portfolio, increased sales through banking channels, investments in IT development and security, and employee development and remuneration.

The **reinsurance result** was negative by EUR 27.6 million, down 54.1%, as a result of portfolio growth, new coverages and increased premium rates.



Finance result and investment return

EUR	2025	2024	Change	Index
Investment result	18,552,628	17,277,720	1,274,908	107.4
EU	13,867,751	13,058,379	809,372	106.2
Non-EU	4,684,878	4,219,341	465,536	111.0
Net insurance finance result	-5,371,725	-3,219,223	-2,152,502	166.9
EU	-4,224,052	-2,629,639	-1,594,413	160.6
Non-EU	-1,147,673	-589,584	-558,089	194.7
Expenses from financial liabilities	-289,143	-310,614	21,471	93.1
EU	-119,661	-120,212	550	99.5
Non-EU	-169,482	-190,402	20,920	89.0
Net foreign exchange gains/losses	-301,885	137,871	-439,756	-219.0
EU	-284,821	157,874	-442,695	-180.4
Non-EU	-17,064	-20,003	2,939	85.3
Finance result	12,589,874	13,885,754	-1,295,880	90.7
EU	9,239,215	10,466,402	-1,227,187	88.3
Non-EU	3,350,659	3,419,352	-68,693	98.0
	2025	2024	Change	Index
Return on investment portfolio	2.3%	2.4%	-0.1 pp	-
EU	2.0%	2.2%	-0.2 pp	-
Non-EU	4.0%	4.0%	-0.0 pp	-

The **finance result** amounted to EUR 12.6 million, a decrease of 9.3%. Of this, 11.7% was attributable to the EU markets, while the non-EU markets remained at a similar level to the previous year. Despite one-off effects on investments, the **investment result** improved by 7.4% as a result of growth in interest income due to cash flow and investments at higher interest rates. In the non-EU markets, investment results were also influenced by gains on the sale of investment properties. The lower **insurance finance result** is a consequence of the growth of the insurance portfolio and larger credit-risk effects from reinsurance. The **return on the investment portfolio** was 2.3%.

Other net income

Other net income amounted to EUR 2.8 million and was higher mainly as a result of one-off expenses in 2024.

Profit before tax

Profit before tax reached a remarkable EUR 91.1 million in 2025, marking a 67.8% increase. As mentioned earlier, this improvement in both the EU and non-EU markets was primarily due to a better insurance result.





Combined ratio

	2025	2024	Change
Combined ratio	88.6%	93.5%	-4.9 pp
EU	87.8%	92.8%	-4.9 pp
Non-EU	92.6%	97.4%	-4.9 pp
Loss ratio	58.1%	63.4%	-5.3 pp
EU	59.0%	64.2%	-5.1 pp
Non-EU	53.7%	59.6%	-5.9 pp
Expense ratio	30.5%	30.1%	+0.4 pp
EU	28.8%	28.6%	+0.2 pp
Non-EU	38.9%	37.8%	+1.1 pp

The **combined ratio** was 88.6% and improved by a substantial 4.9 percentage points. Both the EU and the non-EU markets saw an improvement of 4.9 percentage points. In all the markets, the improvement in the combined ratio was driven by a more favourable loss ratio, as a result of growth in insurance revenue and more favourable claims experience. The expense ratio increased modestly, due to higher policy acquisition expenses in the non-EU markets.

Gross premiums written

+5.4%

8.1.2.2 Life segment

EUR	2025	2024	Change	Index
Gross premiums written	214,211,841	203,223,479	10,988,362	105.4
EU	199,227,998	190,049,327	9,178,671	104.8
Non-EU	14,983,843	13,174,152	1,809,691	113.7
Insurance result	18,091,885	17,861,176	230,709	101.3
EU	16,657,576	16,519,626	137,950	100.8
Non-EU	1,434,309	1,341,550	92,758	106.9
Finance result	6,054,853	5,614,789	440,064	107.8
EU	5,342,924	4,942,113	400,811	108.1
Non-EU	711,928	672,676	39,253	105.8
Other net expenses	-845,768	-414,537	-431,231	204.0
EU	-566,368	-818,524	252,157	69.2
Non-EU	-279,400	403,987	-683,387	–
Profit before tax	23,300,969	23,061,428	239,541	101.0
EU	21,434,132	20,643,215	790,917	103.8
Non-EU	1,866,837	2,418,213	-551,376	77.2
	31 December 2025	31 December 2024	Change	Index
Contractual service margin (CSM)	172,472,799	160,952,422	11,520,378	107.2
EU	161,756,670	150,395,541	11,361,129	107.6
Non-EU	10,716,130	10,556,880	159,249	101.5

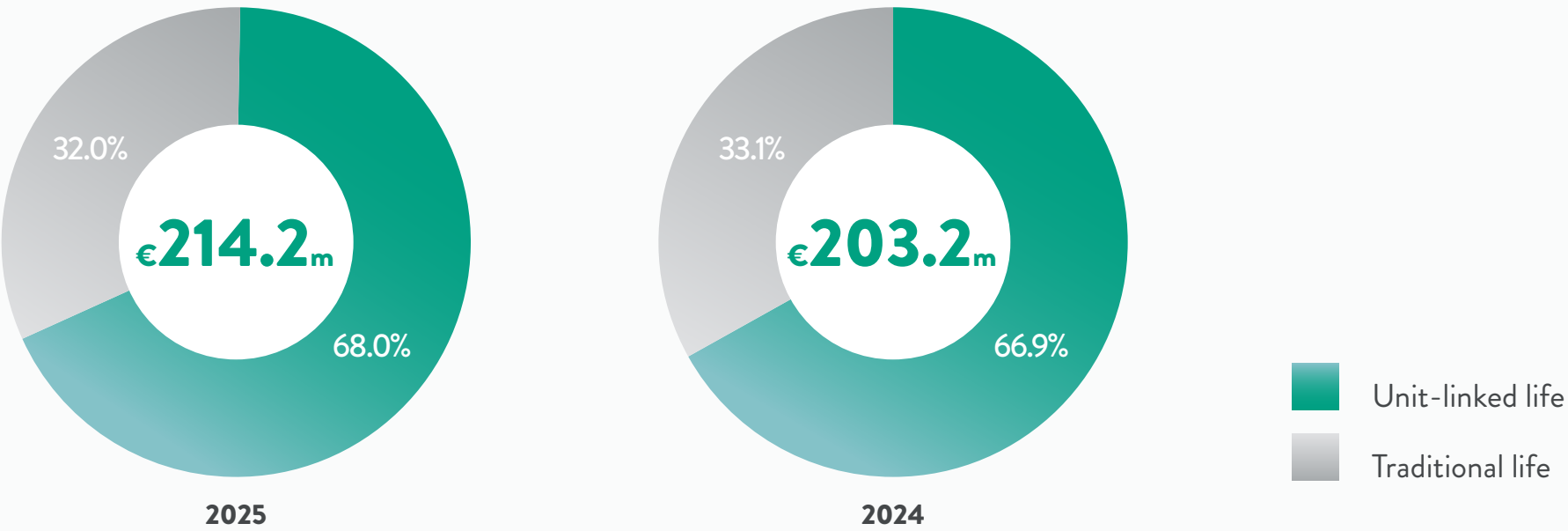
Gross premiums written

Gross premiums written – life

EUR	2025	2024	Change	Index
Slovenia	197,034,980	187,485,214	9,549,765	105.1
Croatia	2,193,019	2,564,113	-371,094	85.5
EU	199,227,998	190,049,327	9,178,671	104.8
Serbia	10,388,910	8,725,522	1,663,387	119.1
Kosovo	4,594,933	4,448,629	146,304	103.3
Non-EU	14,983,843	13,174,152	1,809,691	113.7
Total life	214,211,841	203,223,479	10,988,362	105.4

Gross written premiums of the EU-based life insurers amounted to EUR 199.2 million, up 4.8% year on year, driven by higher sales of both life risk and unit-linked insurance products, as well as top-up premiums on existing policies. The life insurers outside the EU managed to increase gross written premiums by a substantial 13.7%, reflecting very strong sales of risk products, with sales of unit-linked products also increasing in the Serbian market.

Gross life insurance premiums by class of business



The share of unit-linked policies increased due to stronger sales in Slovenia. However, the share of traditional life insurance decreased, despite strong sales of term life policies, as a result of maturing traditional life savings products that are no longer sold in Slovenia.

Insurance result

EUR	2025	2024	Change	Index
Insurance revenue	82,395,314	74,911,625	7,483,689	110.0
EU	73,698,659	66,401,607	7,297,052	111.0
Non-EU	8,696,655	8,510,017	186,638	102.2
Insurance service expenses	-63,424,968	-56,690,361	-6,734,607	111.9
Claims incurred	-19,567,643	-17,763,747	-1,803,897	110.2
EU	-16,712,103	-15,023,444	-1,688,659	111.2
Non-EU	-2,855,541	-2,740,303	-115,238	104.2
Operating expenses, including non-attributable expenses	-43,348,566	-38,254,498	-5,094,068	113.3
EU	-39,092,771	-33,821,538	-5,271,233	115.6
Non-EU	-4,255,795	-4,432,960	177,165	96.0
Onerous contracts	-508,758	-672,116	163,357	75.7
EU	-354,260	-704,662	350,402	50.3
Non-EU	-154,499	32,546	-187,045	-
Reinsurance result	-878,461	-360,088	-518,373	244.0
EU	-881,951	-332,338	-549,613	265.4
Non-EU	3,489	-27,750	31,240	-
Insurance service result	18,091,885	17,861,176	230,709	101.3
EU	16,657,576	16,519,626	137,950	100.8
Non-EU	1,434,309	1,341,550	92,758	106.9



The **insurance result** amounted to EUR 18.1 million, an increase of 1.3%. This increase is due to revenue growth and, in the EU markets, to improved experience of onerous contracts. **Insurance revenue** totalled EUR 82.4 million, marking a 10.0% increase. In the EU markets, this figure grew by 11.0%, driven by increased sales. In the non-EU markets, insurance revenue also increased due to stronger sales, by 2.2%.

Insurance service expenses totalled EUR 63.4 million, an increase of 11.9%, primarily owing to **operating expenses**. Acquisition costs rose because of stronger sales, as did administrative expenses, mainly as a result of investments in development, employee remuneration and information technology. The increase in insurance service expenses was also influenced by higher **incurred claims**, which rose due to portfolio growth and a higher loss frequency. The **reinsurance result** was lower as the volume of claims covered by reinsurance was smaller in 2025. **Expenses from onerous contracts** decreased as a result of the reduction in the EU markets due to better development of onerous contracts and fewer newly written onerous contracts. In the non-EU markets, the loss from onerous contracts increased due to a change in the assumptions used in the valuation of insurance contracts.

Finance result and investment return

EUR	2025	2024	Change	Index
Investment result	8,715,218	9,639,314	-924,095	90.4
EU	7,389,433	8,322,111	-932,678	88.8
Non-EU	1,325,785	1,317,203	8,583	100.7
Net insurance finance result	-2,621,083	-3,965,932	1,344,850	66.1
EU	-2,017,319	-3,340,332	1,323,013	60.4
Non-EU	-603,763	-625,600	21,836	96.5
Expenses from financial liabilities	-36,783	-48,330	11,547	76.1
EU	-26,599	-38,911	12,312	68.4
Non-EU	-10,184	-9,419	-765	108.1
Net foreign exchange gains/losses	-2,500	-10,262	7,762	24.4
EU	-2,591	-754	-1,836	343.5
Non-EU	91	-9,508	9,599	-1.0
Finance result	6,054,853	5,614,789	440,064	107.8
EU	5,342,924	4,942,113	400,811	108.1
Non-EU	711,928	672,676	39,253	105.8
	2025	2024	Change	Index
Return on investment portfolio	1.9%	2.0%	-0.1 pp	-
EU	1.7%	1.8%	-0.1 pp	-
Non-EU	3.5%	3.9%	-0.4 pp	-





The **finance result** amounted to EUR 6.1 million, an increase of 7.8%. This was mainly due to the improved **insurance finance result** in the EU markets, as a result of the maturing of traditional life savings insurance portfolios that are no longer sold. For the same reason, the **investment result** also decreased, in line with the decline of the investment portfolio and interest income. The **return on the investment portfolio** was 1.9%.

Other net expenses

Other net expenses amounted to EUR 0.8 million, up 104.0%. They increased in the non-EU markets due to methodological adjustments to the calculation of the insurance result.

Profit before tax

Profit before tax amounted to EUR 23.3 million.

Contractual service margin

EUR	31 December 2025	31 December 2024	Change	Index
Contractual service margin (CSM)	172,472,799	160,952,422	11,520,378	107.2
EU	161,756,670	150,395,541	11,361,129	107.6
Non-EU	10,716,130	10,556,880	159,249	101.5

The **contractual service margin** amounted to EUR 172.5 million, an increase of 7.2%. Growth was driven by new business generation and a favourable change in expected cash flows, primarily reflecting additional top-up premiums on existing unit-linked policies and positive movements in financial markets. Both factors

contributed to an increase in the value of unit-linked assets, thereby enhancing future income from the management of these assets. In 2025, new life insurance sales generated a contractual service margin of EUR 26.7 million, representing a year-on-year increase of 9.9%.

► **Movement in contractual service margin (€m)**





8.1.2.3 Reinsurance segment³⁹

EUR	2025	2024	Change	Index
Gross premiums written	156,318,640	126,840,903	29,477,737	123.2
Insurance result	24,242,845	23,675,087	567,757	102.4
Finance result	-298,927	1,711,982	-2,010,909	-17.5
Other net expenses	-677,899	-374,151	-303,748	181.2
Profit before tax	23,266,019	25,012,918	-1,746,899	93.0
Combined ratio	80.4%	76.9%	+3.5 pp	–
Loss ratio	67.1%	61.7%	+5.4 pp	–
Expense ratio	13.3%	15.2%	-1.9 pp	–

Gross premiums written

Gross premiums amounted to EUR 156.3 million, up 23.2%. This was achieved by pursuing new opportunities in individual foreign markets and increasing participation in existing contracts.



39 Unconsolidated data are presented in more detail in section [8.2 “Sava Re”](#).

Insurance result

EUR	2025	2024	Change	Index
Insurance revenue	120,157,092	99,346,893	20,810,199	120.9
Insurance service expenses	-86,332,830	-63,686,002	-22,646,828	135.6
Claims incurred	-71,169,514	-49,131,794	-22,037,720	144.9
Operating expenses, including non-attributable expenses	-15,243,868	-14,380,779	-863,090	106.0
Onerous contracts	80,552	-173,430	253,982	-46.4
Reinsurance result	-9,581,418	-11,985,804	2,404,386	79.9
Insurance result	24,242,845	23,675,087	567,757	102.4

The **insurance result** was EUR 24.2 million, an increase of 2.4%.

Insurance revenue totalled EUR 120.2 million, up 20.9%, primarily driven by premium growth.

Insurance service expenses totalled EUR 86.3 million, an increase of EUR 22.0 million (35.6%), primarily reflecting higher incurred claims. **Operating expenses** increased by EUR 0.9 million, primarily due to the implementation of new reinsurance software.



Finance result and investment return

EUR	2025	2024	Change	Index
Investment result	6,801,963	8,081,959	-1,279,997	84.2
Net insurance finance result	-6,512,915	-5,626,381	-886,534	115.8
Expenses from financial liabilities	-10,186	-3,795	-6,391	268.4
Net foreign exchange losses	-577,789	-739,802	162,012	78.1
Finance result	-298,927	1,711,982	-2,010,909	-17.5
	2025	2024	Change	Index
Return on investment portfolio	2.0%	2.9%	-0.9 pp	–

The **finance result** decreased due to an **investment result** that was EUR 1.3 million lower in 2025. This was mainly due to one-off effects on investments. The **return on the investment portfolio** was 2.0%.

In 2025, the **insurance finance result** moved in line with the development of the portfolio, interest rates and credit risk from reinsurance.

Other net expenses

Other net expenses totalled EUR 0.7 million, up 81.2%, primarily due to other extraordinary expenses.

Profit before tax

Profit before tax amounted to EUR 23.3 million, which was lower than in the previous year due to the lower finance result, as explained above.

Combined ratio

	2025	2024	Change
Combined ratio	80.4%	76.9%	+3.5 pp
Loss ratio	67.1%	61.7%	+5.4 pp
Expense ratio	13.3%	15.2%	-1.9 pp

The **combined ratio** stood at 80.4%, which is extremely favourable compared to the long-term average.



8.1.2.4 Pensions and asset management segment

EUR	2025	2024	Change	Index
Business volume	31,157,117	27,098,591	4,058,526	115.0
Asset management revenue	27,533,470	23,660,332	3,873,137	116.4
Gross premiums written (annuities)	3,623,647	3,438,259	185,389	105.4
Insurance revenue	631,224	532,842	98,383	118.5
Insurance service expenses	-65,424	-286,068	220,644	22.9
Operating expenses	-18,055,258	-15,866,945	-2,188,312	113.8
Finance result	901,478	890,345	11,132	101.3
Other net income/expenses	129,131	87,172	41,959	148.1
Profit before tax	11,074,620	9,017,678	2,056,942	122.8
Cost-to-income ratio (CIR) ⁴⁰	50.4%	52.9%	-2.5 pp	-
	31 December 2025	31 December 2024	Change	Index
Assets under management	2,485,509,194	2,125,101,183	360,408,010	117.0

The **business volume** increased by 15.0% to reach EUR 31.2 million, driven by growth in assets under management and, consequently, management income. In addition, gross annuity premiums also contributed to growth, thanks to a higher number of contracts concluded.

Annuity **insurance revenue** amounted to EUR 0.6 million, up 18.5%, reflecting the expansion of the annuity portfolio.

Asset
management
revenue

+16.4%

Insurance service expenses were lower due to the one-off effect of changes in assumptions in 2024.

Operating expenses totalled EUR 18.1 million, up 13.8%. Most of this rise was driven by higher commission costs for sales channels, which are tied to the volume of assets under management. To a lesser extent, the increase also reflected growth in labour costs. Nevertheless, the **cost-to-income ratio** improved by 2.5 percentage points, as cost growth significantly lagged behind revenue growth.

The **finance result** remained at the same level as in the previous year. The investment return was 2.8%.

For the aforementioned reasons, **pre-tax profit** amounted to EUR 11.1 million, representing a 22.8% improvement.

Assets under management increased by 17.0% to EUR 2.5 billion. The main contribution to this came from net inflows into the funds, which amounted to EUR 239 million and represented a strong 30.8% growth rate compared to the previous year. Growth was further supported by fund returns of EUR 123.9 million. Assets under management increased for all companies in this segment.



40 The calculation methodology was changed to align it with that of other insurance groups. Commission income is included at the net amount after deduction of commission expenses, which reduces the CIR.



► Performance of funds under management (accumulation part, pensions and asset management segment)

EUR	2025	2024	Index
Opening balance of fund assets (1 January)	2,125,101,183	1,716,417,279	123.8
Fund inflows	322,623,697	254,288,398	126.9
Fund outflows	-72,293,698	-60,000,929	120.5
Asset transfers	-11,574,866	-11,788,444	98.2
Net investment income on funds	123,913,313	228,988,798	54.1
Entry and exit charges	-2,392,100	-2,291,352	104.4
Foreign exchange differences and accumulated other comprehensive income	131,664	-512,566	–
Closing balance of fund assets (31 December)	2,485,509,194	2,125,101,183	117.0
Index versus period start	117.0	123.8	

► Balance of funds under management at period end (accumulation part, pensions and asset management segment)

EUR	31 December 2025	31 December 2024	Index
Slovenia	1,135,332,951	942,984,808	120.4
North Macedonia	1,350,176,243	1,182,116,375	114.2
Total	2,485,509,194	2,125,101,183	117.0

8.1.2.5 “Other” segment

EUR	2025	2024	Change	Index
Income	10,734,578	9,500,199	1,234,378	113.0
Expenses	-15,552,768	-11,122,475	-4,430,293	139.8
Profit before tax	-4,818,190	-1,622,276	-3,195,914	297.0

Income reached EUR 10.7 million, an increase of 13.0%, due to the growing volume of assistance services. This more than offset the lower attributable profit from the associate company.

Expenses totalled EUR 15.6 million, an increase of 39.8%, due to higher subordinated debt expenses resulting from the issuance of a subordinated bond

in October 2024, as well as a higher volume of assistance services.

Although assistance services generated higher profits, **profit before tax** decreased by EUR 3.2 million, primarily due to the issuance of a subordinated bond and the lower attributable profit from an associate company.





8.1.3 Financial position

The following is a discussion of assets and liabilities relevant to an understanding of the Group’s financial position and required by law.

EUR	31 December 2025	31 December 2024	Change	Index
Equity	742,562,581	648,560,456	94,002,126	114.5
Subordinated liabilities	125,242,015	125,058,474	183,542	100.1
Net insurance contract liabilities*, of which	1,919,100,008	1,820,525,607	98,574,401	105.4
Contractual service margin (CSM)	190,696,824	175,577,253	15,119,571	108.6
Investment portfolio	1,764,599,343	1,666,922,164	97,677,178	105.9
Intangible assets	65,006,816	65,562,925	-556,110	99.2
Total assets	3,112,699,115	2,885,408,613	227,290,502	107.9
Assets under management	3,377,617,165	2,889,371,944	488,245,220	116.9

* Insurance contract liabilities, net of insurance contract assets.

8.1.3.1 Capital and solvency

Equity totalled EUR 742.6 million, up 14.5% compared to the end of 2024. The increase in the profit for 2025 and a positive change in other comprehensive income were the main drivers of the overall increase, partially offset by the dividend payment.

Thus, the Group’s estimated solvency position as at 31 December 2025 shows that the Group is well capitalised, with a solvency ratio of between 215% and 221% (31 December 2024: 208%). Compared to the previous year, it improved, mainly due to good business performance. The Company thus has a solvency ratio well above the

regulatory requirement of 100% and is also well capitalised according to its internal criteria.

8.1.3.2 Subordinated liabilities

Subordinated liabilities totalled EUR 125.2 million. The parent company has issued two subordinated bonds, both of which are listed on the Luxembourg Stock Exchange. The first subordinated bond was issued in October 2019, with a scheduled maturity in 2039 and an early recall option for 7 November 2029. As at 31 December 2025, the market price of the bond was 91.616% and its market value EUR 69,128,096 (31 December 2024: the market price was 86.862% and the market value EUR 65,562,596). The second subordinated

bond was issued in October 2024 and matures in 2029. As at 31 December 2025, the market price of the bond was 99.945% and its market value EUR 50,599,349 (31 December 2024: the market price was 99.66% and the market value EUR 50,456,849).

8.1.3.3 Net insurance contract liabilities

Net insurance contract liabilities amounted to EUR 1,919.1 million, up 5.4% year on year, due to portfolio growth.

8.1.3.3.1 Contractual service margin

The contractual service margin (CSM) is an estimate of future profits from insurance

contracts that relate to future periods and have not yet been recognised in profit or loss. As at 31 December 2025, it amounted to EUR 190.7 million (with a net contractual service margin of EUR 182.8 million), marking an 8.6% increase in 2025. This growth was mainly driven by the life segment (up 7.2%), thanks to new insurance contracts and favourable changes in expected cash flows. The latter were primarily due to additional one-off payments on existing unit-linked policies and favourable developments in financial markets. Both factors contributed to an increase in the value of unit-linked assets, thereby enhancing future income from the management of these assets.



8.1.3.4 Investment portfolio

► Balance and composition of the investment portfolio

EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Change
Fixed-rate investments	1,547,629,427	87.7%	1,453,477,573	87.2%	94,151,854
Government bonds	946,744,833	53.7%	922,745,930	55.4%	23,998,904
Corporate bonds	570,004,328	32.3%	503,431,690	30.2%	66,572,638
Deposits	30,880,266	1.7%	27,299,953	1.6%	3,580,313
Shares and mutual funds	44,328,075	2.5%	44,408,674	2.7%	-80,599
Shares	24,311,668	1.4%	23,464,857	1.4%	846,811
Mutual funds	20,016,407	1.1%	20,943,817	1.3%	-927,410
Alternative funds	77,013,290	4.4%	72,361,306	4.3%	4,651,984
Investment property	22,686,137	1.3%	24,147,256	1.4%	-1,461,119
Cash and cash equivalents	37,392,551	2.1%	46,243,890	2.8%	-8,851,339
Investments in associates	29,053,235	1.6%	25,615,695	1.5%	3,437,540
Loans granted	6,496,626	0.4%	667,770	0.0%	5,828,856
Total investment portfolio	1,764,599,342	100.0%	1,666,922,164	100.0%	97,677,178

The investment portfolio of the Sava Insurance Group increased by EUR 97.7 million, or 5.9%, compared to year-end 2024. The increase in the investment portfolio was mainly due to positive cash flow from operating activities and a positive change in other comprehensive income, reflecting market conditions and an increase in the value of bonds.

There were no major changes in the composition of the investment portfolio. Fixed-income investments accounted for 87.7% at the end of the year (31 December 2024: 87.2%).

► Balance and composition of fixed-rate financial investments

EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Change in share (pp)
Government bonds	946,744,833	61.2%	922,745,930	63.5%	-2.3
Corporate and financial bonds	570,004,328	36.8%	503,431,690	34.6%	2.2
Regular corporate and financial bonds	474,223,107	30.6%	427,219,544	29.4%	1.2
Subordinated bonds	20,592,027	1.3%	18,994,378	1.3%	0.0
Covered bonds	75,189,194	4.9%	57,217,768	3.9%	0.9
Deposits	30,880,266	2.0%	27,299,953	1.9%	0.1
Total	1,547,629,427	100.0%	1,453,477,573	100.0%	-

8.1.3.5 Assets under management

EUR	31 December 2025	31 December 2024	Change	Index
Assets held in pension company savings funds	1,566,631,929	1,382,220,195	184,411,733	113.3
Assets under management with fund management company	918,877,265	742,880,994	175,996,271	123.7
Assets held for the benefit of policyholders who bear the investment risk	892,107,971	764,270,755	127,837,216	116.7
Assets under management	3,377,617,165	2,889,371,944	488,245,220	116.9

Assets under management amounted to EUR 3,377.6 million, up 16.9%. Growth was driven by both positive net inflows into all three types of funds (pension funds, mutual fund management company funds and unit-linked funds) and by an increase in fund returns due to favourable developments in financial markets. Net contributions were positive for all companies and increased for all companies, with an overall increase of 30.8%.

8.1.3.6 Intangible assets

The Group’s intangible assets comprise goodwill, customer lists and computer software, as shown in section [C.3.7.1 “Intangible assets”](#).

Goodwill and customer lists are assets that Sava Re has acquired through the purchase of subsidiaries to expand its operations. They form the foundation of the Group’s current and future performance, profit generation and value creation.

In addition to personnel and premises, computer software is the Group’s most important asset and is essential to its operations. It is needed for underwriting, claims handling and asset management, as well as for a range of other vital back-office activities (such as accounting, controlling and risk management).





8.1.4 Income statement by operating segment

► Income statement by operating segment

EUR	Non-life EU		Non-life, non-EU		Life EU		Life, non-EU		Reinsurance		Pensions and asset management		Other		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance revenue	574,428,950	522,286,220	116,001,680	104,136,059	73,698,659	66,401,607	8,696,655	8,510,017	120,157,092	99,346,893	631,224	532,842	0	0	893,614,261	801,213,638
Insurance service expenses, including non-attributable expenses	-484,558,583	-471,010,487	-102,506,094	-98,878,236	-56,159,133	-49,549,644	-7,265,835	-7,140,717	-86,332,830	-63,686,002	-190,952	-406,141	0	0	-737,013,426	-690,671,227
Claims incurred	-316,592,958	-323,385,553	-56,077,140	-58,222,741	-16,712,103	-15,023,444	-2,855,541	-2,740,303	-71,169,514	-49,131,794	-119,168	-103,362	0	0	-463,526,422	-448,607,197
Operating expenses, including non-attributable expenses	-166,736,310	-149,982,078	-46,523,466	-40,521,053	-39,092,771	-33,821,538	-4,255,795	-4,432,960	-15,243,868	-14,380,779	-125,527	-120,073	0	0	-271,977,739	-243,258,481
Onerous contracts	-1,229,315	2,357,143	94,512	-134,443	-354,260	-704,662	-154,499	32,546	80,552	-173,430	53,744	-182,706	0	0	-1,509,265	1,194,450
Result before reinsurance	89,870,367	51,275,732	13,495,586	5,257,823	17,539,526	16,851,963	1,430,820	1,369,301	33,824,262	35,660,891	440,273	126,700	0	0	156,600,834	110,542,410
Reinsurance result	-21,341,545	-14,233,019	-6,254,754	-3,675,270	-881,951	-332,338	3,489	-27,750	-9,581,418	-11,985,804	0	0	0	0	-38,056,178	-30,254,180
a) Insurance result	68,528,822	37,042,713	7,240,832	1,582,553	16,657,576	16,519,626	1,434,309	1,341,550	24,242,845	23,675,087	440,273	126,700	0	0	118,544,656	80,288,230
Investment result	13,867,751	13,058,379	4,684,878	4,219,341	7,389,433	8,322,111	1,325,785	1,317,203	6,801,963	8,081,958	1,743,351	1,689,313	937,540	1,781,075	36,750,700	38,469,381
Net insurance finance result	-4,224,052	-2,629,639	-1,147,673	-589,584	-2,017,319	-3,340,332	-603,763	-625,600	-6,512,915	-5,626,381	-841,899	-769,842	0	0	-15,347,622	-13,581,379
Expenses from financial liabilities	-119,661	-120,212	-169,482	-190,402	-26,599	-38,911	-10,184	-9,419	-10,186	-3,795	-269	-29,378	-5,683,107	-3,577,356	-6,019,488	-3,969,473
Net foreign exchange gains/losses	-284,821	157,874	-17,064	-20,003	-2,591	-754	91	-9,508	-577,789	-739,802	295	253	0	0	-881,879	-611,940
b) Finance result	9,239,215	10,466,402	3,350,659	3,419,352	5,342,924	4,942,113	711,928	672,676	-298,927	1,711,982	901,478	890,345	-4,745,567	-1,796,282	14,501,711	20,306,589
c) Non-insurance revenue	0	0	0	0	0	0	126	0	0	0	27,533,470	23,660,332	9,325,986	7,699,599	36,859,582	31,359,931
d) Non-insurance expenses	-2,329,677	-2,205,954	-2,059,935	-1,587,602	-708,951	-1,528,941	0	0	0	0	-17,929,730	-15,746,872	-9,768,889	-7,532,504	-32,797,183	-28,601,873
e) Other net income/expenses	3,725,497	2,914,263	3,448,904	2,700,924	142,583	710,417	-279,526	403,987	-677,899	-374,151	129,131	87,172	370,280	6,911	6,858,970	6,449,524
Profit or loss before tax (a + b + c + d + e)	79,163,857	48,217,424	11,980,460	6,115,227	21,434,132	20,643,215	1,866,837	2,418,213	23,266,019	25,012,918	11,074,620	9,017,678	-4,818,190	-1,622,276	143,967,736	109,802,399
Income tax expense															-29,915,137	-21,955,857
Net profit or loss for the period															114,052,599	87,846,542

Adjusted income statement

We have adjusted the income statement, which is used to review business operations in the business report, to present certain categories in a more meaningful way and to shorten the line items, as shown in the following table.

The following reclassifications have been made:

- Exchange differences on financial investments and insurance contract liabilities have been reclassified from the net investment result, net insurance finance income or expenses and the result of the other items to net foreign exchange gains/losses.
- Investment income on life insurance policies where policyholders bear the investment risk has been reclassified from the investment result to the net insurance finance result.
- Asset management revenue and income from Group companies included in net other operating income and expenses are reported together as non-insurance revenue.
- Non-attributable operating expenses of the Group's insurance companies are recognised in insurance service expenses, including non-attributable expenses. This brings the Group's

recognition of non-attributable expenses in line with other major insurance companies as from 2025. In substance, this change follows the approach used in the calculation of the combined ratio, which also includes non-attributable operating expenses since the adoption of IFRS 17.

- The operating expenses of non-insurance companies that are part of net other operating income and expenses, and non-attributable expenses are together reported as non-insurance expenses.
- The share of profit or loss of investments accounted for using the equity method, and net income and expenses from subsidiaries and associates have been combined and presented under the investment result line item. As from 2025, the Group has thus aligned this presentation with the content of net investment income on the investment portfolio.
- Expenses from financial liabilities included in finance costs are included in the finance result.
- Gains or losses on disposal of discontinued operations are included in other net income/ expenses.





EUR	Income statement			Income statement (adjusted)	
	2025	2024		2025	2024
Insurance revenue	893,614,261	801,213,638	Insurance revenue	893,614,261	801,213,638
Insurance service expenses	-703,326,035	-662,350,015	Insurance service expenses, including non-attributable expenses	-737,013,426	-690,671,227
Insurance service result from insurance contracts issued	190,288,226	138,863,623	Result before reinsurance	156,600,834	110,542,410
Revenue from reinsurance contracts held	24,358,248	23,616,154			
Expenses from reinsurance contracts held	-62,414,426	-53,870,334			
Net result from reinsurance contracts held	-38,056,178	-30,254,180	Reinsurance result	-38,056,178	-30,254,180
Insurance service result	152,232,048	108,609,443	Insurance result	118,544,656	80,288,230
Net investment result	90,055,524	137,114,030	Investment result	36,750,700	38,469,381
Finance result from insurance contracts	-72,332,738	-118,528,642			
Finance result from reinsurance contracts	1,862,817	4,257,920			
Net insurance finance income or expenses	-70,469,921	-114,270,722	Net insurance finance result	-15,347,622	-13,581,379
			Expenses from financial liabilities	-6,019,488	-3,969,473
			Net foreign exchange gains/losses	-881,879	-611,940
Net insurance and finance result	19,585,603	22,843,308	Finance result	14,501,711	20,306,589
Asset management revenue	27,533,595	23,660,332	Non-insurance revenue	36,859,582	31,359,931
Non-attributable operating expenses	-37,108,195	-31,079,973	Non-insurance expenses	-32,797,183	-28,601,873
Net impairment losses and reversals of impairment losses on non-financial assets	-93,579	67,847			
Finance costs	-6,019,488	-3,969,473			
Share of profit or loss of investments accounted for using equity method	937,540	1,781,075			
Net income and expenses from subsidiaries and associates	0	0			
Gains or losses on disposal of discontinued operations	11,604	440,673			
Net other operating income and expenses	-13,111,393	-12,550,833	Other net income/expenses	6,858,970	6,449,524
Profit before tax	143,967,736	109,802,399	Profit before tax	143,967,736	109,802,399
Income tax expense	-29,915,137	-21,955,857	Income tax expense	-29,915,137	-21,955,857
Net profit or loss for the period	114,052,599	87,846,542	Net profit or loss for the period	114,052,599	87,846,542



8.2 Sava Re

The Company achieved growth in gross written premiums in both Group and non-Group business. Its performance remained stable, as evidenced by a sound combined ratio of 85.3%.

Gross written premiums amounted to EUR 267.2 million in 2025, representing an increase of 15.2%.

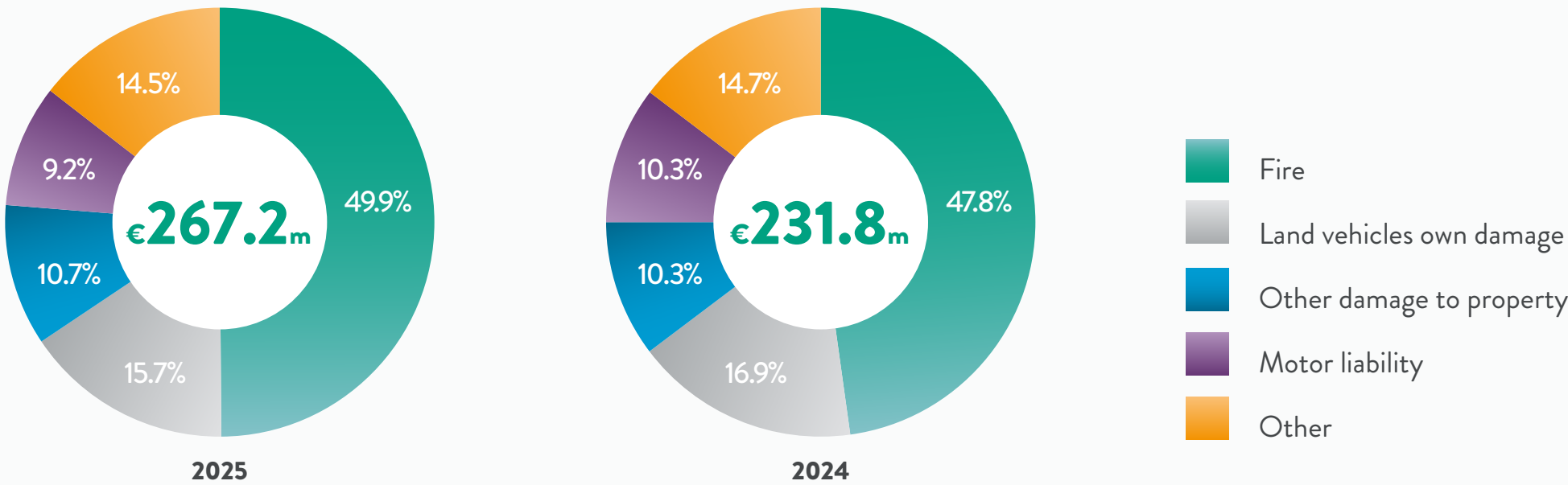
Non-Group gross premiums increased by EUR 29.5 million, or 23.2%. This was achieved through pursuing new opportunities in select foreign markets and increasing participation in existing contracts.

Meanwhile, Group gross premiums grew by EUR 5.9 million, or 5.6%, as a result of premium growth in the Slovenian market.

► Gross premiums written

EUR	2025	2024	Change	Index
Non-Group	156,318,639	126,840,903	29,477,736	123.2
Group	110,843,042	104,984,440	5,858,602	105.6
Total	267,161,681	231,825,343	35,336,338	115.2

► Gross premiums written by class of insurance



8.2.1 Income statement

	2025	2024	Change	Index
Insurance revenue	201,409,636	171,664,689	29,744,947	117.3
Insurance service expenses, including non-attributable expenses	-144,102,786	-121,690,521	-22,412,266	118.4
Claims incurred	-124,588,834	-104,032,290	-20,556,544	119.8
Operating expenses, including non-attributable expenses	-19,603,886	-17,550,627	-2,053,259	111.7
Onerous contracts	89,935	-107,603	197,538	–
Result before reinsurance	57,306,850	49,974,169	7,332,682	114.7
Reinsurance result	-27,284,438	-23,490,709	-3,793,728	116.1
Insurance service result	30,022,413	26,483,459	3,538,954	113.4
Investment result	72,607,057	50,337,642	22,269,414	144.2
Net insurance finance result	-8,040,054	-6,059,057	-1,980,997	132.7
Expenses from financial liabilities	-5,607,599	-3,577,180	-2,030,419	156.8
Net foreign exchange losses	-537,077	-764,490	227,413	70.3
Finance result	58,422,326	39,936,916	18,485,411	146.3
Non-insurance revenue	33,514	4,034	29,480	830.8
Other costs	-13,180,066	-10,410,397	-2,769,669	126.6
Other net income	44,339	309,508	-265,169	14.3
Profit before tax	75,342,526	56,323,520	19,019,006	133.8
Income tax expense	-3,829,985	-4,089,191	259,206	93.7
Net profit for the period	71,512,541	52,234,330	19,278,211	136.9

	2025	2024	Change
Combined ratio	85.3%	84.6%	+0.7 pp
Loss ratio	75.4%	74.3%	+1.0 pp
Expense ratio	9.9%	10.2%	-0.3 pp
Return on investment portfolio, net of investments in subsidiaries and associates	2.4%	2.8%	-0.4 pp
Return on equity	14.8%	11.5%	+3.3 pp

Insurance result

Insurance revenue amounted to EUR 201.4 million, up 17.3%, driven by growth in non-Group reinsurance business (EUR 20.8 million) and Group reinsurance business (EUR 8.9 million).

Insurance service expenses totalled EUR 144.1 million, up EUR 22.4 million, mainly due to higher incurred claims. In the non-Group business, **incurred claims** were higher due to increased business volume. In the Group reinsurance business, however, incurred claims were lower compared with the previous year, when higher

expenses had been caused by claims arising from the summer storms. In 2025, **operating expenses** were EUR 2.1 million higher, primarily due to growth in the reinsurance portfolio and new software costs.

The **reinsurance result** was a negative EUR 27.3 million, EUR 3.8 million lower than the previous year due to the growing volume of Group business and additional reinsurance protection.

For the aforementioned reasons, the **insurance result** amounted to EUR 30.0 million, up 13.4% year on year.



The **combined ratio** was 85.3%, which is extremely favourable compared to the long-term average.

► **Combined, loss and expense ratios**

	2025	2024	Change
Combined ratio	85.3%	84.6%	+0.7 pp
Loss ratio	75.4%	74.3%	+1.0 pp
Expense ratio	9.9%	10.2%	-0.3 pp

Finance result and investment return

EUR	2025	2024	Change	Index
Investment result	72,607,057	50,337,642	22,269,414	144.2
Net insurance finance result	-8,040,054	-6,059,057	-1,980,997	132.7
Expenses from financial liabilities	-5,607,599	-3,577,180	-2,030,419	156.8
Net foreign exchange losses	-537,077	-764,490	227,413	70.3
Finance result	58,422,326	39,936,916	18,485,411	146.3

The **finance result** improved on the back of a stronger investment result.

The **investment result** for 2025 was EUR 72.6 million, up EUR 22.3 million on the previous year, primarily driven by increased dividends from subsidiaries (up EUR 21.4 million). Excluding dividends received from subsidiaries, the investment result amounted to EUR 12.2 million, EUR 0.9 million more than in the previous year.

The increase in income was driven by higher interest income, which rose by EUR 2.3 million due to the investment of free funds generated from positive cash flow and the reinvestment of maturing debt instruments purchased at lower yields into higher-yielding debt investments. Investment expenses also increased, due to one-off effects on investments. The return on the investment portfolio was 2.4%, or 8.9%, if the income and expenses from the investments in subsidiaries and associates are included.

► **Sava Re investment portfolio investment return and net investment income**

EUR	2025	2024	Change	Index
Investment income	16,529,156	14,294,277	2,234,879	115.6
Investment expenses	-4,328,632	-2,992,559	-1,336,073	144.6
Net investment income*	12,200,524	11,301,718	898,806	108.0
Net income and expenses from subsidiaries and associates	60,406,533	39,035,925	21,370,608	154.7
Net investment income on investment portfolio	72,607,057	50,337,642	22,269,414	144.2
	2025	2024	Change	Index
Return on investment portfolio, net of investments in subsidiaries and associates	2.4%	2.8%	-0.4 pp	–
Return on investment portfolio	8.9%	6.9%	+2.0 pp	–

* The investment result is shown in the income statement.



► Sava Re investment portfolio income, expenses, net investment income and return

EUR	2025	2024	Change	Index
Interest income	10,091,367	7,819,346	2,272,021	129.1
Change in fair value of FVTPL investments	2,057,744	1,201,805	855,939	171.2
Dividends from equity investments and income from alternative funds	852,870	1,411,460	-558,589	60.4
Other investment income or expenses	-801,459	869,107	-1,670,565	–
Net investment result	12,200,523	11,301,718	898,806	108.0
Income of subsidiary and associate companies	60,406,533	39,035,925	21,370,608	154.7
Net investment income on investment portfolio	72,607,056	50,337,642	22,269,414	144.2
Investment return	2.4%	2.8%	-0.4 pp	–
Return on investment portfolio	8.9%	6.9%	2.0 pp	–

The result of investments in subsidiaries and associates was EUR 60.4 million, up EUR 21.4 million compared to 2024, due to higher dividends paid by the Group companies. There were no impairments of subsidiaries in 2025.

The **insurance finance** result decreased by EUR 2.0 million. This was partly reflecting portfolio growth and partly the positive effect in 2024 of releasing credit risk from reinsurance.

Profit for the period

Profit before tax increased by EUR 19.0 million compared to 2024, driven by higher dividends from subsidiaries and a better insurance result. In line with the increase in profit before tax, the **net profit for the period** also increased, by EUR 19.3 million. The **return on equity** was 3.3 percentage points higher than in 2024.

8.2.2 Financial position

The following is a discussion of assets and liabilities relevant to an understanding of the Company’s financial position, and required by law.

EUR	31 December 2025	31 December 2024	Change	Index
Equity	498,308,670	458,952,757	39,355,913	108.6
Subordinated liabilities	125,242,015	125,058,474	183,542	100.1
Net insurance contract liabilities*	271,302,484	280,405,660	-9,103,175	96.8
Investment portfolio	842,124,965	791,951,623	50,173,341	106.3
Intangible assets	6,330,823	6,482,385	-151,562	97.7
Total assets	920,130,211	879,053,733	41,076,478	104.7

* Insurance contract liabilities, net of insurance contract assets.

8.2.2.1 Capital and solvency

Equity amounted to EUR 498.3 million, up EUR 39.4 million compared to the end of 2024. The increase in the profit for 2025 and a positive change in other comprehensive income were the main reasons for the overall increase, partly decreased by dividend payouts.

The audited solvency position of Sava Re as at 31 December 2025 shows that the Company is well capitalised, with a solvency ratio of 308% (31 December 2024: 294%). The Company thus has a solvency ratio well above the regulatory requirement of 100%, and is well capitalised according to its internal criteria, which set a target solvency ratio of above 200%.



8.2.2.2 Subordinated liabilities

Subordinated liabilities totalled EUR 125.2 million. The parent company has issued two subordinated bonds, both of which are listed on the Luxembourg Stock Exchange. The first subordinated bond was issued in October 2019, with a scheduled maturity in 2039 and an early recall option for 7 November 2029. As at 31 December 2025, the market price of the bond was 91.616% and its market value EUR 69,128,096 (31 December 2024: the market price was 86.862% and the market value EUR 65,562,596). The second subordinated bond was issued in October 2024 and matures in 2029. As at 31 December 2025, the market price of the bond was 99.945% and its market value EUR 50,599,349 (31 December 2024: the market price was 99.66% and the market value EUR 50,456,849).

8.2.2.3 Net insurance contract liabilities

Net insurance contract liabilities amounted to EUR 271.3 million, a decrease of EUR 9.1 million compared to the previous year, due to higher premium inflows.

8.2.2.4 Investment portfolio

The Sava Re investment portfolio totalled EUR 842.1 million as at 31 December 2025 (31 December 2024: EUR 792.0 million).

The investment portfolio of Sava Re increased by EUR 50.2 million, or 6.3%, compared to year-end 2024. This increase was primarily driven by dividends received from subsidiaries (EUR 60.4 million) and positive cash flow from operating activities (EUR 22.0 million). Negative effects included net negative exchange rate differences (EUR 9.5 million), interest payments on issued subordinated bonds (EUR 5.4 million) and one-off effects on investments.

Fixed-income investments accounted for the largest share of the investment portfolio at the end of 2025, at 53.7%. They increased by EUR 47.2 million, or 11.6%, as the majority of the positive cash flow was invested, primarily in regular commercial bonds and covered bonds.

► Balance and composition of Sava Re investment portfolio

EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Change
Fixed-rate investments	452,518,660	53.7%	405,306,716	51.2%	47,211,945
Government bonds	282,751,129	33.6%	276,117,368	34.9%	6,633,761
Corporate bonds	168,769,318	20.0%	128,166,428	16.2%	40,602,891
Deposits	998,213	0.1%	1,022,920	0.1%	-24,707
Shares and mutual funds	10,413,093	1.2%	10,531,858	1.3%	-118,765
Shares	3,617,494	0.4%	3,204,768	0.4%	412,726
Mutual funds	6,795,599	0.8%	7,327,090	0.9%	-531,491
Alternative funds	28,529,444	3.4%	25,968,887	3.3%	2,560,557
Investment property	7,327,769	0.9%	7,431,872	0.9%	-104,103
Cash and cash equivalents	7,082,955	0.8%	14,724,094	1.9%	-7,641,139
Loans granted	8,034,439	1.0%	2,578,592	0.3%	5,455,847
Investments in subsidiaries and associates	328,218,605	39.0%	325,409,606	41.1%	2,809,000
Total investment portfolio	842,124,965	100.0%	791,951,623	100.0%	50,173,341



► Balance and composition of investment portfolio fixed-rate investments

EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Change in % of total (pp)
Government bonds	282,751,129	62.5%	276,117,368	68.1%	-5.6
Corporate and financial bonds	168,769,318	37.3%	128,166,428	31.6%	5.7
Regular corporate and financial bonds	134,757,170	29.8%	109,774,659	27.1%	2.7
Subordinated bonds	7,138,313	1.6%	2,006,571	0.5%	1.1
Covered bonds	26,873,836	5.9%	16,385,198	4.0%	1.9
Deposits	998,213	0.2%	1,022,920	0.3%	0.0
Total	452,518,660	100.0%	405,306,716	100.0%	–

8.2.2.4.1 Other investments of Sava Re in the insurance industry

In addition to its investments in subsidiaries as at 31 December 2025, Sava Re held investments in other companies in the insurance industry.

► Other investments of Sava Re in the insurance industry

	Holding (%) as at 31 December 2025
Slovenia	
Zavarovalnica Triglav d.d.	0.04%
EU and other international	
Bosna Reosiguranje d.d., Sarajevo, Bosnia and Herzegovina	0.51%
Dunav Re a.d.o., Belgrade, Serbia	0.93%

8.2.2.5 Intangible assets

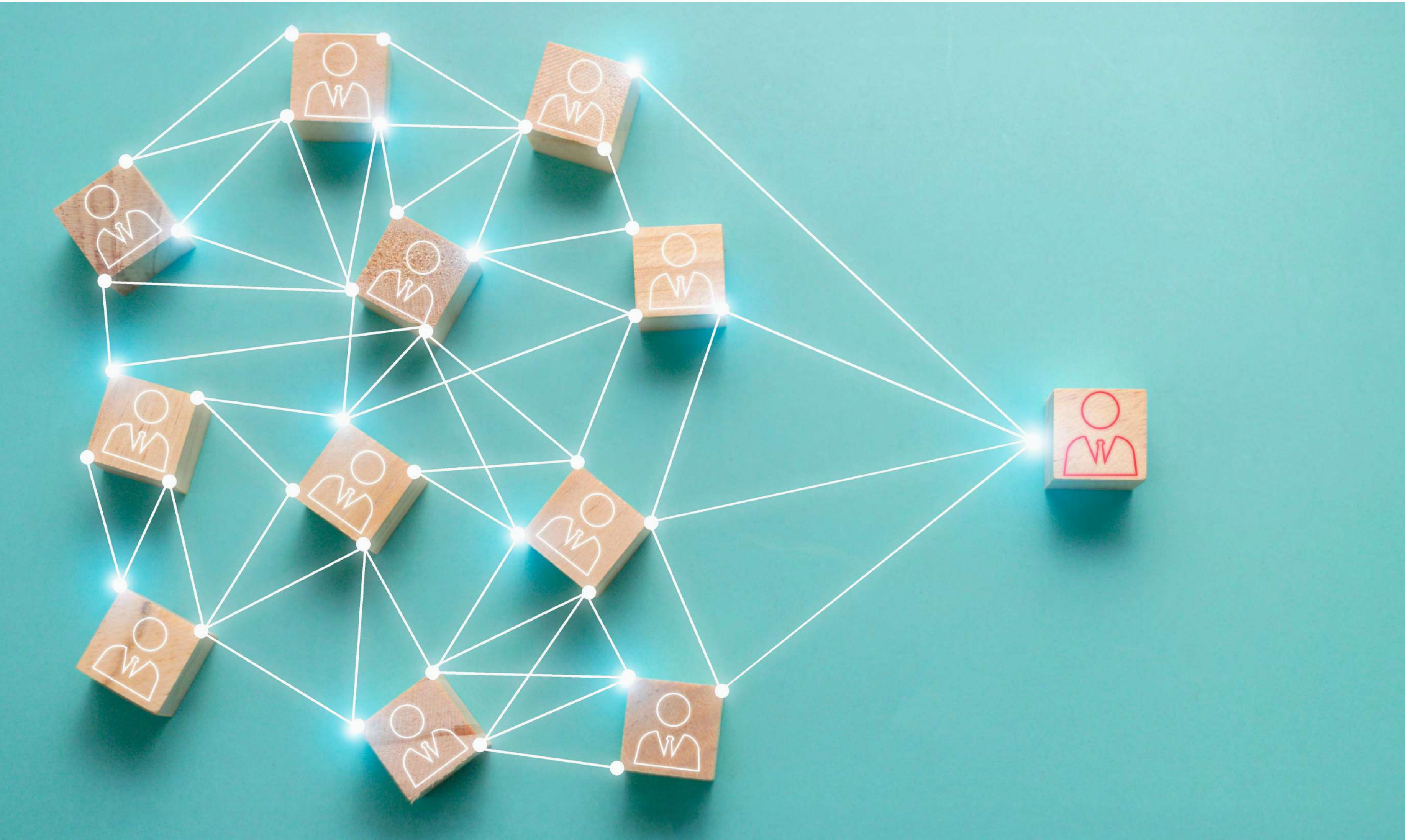
The Company’s intangible assets consist mainly of computer software, as shown in section [C.3.7.1 “Intangible assets”](#).

In addition to personnel and premises, computer software is Sava Re’s most important asset and is essential to its operations. It is needed for underwriting, claims handling and asset management, as well as for a range of other vital back-office activities (such as accounting, controlling and risk management).



9 Human resource management

Information on human resources is presented in the Sava Insurance Group’s sustainability report.



10 Risk management

We present the risk and capital management systems and the significant risks to which the Sava Insurance Group is exposed. Qualitative and quantitative treatment of risk exposures is presented in section C.3.6 “Risk management”. These areas will also be presented in more detail in the Solvency and Financial Condition Report of Sava Re as at 31 December 2025, which will be posted on Sava Re’s website on 3 April 2026, and the Solvency and Financial Condition Report of the Sava Insurance Group as at 31 December 2025, which will be posted on the Sava Re website on 20 May 2026.

10.1 Risk management system

The Sava Insurance Group’s management is aware that risk management is key to achieving operational and strategic goals and to ensuring the long-term solvency of the Group. For this reason, we are continuously improving our risk management system at both the company and the Group level.

The risk management system is based on the requirements of the Solvency II legislation, but we also take into account the regulatory specificities of non-insurance companies and adapt the risk management system of these companies accordingly, depending on the business activities of each company, the scope of these activities and the risks to which each company is exposed. Best practices from Sava Re’s risk management model and the risk management organisation are also transferred to other Group companies.

The Sava Insurance Group has a risk strategy that defines the Group’s risk appetite and policies covering the overall risk management framework, its own risk and solvency assessments and risk management for each risk category.

We have integrated risk management into all phases of business management. It consists of the following key elements:

- the risk strategy,
- risk management processes as part of the first and second lines of defence,
- the own risk and solvency assessment (ORSA) process.

As part of our systematic approach to risk management, we focus on:

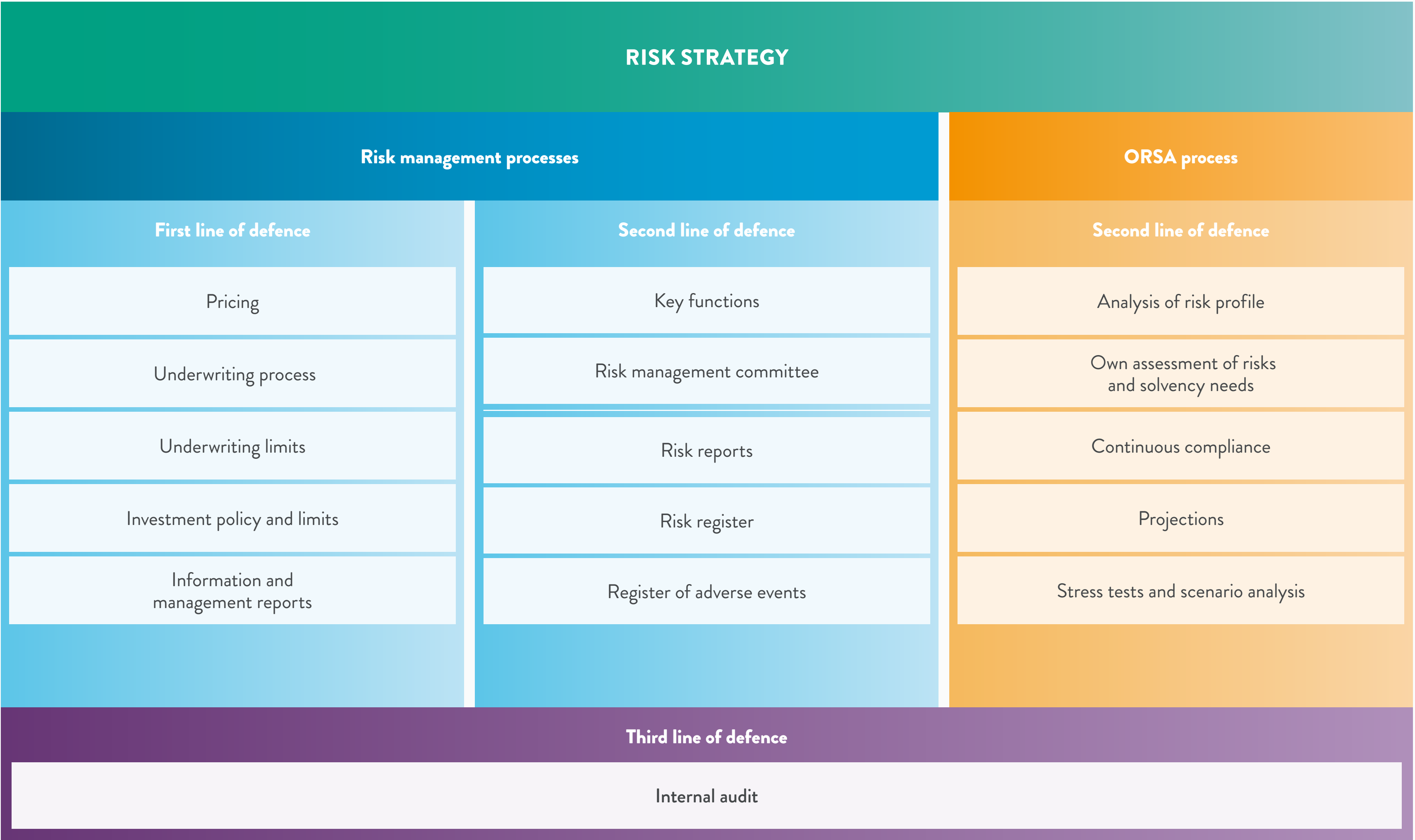
- establishing a clearly expressed risk appetite within the framework of the risk strategy and, on this basis, setting operational limits,
- developing our own risk assessment models and improving ORSA,
- integrating ORSA and the risk strategy into business planning and strategy setting,
- integrating risk management processes into business processes,
- systematically improving the internal control environment, adapting processes to new activities and monitoring the occurrence of adverse events,
- establishing appropriate risk management standards in all Group companies, depending on the scope, nature and complexity of the business and the associated risks.



10.1.1 Organisation of risk management

The efficient functioning of the risk management system is primarily the responsibility of the Sava Re management board and the management board of each individual subsidiary. To ensure effective risk management, the Group uses a three-lines-of-defence model, which clearly segregates responsibilities and tasks among the lines of defence. The first line of defence consists of all organisational units with operational responsibilities. The second line of defence consists of three key functions and the risk management committee, if set up in the company. The third line of defence consists of the internal audit function.

The Group’s risk management system is presented in the following diagram.



The Group's risk management system has been set up on a top-down basis, taking into account the specific characteristics of each of the companies. The management board of each company plays a key role and bears ultimate responsibility for the effectiveness of the risk management processes in place and their alignment with the Group's standards and the applicable laws.

The supervisory board of each company also plays an important role by reviewing and approving all key risk-related documents. A risk committee has been set up within the supervisory board of the parent company to provide relevant expertise and support in the risk management process in the company and in the Group.

Under the second line of defence, the company and the Group have three key functions in place: the actuarial function, risk management function and compliance function. In addition, the Group's large members have a risk management committee in place. Each individual company ensures the independence of the key functions, which are organised as management support services and report directly to the management board.

The risk management function of each individual company is mainly responsible for setting up

effective risk management processes and for coordinating risk management processes already in place at the company or Group level. It is involved in identifying, assessing, monitoring, managing and reporting on risks. It is also involved in the preparation of the risk strategy and the setting of risk tolerance limits. The risk management function regularly monitors and reports on risks at all levels. It also provides decision-making support to the management board.

The main tasks of the actuarial function in the risk management system are to provide an opinion on the underwriting policy, to provide an opinion on the adequacy of reinsurance arrangements, and to independently verify and challenge the calculation of liabilities and assets from (re)insurance contracts, including the assumptions, methods and professional judgement used. The actuarial function of each company works in cooperation with the Group's actuarial function.

The main tasks of the compliance function in relation to the risk management system are the identification, management and reporting of non-compliance, including the monitoring of the legal environment, the analysis of existing processes in relation to their compliance with internal

and external regulations and any changes to regulations.

The third line of defence is provided by the internal audit function, which is set up to provide assurance and advice to management on how to add value and improve the efficiency and effectiveness of operations. Internal audit assists the Company in achieving its goals by systematically and methodically assessing the effectiveness and efficiency of the governance, risk management and internal control systems and making recommendations for their improvement. The internal audit function of the Company is performed by the internal audit department (IAD), which operates as an independent unit, organisationally directly subordinate to the management board and functionally and organisationally separate from other parts of the Company. It is organised in accordance with the Slovenian Insurance Act, which guarantees the autonomy and independence of its activities. It reports quarterly to the management board, audit committee and supervisory board on completed audit engagements, the effectiveness and efficiency of control systems, corporate governance, risk management, identified breaches and irregularities and the status of recommendations. It coordinates the work

of the external auditors, cooperates with the regulators and follows up on the recommendations of the internal and external auditors. It also provides consulting services in agreement with the management board, audit committee and supervisory board. Group Internal Audit has been set up across all companies of the Sava Insurance Group. The IAD ensures the continuous development and high quality of internal auditing, transferring its standards and best practices to the internal audit departments of its subsidiaries and providing them with the necessary professional assistance. It is also involved in internal audits of subsidiaries and performs IT audits for all companies. Internal auditing is technologically supported by software that supports the entire internal audit process at the level of the Sava Insurance Group.

In accordance with the Slovenian Insurance Act and under an outsourcing agreement, Sava Re d.d. performs the key function of internal audit for the companies Zavarovalnica Sava d.d., Vita, Življenjska Zavarovalnica, d.d., Sava Pokojninska Družba d.d. and Sava Infond, Družba za Upravljanje, d.o.o. for an indefinite period.



10.1.2 Risk and capital management strategies

The Group seeks to operate in compliance with its business strategy and meet its key strategic goals while maintaining an adequate capital level. The risk strategy is prepared in line and in parallel with the strategic plan. The Group has adopted the Sava Insurance Group Risk Strategy for 2023–2027, which defines the risk appetite by operating segment, a set of key indicators and their limits, and a set of operational indicators for ongoing monitoring. Each Group company sets its own risk strategy, risk tolerance limits and operational limits based on the Group’s risk appetite.

The key indicators for monitoring and measuring compliance with risk appetite are:

- the solvency ratio,
- the profitability of the operating segments, including their acceptable level of volatility (tolerance),
- investment and liquidity indicators.

The Group manages its capital to ensure that each Group company has sufficient funds available, on an ongoing basis, to meet its obligations and regulatory capital requirements. The composition of eligible own funds held to ensure capital adequacy must comply with regulatory requirements.

The solvency ratio is the most important indicator of the risk strategy in relation to capital management. The Group’s solvency requirement is designed to meet regulatory and rating agency requirements, while the Group must hold sufficient surplus capital to cover the potential capital needs of the subsidiaries should a stress scenario materialise for any of them.

10.1.3 Risk management processes

The main risk management processes are identifying, assessing (measuring) and monitoring risks, determining appropriate actions to manage them and reporting on them. Risk management processes are inherently connected with and incorporated into the basic processes conducted at both the company and the Group level. They take place in all three lines of defence of the risk management system and are integrated into the decision-making system so that all important business and strategic decisions are also evaluated from a risk perspective.

Risk identification

As part of the risk identification process, each Group company identifies the risks to which it is exposed. The key risks, which are compiled in each company’s risk register and form the company’s risk profile, are regularly reviewed, and new risks are added as necessary. Risk identification at the Group level is conducted in the same way. Risk identification in the individual Group companies and at the Group level is both a top-down and a bottom-up process. The top-down approach is mainly used for strategic risks, such as reputational risk and regulatory risk, and to identify emerging risks. Bottom-up risk identification takes place in individual organisational units and with risk owners (first line of defence).

Risk identification is essentially ongoing but is particularly important during business planning and for all major projects and business initiatives, such as new product launches, investments in a new asset class, acquisitions and others.

Risk assessment (measurement)

The Group has established a regular process for assessing (measuring) the risks to which each company or the Group is exposed. Risks are measured using both qualitative and quantitative methods, which are constantly being refined.

We use a variety of approaches and models to measure each risk. These vary according to the risk:

- the Solvency II standard formula,
- own risk and solvency assessment (ORSA),
- stress testing and scenario analysis,
- qualitative risk assessment in the risk register,
- various risk measures that facilitate the measurement and monitoring of the current risk profile.

Climate change risks are included in the risk register and periodically assessed alongside other risks. They are linked to the basic risk categories they affect (market, insurance, credit, strategic and operational risks) and are divided into transition and physical risks.



Risk monitoring

We monitor risks at several levels: in each organisational unit, the risk management department, the risk management committee and at the level of the management board, the risk committee of the supervisory board (in Sava Re) and the supervisory board of each Group company. In addition, the risk profile of each Group company is monitored at the Group level with regard to its impact on the Group’s risk profile.

In order to monitor risks and compliance with the risk strategy on an ongoing basis, we have a core set of risk measures for each risk category in each Group company, which allows us to monitor the current risk profile and capital position of each company and the Group. Additionally, we monitor and control the measures taken to manage risk. Adverse events and the implementation of relevant corrective measures to prevent the recurrence of an individual event are also monitored.

Risk management

Risk management takes into account the cost-benefit aspect of each action and any recommendations made by the risk management committee and key functions. If there is a need to adopt a new measure to limit a specific risk, we analyse the measure in the company concerned and take cost effectiveness into account in our decisions.

Each Group company considers the impact of its business strategy on its risk profile and capital position as part of its business planning. When decisions are taken during the year that have a significant impact on the risk profile but were not assessed for risk in the business planning process, the company concerned assesses the impact of these decisions on its own and the Group’s risk profile, checks compliance with its risk appetite and takes the necessary action.

Risk reporting

Regular risk reporting is in place in the larger Group companies and at the Group level. Risk owners report to the risk management function on specific risk categories, such as a predefined set of relevant risk measures and additional qualitative information. On this basis, the risk management function, in collaboration with the risk owners, prepares a risk report covering the overall risk profile of each company. The report is discussed at all levels and is shared with the Group’s risk management function. Relevant risk information is also monitored at the Group level and reported in the Group’s risk report.

10.1.4 Own risk and solvency assessment (ORSA)

ORSA is a process that runs in parallel with business planning. It aims to understand the risk profile and analyse the impact of changes in the risk profile over the next three years on capital adequacy. The analysis takes into account both the standard Solvency II formula and the own risk assessment and impact analysis of various stress tests and scenarios.

In ORSA, we assess all significant measurable and unmeasurable risks that could affect the performance of an individual Group company or the Group as a whole. Sustainability risks, in particular climate change risks, are also addressed and assessed as the Group and the Company recognise the importance of the impact of climate change on long-term business performance. Therefore, both qualitative and quantitative assessments of climate change risks are included in ORSA. In addition to climate change risks, we also address the risks of biodiversity loss.

ORSA is embedded in the decision-making process and ensures that key decisions and business strategy are made in light of the risks and associated capital requirements. The results of ORSA are used to review the alignment of the business strategy with the risk strategy. In this way, we have established a link between business strategy, the risks assumed, the capital requirements arising from them and capital management.

The Company’s management board, the risk management committee and specialist staff from different areas are actively involved in the entire ORSA process.

10.2 Material risks of the Sava Insurance Group

In the Group and its individual companies, all identified risks fall into the following main risk categories: underwriting risks, financial risks (comprising market risk, liquidity risk, credit risk and the risk of failure to achieve guaranteed returns), operational risks and strategic risks.

In addition, the Group and its companies monitor emerging risks that may affect any of the above risk categories. As part of identifying these risks, we also identify and assess sustainability risks, which in the Sava Insurance Group mainly relate to market and underwriting risks. They are discussed in the strategic risks section of this report.

Details on individual risks are provided in section [C.3.6 “Risk management”](#), while sustainability risks are presented in detail in the sustainability report.

In the following, we describe each risk category and the risks within each category.

10.2.1 Underwriting risks

Underwriting risk arises from insurance transactions, the primary purpose of which is to assume risk from insureds (underwriting) and to perform (re)insurance contracts and transactions that are directly related to (re)insurance transactions. It relates to the risks covered under (re)insurance contracts and related processes and arises from uncertainty as to the occurrence, extent and timing of obligations.

In addition to the risks assumed directly by the Group’s direct insurers, Sava Re assumes underwriting risk from cedants outside the Group (accepted reinsurance). Sava Re retains a portion of the assumed risks (Group and non-Group) and retrocedes the portion that exceeds its own capacity.

Underwriting risks are broadly divided into non-life underwriting risks, life underwriting risks and health underwriting risks (which include accident (re)insurance). The Group and Sava Re are exposed to all three categories of risks.

10.2.1.1 Non-life underwriting risks

Non-life underwriting risks are further subdivided into premium risk, risk of insufficient liabilities and assets from (re)insurance contracts, lapse risk and catastrophe risk.

Premium risk: this is the risk that premiums written are insufficient to meet the obligations arising from (re)insurance contracts. This risk depends on many factors, such as inadequate assessment of market developments, inadequate assessment of claims development, use of inadequate statistics, deliberately insufficient premiums for certain classes of business that are expected to be offset by other classes of business, or inadequate assessment of external macroeconomic factors that may change significantly during the term of a contract; in certain classes of business, there is also inadequate assessment of environmental factors, including climate change. Premium risk includes underwriting process risk, price risk and the risk of unexpected increase in claims.

Given the Group’s portfolio structure, the largest contributors to premium risk include motor vehicle and property (re)insurance (fire and other damage to property, including related business interruption insurance).

The Group seeks to mitigate underwriting process risk by restricting authorisations for mass underwriting, providing additional training to underwriters and agents, by providing understandable, clear and detailed instructions, and setting appropriate underwriting limits that are consistent with the business strategy, the risk strategy and the reinsurance programme. We also pay particular attention to offering products to appropriate target clients (to avoid mis-selling and adverse selection), accepting reinsurance from trusted cedants, and ensuring that appropriate limits are in place for exposure concentrations by geographic location and homogeneous risk groups, thereby maintaining favourable risk diversification.



Risk of insufficient liabilities and assets from (re)insurance contracts: this is the risk that the liabilities and assets from (re)insurance contracts are either (i) insufficient to meet the obligations arising from (re)insurance contracts due to inadequate methods, inappropriate, incomplete and inaccurate data, inefficient procedures and controls or inadequate expert judgement, or (ii) misstated, resulting in unreliable information about the financial position of the company or the Group. This includes the risk of data availability and accuracy, the risk of using inappropriate methods or assumptions, the risk of calculation errors, and the risk that the complexity of the tools used in the process may lead to misleading results. Sustainability risks, including those related to climate change, are also considered when assessing the adequacy of provisions.

As with premium risk, the majority of the risk of insufficient liabilities and assets from (re)insurance contracts arises from the motor and property business, where liabilities and assets from (re) insurance contracts are structurally the largest due to the Group’s traditional focus on such business.

The Group manages the risk of insufficient liabilities and assets from (re)insurance contracts through robust processes and effective controls for their calculation under both IFRS and Solvency II regulations. In addition, each year we back-test the adequacy of the (re)insurance contract liabilities and assets established in previous years, which is used to identify any major causes of inadequate (re)insurance contract liabilities and to apply the lessons learned to the setting of these liabilities in the future.

Lapse risk: this is the risk of loss or adverse change in the value of insurance contract liabilities resulting from changes in the level or volatility of lapse rates. The Group and Sava Re are not materially exposed to this type of risk. This risk is mitigated primarily by maintaining good relationships with policyholders and cedants and by closely monitoring market conditions.

Catastrophe risk: this is the risk of a catastrophic event occurring; such events are rare, but their financial impact is too great to be covered by otherwise adequate premiums and provisions alone. Catastrophe risk may materialise in the case of extreme events or a large number of

catastrophic events over a short period. The risk also includes an excessive geographical accumulation of risk. The Group’s portfolio is relatively well diversified geographically, with a slightly higher concentration of risks in Slovenia, which is further addressed through the reinsurance programme. This risk is managed by means of a well-designed underwriting process, by controlling risk concentration for products covering larger properties against natural catastrophes and fire, by geographical diversification, and by adequate retrocession protection against natural and man-made catastrophes.

Sustainability and climate change risks are also important in non-life insurance and have recently gained in importance and attention at both the Group and Company level. We carry out qualitative assessments, exposure analyses and longer-term scenario analyses, and we monitor the progress of their modelling. The knowledge gained in this area is then applied to underwriting, setting insurance premiums, determining liabilities and assets from (re)insurance contracts and arranging sufficient reinsurance protection to keep risks within the risk appetite.

Other underwriting risks, such as economic environment risk and policyholder behaviour risk, may be relevant, but their impact is already indirectly reflected in the non-life underwriting risk above.

10.2.1.2 Life underwriting risks
We divide life underwriting risks into biometric risks, life expenses risk and life lapse risk.

Biometric risks: among these, mortality risk, which is the most significant risk for the Group, is the risk that the actual mortality of insured persons will turn out to be higher than that projected in the mortality tables used for premium pricing. It depends on the use of relevant statistics and the identification of insured persons whose health or lifestyle may increase their mortality risk. The procedures used to manage this risk include the consistent application of underwriting protocols, detailing deviations from the normal mortality risk, regular monitoring of exposures and the adequacy of the mortality tables used, and appropriate reinsurance protection.



Life expense risk: this is the risk that the actual cost of servicing life insurance contracts will be higher than that assumed in pricing. The level of risk depends on the use of appropriate statistics and an increase in the actual cost of servicing life insurance contracts. The Group manages the life insurance expense risk by periodically monitoring the expenses incurred in servicing life insurance contracts, monitoring the macroeconomic situation (e.g., inflation) and appropriately planning these expenses for the coming years.

Life lapse risk: this is the risk of a (low or high) increase in lapse rates (rate of early contract termination) due to surrenders, conversions to paid-up status or premium default. The level of risk depends on the use of appropriate statistics, the identification of lapses for various reasons in an underwriting year and the economic situation, which may also affect policyholder behaviour. The level of risk also depends on the competitive insurance products available in the market and the advice provided by insurance intermediaries and financial advisers. The Group manages this risk

mainly by monitoring the number and percentage of policy lapses on a quarterly basis, by restricting surrenders where insurer approval is required and by systematically preventing insurance rearrangements by intermediaries.

Sustainability and climate change risks are also increasingly important in life insurance. They have become more relevant in recent years and can affect life insurance in a number of ways, including an increase in cancellations and surrenders, an increase in biometric risks (especially mortality and morbidity) and other impacts. We therefore take sustainability and climate change factors into account, among others, when setting insurance premiums and making assumptions for the calculation of liabilities and assets from (re)insurance contracts.

Life insurance risks also include other biometric risks (longevity risk and disability and morbidity risk), revision risk and life-catastrophe risk. These risks are minor for the Group and are therefore not discussed in detail.

10.2.1.3 Health underwriting risk

Health underwriting risks are divided into risks arising from health insurance pursued on a similar technical basis to non-life insurance (NSLT health insurance) and health insurance pursued on a similar technical basis to life insurance (SLT health insurance).

The Group manages NSLT-health underwriting risks using techniques similar to those used in non-life insurance, namely prudent underwriting, control of risk concentrations in accident and health products and appropriate reinsurance protection. SLT health insurance is very similar to life insurance; therefore, the Group manages the risks arising from SLT health insurance using similar techniques as for life insurance.

10.2.2 Financial risks

In their financial operations, individual Group companies are exposed to financial risks arising from their investment and underwriting portfolios relating to market, liquidity, credit risk and the risk of failure to realise guaranteed returns on the life insurance business. Sustainability risks are also important, especially those related to climate change, which can indirectly affect interest rates, credit spreads, property values and more.

10.2.2.1 Market risk

As part of the management of market risk, the Group assesses interest rate risk, investment property risk, equity risk and currency risk.

Interest rate risk: this is the risk that the Group or a company will be exposed to losses resulting from fluctuations in interest rates. When interest rates change, the risk may materialise as a result of a decrease in the value of investments or an increase in liabilities. We try to avoid this by carrying out sensitivity analyses and by matching assets and liabilities, i.e., cash-flow matching.

Investment property risk: this is the risk of a change in the fair value of investment property owned directly or indirectly by the Group or a company. In addition to investment property, real-estate funds are also exposed to this risk.

Equity price risk: this is the risk that the value of investments will decrease due to fluctuations in equity markets. Shares, as well as equity and mixed mutual funds, are exposed to this risk. The Group manages the equity risk by diversifying this part of the investment portfolio across different capital markets and through a limit system that limits overexposure to the equity portfolio.

Currency risk: this is the risk that changes in exchange rates will reduce the value of assets denominated in foreign currencies or increase the value of liabilities denominated in foreign currencies. The Group manages currency risk through the efforts of each company to optimise asset-liability currency matching.

10.2.2.2 Liquidity risk

This is the risk that, owing to unexpected or unexpectedly high obligations, a company will not be able to meet all its financial obligations. The liquidity risk assumed by each Group company is monitored by regularly measuring and monitoring

defined liquidity indicators. One of the indicators is the maturity matching of financial assets and liabilities. Liquidity requirements are met by allocating funds to money market instruments in a percentage consistent with the estimated normal current liquidity requirement. We ensure that we have the funds to cover the estimated liquidity buffer of the EU companies by investing at least 20% of portfolio investments in highly liquid assets.

10.2.2.3 Credit risk

This is the risk that an issuer of securities or other counterparty will default on its obligations. In the context of credit risk, each company and the Group address the excessive concentration of risk in a particular region, industry or issuer. Assets exposed to credit risk include financial investments (deposits, bonds, loans granted, bond and convertible mutual funds, and cash and cash equivalents) and other receivables.

10.2.2.4 Risk of failure to realise guaranteed returns

The Group is exposed to the risk of failing to achieve the guaranteed return, specifically with investment contracts and with traditional and unit-linked life insurance business.

10.2.3 Operational risks

This is the risk of loss arising from inadequate or failed internal processes, human behaviour, systems or external events. To manage operational risks effectively, the Group companies have processes in place to identify, measure, monitor, manage and report on such risks.

10.2.4 Strategic risks

The Group companies and the Group are exposed to various internal and external strategic risks that may have a negative impact on earnings or capital adequacy. Strategic risks also include reputational, project and sustainability risks as well as emerging risks. To prevent these risks from materialising, the Group companies mainly carry out preventive activities and have processes in place to identify, measure, monitor, manage and report on strategic risks to ensure that they are managed effectively.

We also manage strategic risks by continuously monitoring the achievement of short- and long-term goals of the Group companies and the Group, as well as by monitoring upcoming regulatory changes and market developments.





11 Information technology

The IT department is responding to the rapid growth of the Group and the evolving business environment through targeted staff reinforcements and continued investments across all key areas.

In 2025, we focused on supporting our clients’ business requirements, strengthening the IT architecture and improving IT management.

We paid particular attention to artificial intelligence, including establishing appropriate organisational and technical conditions to support the effective implementation of technological innovations in this area.

We strengthened our workforce and further developed our IT process management, IT operations and IT architecture capabilities. This increased the capacity and transparency of IT support for various development activities at the Group level.

As part of our established practice, we continued to conduct our own IT process maturity audits and supplemented these with an increasing number of independent external expert reviews covering operational capabilities, architecture, and system and solution configurations. The findings of these reviews form the basis for targeted upgrades and improvements, which we are gradually implementing. Accordingly, we improved our processes for managing development requests, IT architecture, internal controls and risks, as well as for planning and monitoring IT costs and investments.

In the area of business application development, the department ensured the stable operation of existing solutions, aligning them with the business and regulatory requirements of Group companies. We continued the project to replace the core IT solution, progressed with the generational replacement of the sales application

and completed the project to replace the core IT solution for reinsurance. At the Group level, we continued to implement common solutions.

In the field of business intelligence, we provided regular support to the business and upgraded existing solutions to meet the current needs of our clients. Consistent with the 2023–2027 strategy, we initiated a project to upgrade and expand data warehouse functionalities across several Group companies.

The infrastructure team provided seamless support for business operations and enhanced its technical and service capabilities in order to implement the strategy. Particular focus was given to digitisation and the introduction of new core IT solutions for the insurance business. We implemented continuous improvements, optimised server and network system configurations, and improved the monitoring of critical services. We upgraded system software and hardware infrastructure in line with the business plan, depreciation cycle, current business requirements and planned IT development projects, paying particular attention to designing a next-generation core data centre architecture to ensure we are ready for the 2025 to 2030 period. This includes greater use of artificial intelligence

solutions, robotisation, and the processing of larger volumes of data.

We upgraded our information security system, which operates 24/7, and continued testing and deploying new security solutions. Regular exercises addressing social-engineering attack scenarios were conducted, alongside targeted training for key personnel and business decision-makers, to ensure an effective response in the event of cyber incidents. We further reinforced our cybersecurity approach by including Group companies within cyber insurance coverage where appropriate.

In the area of business continuity, we carried out all planned preventive and control activities, taking into account the growing scale of hybrid operations, including remote working.

When planning new investments, we consistently integrate sustainable business principles, focusing on reducing the number of applications and centralising the use of shared infrastructure, both on our own platforms and in the cloud. Our business solutions actively support hybrid ways of working for customers and employees alike, helping to reduce travel requirements and, as a result, our overall environmental footprint.



12 Appendices to the business report

Appendix A – Glossary of selected terms and calculation methodologies for indicators

Adriatic region. The countries of southeastern Europe along the Adriatic Sea.
Assets under management. Assets of the pension companies’ pension funds, the assets of mutual funds managed by the Group’s asset management company and the assets of the policyholders who bear the investment risk.
Book value per share. Ratio of total equity to the weighted average number of shares outstanding.
Business volume. Gross premiums written and non-insurance revenue.
Combined ratio. The sum of the loss ratio and the expense ratio. The Group’s ratio is calculated for the reinsurance and non-life insurance operating segments. Sava Re’s ratio does not include expenses arising from holding activities.
Contractual Service Margin (CSM). An estimate of the unearned profit on groups of insurance contracts that has not been recognised in the income statement at a reporting date because it relates to future services.
Cost-to-Income Ratio (CIR). Administrative expenses as a percentage of net operating revenue and net other income/expenses.
Dividend yield. Ratio of the dividend per share to the rolling 12-month average share price.
Emerging risks. New risks, or risks that have been identified previously but which arise in new or unknown circumstances and the impact of which is not fully understood.

Expense ratio. Attributable expenses plus non-attributable expenses plus net operating income or expenses plus net other income or expenses plus net impairment losses and reversals of impairment losses on non-financial assets as a percentage of insurance revenue. The Group’s ratio is calculated for the reinsurance and non-life insurance operating segments. In the reinsurance segment, insurance revenue is reduced by the costs of fixed commissions.
Finance result. Net insurance and finance result, including finance costs and share of profit or loss of investments accounted for using the equity method.
FVTPL (Fair Value Through Profit or Loss) investments. Financial investments measured at fair value through profit or loss.
Gross premiums written. The total premiums from all policies written or renewed during a given period, regardless of what portions have been earned.
Highly liquid assets. Highly liquid investments include L1A assets (ECB methodology), investments in US bonds, investments in sovereign and supranational issuers rated AA+ or better, and cash and cash equivalents.
IBOR (Interbank Offered Rate). An interbank reference interest rate is the average interest rate at which banks borrow money (e.g., LIBOR, EURIBOR).
Insurance result. Insurance service result, excluding non-attributable operating expenses of insurance companies.



Investment portfolio. It includes investment property, investments in associates and subsidiaries, financial investments other than unit-linked assets, and cash and cash equivalents other than those related to unit-linked life insurance contracts.

Loss ratio. Insurance service expenses, excluding operating expenses, plus net result from reinsurance contracts held as a percentage of insurance revenue. The Group’s ratio is calculated for the reinsurance and non-life insurance operating segments.

Net contractual service margin. Contractual service margin, net of reinsurance.

Net earnings or loss per share. Ratio of net profit or loss attributable to equity holders of the controlling company as a percentage of the weighted average number of shares outstanding. The Company and the Group have no potentially dilutive ordinary shares, therefore basic earnings per share equal diluted earnings per share.

Net investment income on investment portfolio. The investment result plus the share of the profit or loss of subsidiaries and associates. It is calculated excluding the return on life insurance policies where policyholders bear the investment risk, the impact of foreign exchange differences and the cost of subordinated debt.

NSLT health insurance. Health insurance provided on a technical basis similar to that of non-life insurance.

Own risk and solvency assessment (ORSA). Own assessment of the risks associated with a company’s or the Group’s business and strategic plan and assessment of the adequacy of own funds to cover them.

Return on equity. Net profit for the period as a percentage of average equity during the period, excluding accumulated other comprehensive income.

Return on investment portfolio. The ratio of net investment income on the investment portfolio to average invested assets. The investment portfolio position includes the following items of the statement of financial position: investment property, investments in associates and subsidiaries, financial investments other than unit-linked assets, and cash and cash equivalents other than those related to unit-linked life insurance contracts. The average balance is calculated on the basis of the investment portfolio positions over the last five quarters.

SLT health insurance. Health insurance provided on a technical basis similar to that of life insurance.

Solvency ratio. The ratio of eligible own funds to the solvency capital requirement, expressed as a percentage. A solvency ratio greater than 100% indicates that the company has sufficient resources to meet the solvency capital requirement.

Total shareholder return. The ratio of the difference between the share price at the end and beginning of the period, plus the dividend, to the share price at the beginning of the period.

Ultimate loss. Total amount of loss after all claims have been paid. Prior to final settlement, the estimated ultimate loss includes reported claims and provisions for incurred but not reported (IBNR) claims.

Appendix B – Alternative performance measures

The Sava Insurance Group uses alternative performance measures (APMs) throughout its financial publications, in addition to figures prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. We believe that these measures provide investors with useful information and contribute to a better understanding of our business performance. These financial measures are designed to assess business volume and growth, performance, profit generation and capital efficiency. The APMs should be considered alongside, rather than as a replacement for, the figures determined in accordance with IFRS.

The Sava Insurance Group uses the following APMs:

- business volume,
- gross premiums written,
- insurance result,
- combined ratio,
- cost-to-income ratio (CIR),
- finance result,
- return on investment portfolio (ROI),
- return on equity (ROE),
- assets under management,
- solvency ratio.

Business volume. A measure of the overall amount of business generated during a specific reporting period.

Business volume is the sum of gross premiums written and non-insurance revenue.

Limitations on usefulness: Business volume does not provide any information on the profitability of the Sava Insurance Group, nor on the timing of services related to business operations. It should always be considered alongside other IFRS categories, such as insurance revenue or net profit for the period.

Gross premiums written. A measure of the business volume generated by the Group’s operating segments during a specific period. While a gross written premium approach may not be used to present IFRS insurance revenue, it may still serve as a measure of growth. In accordance with this, we consider gross written premiums to be a key performance indicator in addition to IFRS insurance revenue. We believe this indicator is useful and meaningful to our external audience as it represents an important financial measure of the Sava Insurance Group’s growth during a given period.

Limitations on usefulness: Gross written premiums do not provide any information as to the profitability of the Sava Insurance Group. They also do not provide information on when the insurance services are provided and included in insurance revenue under IFRS 17. It should always be considered alongside other IFRS categories, such as insurance revenue or net profit for the period.

Insurance result. A measure that reflects the level of revenue generated by underwriting performance.

It is calculated as the insurance service result under IFRS 17, minus non-attributable operating expenses of insurance companies, which are not included in the insurance service result under IFRS 17. The Sava Insurance Group believes that presenting the insurance result in this way is more appropriate, given that the premiums included in insurance revenue are intended to cover all costs of insurance contracts.

Limitations on usefulness: The insurance service result under IFRS 17 does not include finance expenses related to insurance contract liabilities (i.e., the effects of discounting), which are included in the finance result.

Combined ratio. A measure of underwriting profitability used in non-life insurance and reinsurance operating segments. It is typically expressed as a percentage. A ratio of below 100% indicates that the underwriting result is profitable, whereas a ratio of above 100% indicates a negative underwriting result.

The combined ratio is calculated as the sum of the loss ratio and the expense ratio. The loss ratio represents claims and related reinsurance/retrocession costs as a percentage of insurance revenue. It is calculated by dividing claims, including the reinsurance result, by insurance revenue. The expense ratio is the sum of attributable and non-attributable expenses, including net other income/expenses, divided by insurance revenue. Sava Re’s ratio does not include expenses arising from holding activities.

Limitations on usefulness: The combined ratio is used to measure underwriting profitability, but it does not capture the profitability of the finance result. Even in case of a combined ratio of above 100%, the net profit for the period can still be positive due to a positive finance result. As a ratio it does not provide information on the absolute amount of the insurance result.

Cost-to-income ratio (CIR). A measure of the profitability of the Sava Insurance Group’s activities in the pensions and asset management operating segment.

It is calculated as administrative expenses as a percentage of the segment’s net operating revenue.

Limitations on usefulness: As a ratio, CIR does not provide information on the absolute amount of the operating revenue and expenses.

Finance result. A measure used to assess the part of the total profit which is generated from the investing activities after covering finance costs, including finance expenses for insurance contracts.

In addition to net investment income, as defined by IFRS 9, and net finance expenses from insurance contracts, as defined by IFRS 17, the finance result of the Sava Insurance Group also includes the costs of (subordinated) debt and the share of profit distributions of associates.

Limitations on usefulness: The finance result should not be used to predict the future performance of the Sava Insurance Group.

Return on investment portfolio (ROI). A performance ratio that measures how much investment income has been generated relative to the position of the Sava Insurance Group’s investment portfolio.

It is calculated as the ratio of net investment income on the investment portfolio to the average investment portfolio position. The net investment income on the investment portfolio includes the investment result plus the share of the gains/losses of associates and subsidiaries. It is calculated excluding the net investment income on life insurance policies where policyholders bear the investment risk, the impact of foreign exchange differences and the cost of subordinated debt. The investment portfolio position includes the following items of the statement of financial position: financial investments other than unit-linked assets, cash and cash equivalents other than those related to unit-linked life insurance contracts, investments in associates and subsidiaries, and investment property. The average balance is calculated based on the investment portfolio positions over the last five quarters.

Limitations on usefulness: ROI should not be used to predict the future performance of the Sava Insurance Group’s investment portfolio.

Return on equity (ROE). A performance ratio that measures how effectively the Sava Insurance Group uses shareholders’ equity to generate net profit.

It is calculated as the net profit for the period as a percentage of average equity during the period, excluding accumulated other comprehensive income.

Limitations on usefulness: ROE does not provide any information on the absolute amount of shareholders’ net profit or shareholders’ equity.

Assets under management. The amount of financial assets that the Sava Insurance Group manages on behalf of and for the account of its customers, and the amount of assets used to cover liabilities to policyholders who bear the investment risk.

This includes the assets of the pension companies’ pension funds, the assets of mutual funds managed by the Group’s asset management company and the assets held for the benefit of policyholders who bear the investment risk.

Limitations on usefulness: As an absolute amount, assets under management do not provide information on the profitability of the Sava Insurance Group, nor on the returns to customers.

Solvency ratio. In accordance with Solvency II legislation, it is calculated as the ratio of eligible own funds to the solvency capital requirement (SCR) and must be at least 100% as required by the legislation. The solvency ratio measures the Company’s solvency position and the effectiveness of its capital management.

Limitations on usefulness: Eligible own funds are based on the market valuation of assets and liabilities, so major changes in market conditions (e.g., changes in interest rates) may quickly and materially impact the solvency ratio. The SCR estimates the risks (taking into account the standard formula methodology) to which the Company is exposed over a one-year time horizon and does not take into account risks that may significantly affect the Company’s performance over the long term. As a result, certain risks may not be adequately assessed or included in the calculation at all, meaning the solvency ratio should be used alongside other risk indicators, the own risk and solvency assessment (ORSA), and other risk assessments.

SUSTAINABILITY REPORT

WISE DECISIONS GAIN MOMENTUM

Sustainability calls for courage to embrace change. At the Sava Insurance Group, we honour our commitments by weighing the long-term impact of every decision we make. In doing so, we reshape our business, and with it our everyday lives – building stability for the future.

SUSTAINABILITY REPORT

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STATEMENT OF MANAGEMENT’S RESPONSIBILITY

The management board of Sava Re d.d. hereby approves the Sava Insurance Group’s sustainability report for the year ended 31 December 2025, including its appendices. The management board confirms that the sustainability report has been prepared in compliance with applicable legislation in the Republic of Slovenia and the European Union. The sustainability report has been prepared using relevant judgements, estimates and assumptions, applying the methods most suited to the Company and the Group under the given circumstances, based on which we can provide the assurances below.

The management board members confirm that, to the best of their knowledge, the sustainability report:

- has been compiled in accordance with the European Sustainability Reporting Standards (ESRS) and Article 8 of the Taxonomy Regulation; and
- contains a true and fair representation of the Group’s environmental, social and governance aspects

The sustainability report is based on a double materiality analysis carried out by the Sava Insurance Group.



Marko Jazbec, Chairman



Polona Pirš, member



Peter Skvarča, member



David Benedek, member

Ljubljana, 16 March 2026



1 Auditor's report

Deloitte.

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Our report below represents the auditor's report that relates solely and exclusively to the official sustainability report, prepared in the XHTML format.

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED SUSTAINABILITY REPORT to the shareholders of the Sava Insurance Group

We have conducted a limited assurance engagement on the Consolidated Sustainability Report included in section Sustainability report of the Management Report of Sava Insurance Group (hereafter the "Group") as at December 31, 2025, and for the period from January 1, 2025, to December 31, 2025 (the "Consolidated Sustainability Report").

Identification of Applicable Criteria

The Consolidated Sustainability Report was prepared by the management of the Group in order to satisfy the requirements of 70(c) and 70(č) of the Companies Act (ZGD-1) implementing 29(a) of the EU Directive 2013/34/EU, including:

- Compliance with the European Sustainability Reporting Standards introduced by Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards ("ESRS"), including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Report (the "Process") is in accordance with the description set out in note 'IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities' in the 'General information' chapter;
- Compliance of the disclosures in 'Disclosures required by Regulation (EU) 2020/852 on taxonomy and related delegated acts' within 'Environmental information' of the Consolidated Sustainability Report with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation"); and
- Compliance with the requirement to prepare the Consolidated Sustainability Report in accordance with Article 58 of ZGD-1 which requires the Group to prepare Consolidated Sustainability Report in single electronic format as defined in Article 3 of Commission Delegated Regulation (EU) 2018/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation").



Ime »Deloitte« se nanaša na družbo Deloitte Touche Tohmatsu Limited (DTTL «.), njeno globalno mrežo družb članic in njihove povezane osebe (skupaj: »organizacija Deloitte«). Družba DTTL (imenovan tudi »Deloitte Global«) in vsaka od njenih družb članic in povezanih oseb so ločene in samostojne pravne osebe, ki ne morejo zavezovali druga druge v razmerju do tretjih oseb. DTTL in vsaka družba članica združena DTTL in povezani subjekti odgovarjajo le za svoja ravnanja in opustitve, ne pa za ravnanja in opustitve drugih članic. DTTL ne opravlja storitev za stranke. Več informacij je na voljo na www.deloitte.com/about.

Deloitte je vodilni ponudnik storitev revidiranja in dajanja zagotovil, davčnega in pravnega svetovanja, poslovnega in finančnega svetovanja ter svetovanja na področju tveganj. Deloitte opravlja storitve za skoraj 90 % podjetij s seznama Fortune Global 500® in za tisoče zasebnih podjetij. Nali zaposleni zagotavljajo merljive in trajne rezultate, ki prispevajo h krepitvi zaupanja javnosti v kapitalske trge, pomagajo strankam pri njihovem preoblikovanju in doseganju uspehov, ter usmerjajo pot do močnejšega gospodarstva, pravičnejše družbe in trajnostnega sveta. Deloitte, ki ima več kot 175-letno zgodovino, deluje v več kot 150 državah in ozemljih. Na www.deloitte.com lahko preberete več o tem, kako približno 457.000 Deloitteovih strokovnjakov po vsem svetu dosega rezultate, ki štejejo.

V Sloveniji storitve zagotavlja Deloitte revizija d.o.o. in Deloitte svetovanje d.o.o. (pod skupnim imenom »Deloitte Slovenija«), članci družbe Deloitte Central Europe Holdings Limited. Deloitte Slovenija sodi med vodilne družbe za strokovne storitve v Sloveniji in opravlja storitve revidiranja in dajanja zagotovil, davčnega, poslovnega in finančnega svetovanja, svetovanja na področju tveganj in sorodne storitve, ki jih zagotavlja več kot 150 domačih in tujih strokovnjakov.

Deloitte revizija d.o.o. - Družba vpisana pri Okrožnem sodišču v Ljubljani - Matična številka: 1647105 - ID št. za DDV: SI62560085 - Osnovni kapital: 74.214,30 EUR.

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Inherent Limitations in Preparing the Consolidated Sustainability Report

The criteria, nature of the Consolidated Sustainability Report, and absence of long-standing established authoritative guidance, standard applications and reporting practices allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact the comparability of sustainability matters reported by different organizations and from year to year within an organization as methodologies evolve.

In reporting forward looking information in accordance with ESRS, management of the Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Report, management of the Group interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

We draw your attention to the following specific limitations discussed in the Consolidated Sustainability Report:

- Environmental reporting as applied by all companies includes information based on climate-related scenarios that are subject to inherent uncertainty because of incomplete scientific and economic knowledge about the likelihood, timing, or effect of possible future physical and transitional climate-related impacts. For the avoidance of doubt, the scope of our engagement and our responsibilities did not include performing work necessary for any assurance on the reliability, proper compilation, or accuracy of the prospective information.
- Any supply chain emissions metrics listed in the Consolidated Sustainability Report may include information provided by suppliers and third-party sources. Our procedures did not include obtaining assurance over the information provided by suppliers or third parties.
- The Consolidated Sustainability Report may include metrics that are derived from reported events relating to employees and subcontractors. As such, our testing may not identify misstatements relating to completeness, for example in instances where events may have occurred but have not been reported.

Responsibility of the Management Board of the Group

Management of the Group is responsible for designing and implementing a process to identify the information reported in the Consolidated Sustainability Report in accordance with the ESRS and for disclosing this process in note 'IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities' of the Consolidated Sustainability Report. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected

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- to affect, the entity’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management of the Group is further responsible for the preparation of the Consolidated Sustainability Report, in accordance with 70(c) and 70(ċ) of the ZGD-1 implementing 29(a) of the EU Directive 2013/34/EU, including:

- compliance with the ESRS;
- preparing the disclosures in ‘*Disclosures required by Regulation (EU) 2020/852 on taxonomy and related delegated acts*’ of the Consolidated Sustainability Report, in compliance with Article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”);
- designing, implementing and maintaining such internal controls that management determines are necessary to enable the preparation of the Consolidated Sustainability Report that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

Management of the Group is also responsible for the preparation of the Consolidated Sustainability Report in line with the technical requirements related to the single electronic format as determined in Article 58 of ZGD-1 and Article 3 of the ESEF Regulation. This responsibility also includes the design, implementation and maintenance of internal controls to enable the preparation of the Consolidated Sustainability Report that is free from material non-compliance with the requirements of Article 58 of ZGD-1 and Article 3 of the ESEF Regulation.

Those charged with governance are responsible for overseeing the Group’s sustainability reporting process.

Practitioner’s Responsibility

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information (“ISAE 3000 (Revised)”).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Report as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Report, in relation to the Process, include:

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- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process is consistent with the Group’s description of its Process, as disclosed in note ‘*IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities*’.

Our other responsibilities in respect of the Consolidated Sustainability Report include:

- Obtaining an understanding of the entity’s control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Report but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error;
- Designing and performing procedures responsive to disclosures in the Consolidated Sustainability Report where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Assess whether the Consolidated Sustainability Report has been prepared, in all material respects, in the format specified in Article 58 of ZGD-1 and Article 3 of the ESEF Regulation.

Our Independence and Quality Management

We complied with the applicable independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the “Code”). The Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We applied International Standard on Quality Management (“ISQM 1”), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Report.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Report.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
 - reviewing the Group’s internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note ‘*IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities*’.

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In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Report, we:

- Obtained an understanding of the Group’s reporting processes relevant to the preparation of its Consolidated Sustainability Report by:
 - performing inquiries to understand the Group’s control environment, processes and information systems relevant to the preparation of the Consolidated Sustainability Report;
- Evaluated whether material information identified by the Process is included in the Consolidated Sustainability Report;
- Evaluated whether the structure and the presentation of the Consolidated Sustainability Report is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Report;
- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Consolidated Sustainability Report;
- Obtained evidence on the methods for developing material estimates and forward-looking information and on how these methods were applied;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Report;
- Evaluated whether the Consolidated Sustainability Report has been prepared in the format specified in Article 58 of ZGD-1 and Article 3 of the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Limited Assurance Conclusion
Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Report is not prepared, in all material respects, in accordance with 70(c) and 70(č) of the ZGD-1 implementing 29(a) of the EU Directive 2013/34/EU, including:

- Compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Consolidated Sustainability Report is in accordance with the description set out in note ‘IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities’;
- Compliance of the disclosures in ‘Disclosures required by Regulation (EU) 2020/852 on taxonomy and related delegated acts’ within ‘Environmental information’ of the Consolidated Sustainability Report with Article 8 of Taxonomy Regulation; and
- Compliance with the requirement to prepare the Consolidated Sustainability Report in the format specified in Article 58 of ZGD-1 and Article 3 of the ESEF Regulation.



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Barbara Žibret Kralj
Key sustainability partner
Ljubljana, March 16th 2026

For signature please refer to the original Slovenian version.

TRANSLATION ONLY, SLOVENE ORIGINAL PREVAILS

2 General information

ESRS 2 – General disclosures

BP-1 – General basis for the preparation of sustainability statements⁴¹

The sustainability report has been prepared in accordance with the European Sustainability Reporting Standards and covers the environmental, social and governance aspects of the Group’s operations. It is based on a double materiality analysis carried out by the Sava Insurance Group. The Group’s parent company reports on sustainability on a consolidated basis, with a scope of consolidation identical to that used in the financial statements. In the process, it ensures that all its subsidiaries are covered in a way that allows for the unbiased identification of significant impacts, risks and opportunities.

In our disclosures, we consider both the upstream and downstream parts of the Group’s value chain, where, based on the results of the due diligence and materiality assessment process, we have identified material impacts, risks and opportunities arising from our own operations concerning specific stakeholder groups in the value chain.

We have not identified any material impacts, risks or opportunities with respect to stakeholders (suppliers) in the upstream value chain. However, we have identified impacts on stakeholders in the downstream value chain, particularly from the environmental, social and governance perspective. In the areas of environment and governance, we additionally disclose material risks and opportunities that affect stakeholders in the value chain. We disclose this information in more detail in sections ESRS [E1](#), [S1](#), [S3](#), [S4](#) and [G1](#).

In the sustainability report, we have not omitted specific information related to intellectual property, know-how or the outcomes of innovation.

The certified auditor only reviews those parts of the business report that are appropriately identified through markup of disclosures in accordance with the European Sustainability Reporting Standards (ESRS). Disclosures or parts of the business report that are not clearly identified by appropriate reference to the ESRS and those parts of the sustainability report that relate to a period before 1 January 2024 have not been audited. KPI calculations and comparative calculations based on data prior to 2024 have also not been audited.

BP-2 – Disclosures in relation to specific circumstances⁴²

Our disclosures follow the definitions of medium- and long-term time horizons as set out in the ESRS standards, except for the topical disclosures in ESRS [E1](#), specifically in the parts relating to our strategic documents, which we have defined separately.

Metrics that include data from the downstream value chain depend on the quality and appropriateness of the information provided by our partners in the value chain. The ability of insurers to collect information about their partners in the value chain depends on the availability of basic data from customers and investee companies and/or guidelines on acceptable data sources and ways to address data gaps. Coverage of the downstream value chain is expected to increase over time, as the scope of estimates is expected to narrow and to be largely replaced by qualitative and quantitative primary data.

Metrics relating to investment portfolios and the calculation of greenhouse gas emissions have been estimated based on indirect sources, as explained in more detail in the disclosures of the respective metrics. Other data disclosed in the sustainability report are from internal sources.

The Group obtains data on its investment portfolio from an external ESG data provider, MSCI Inc. This mainly relates to disclosures on the alignment of investments with the EU Taxonomy (Regulation (EU) 2020/852), disclosures related to the SFDR (Regulation (EU) 2019/2088), disclosures related to the carbon footprint of the investment portfolio, and disclosures on excluded sectors as defined in the Group’s sustainability investment policy. We use the data for further analysis, the definition of investment strategies, business decision-making and preparation of reports.

Data on emission factors used to calculate our carbon footprint are obtained from DEFRA, EEIO, PCAF, IJS CEU, AIB, UNFCC and MSCI databases, as well as directly from electricity suppliers.

⁴¹ ESRS 2 BP-1 paragraphs 3, 5 (a), 5 (b) i, 5 (b) ii, 5 (c) and 5 (d).
⁴² ESRS 2 BP-2 paragraphs 9, 9 (a), 9 (b), 10 (a), 10 (b), 10 (c), 10 (d), 13 (a), 14 (b) and AR 1 (c).



We estimate that the metrics used in this report, which include data on the value chain and emission factors, are of adequate quality. To ensure the highest possible data quality, we will regularly assess the quality of providers and compare data from different providers. We will also consider the guidelines and recommendations from industry organisations and associations or other bodies.

We include disclosures required by other legislation that obliges us to disclose sustainability-related information in the sustainability report. These include the EU Taxonomy Regulation, which provides a regulatory framework to promote sustainable investment, and the SFDR Regulation, which requires financial market participants to publicly disclose their sustainable governance-related policies. This also requires disclosure of how sustainability risks are integrated into investment decisions and how the company addresses the principal adverse impacts of its investment decisions on sustainability factors. We also disclose the information required under the Whistleblower Protection Act and the indicators of the Global Reporting Initiative (GRI) standards (unaudited).

During the preparation of the sustainability report, a minor discrepancy was identified in the data on the number of employees disclosed under ESRS S1 for 2024. The data have been corrected accordingly. The correction is not material and does not impact the report’s key performance indicators (KPIs), targets or conclusions.

To provide comprehensive disclosures and a clear, reader-friendly content structure, we incorporated certain information into the sustainability report by reference. A list of such disclosures is provided in the following table

► **List of ESRS disclosure requirements or specific data points that are required to be disclosed and incorporated by reference**⁴³

Disclosure requirements and related data points	Disclosures from other legislation
Disclosures pursuant to Article 8 of Regulation (EU) 2020/852	Regulation (EU) 2020/852 and related delegated acts (EU Taxonomy)

Disclosure requirements and related data points	Reference in the report
GOV-1 paragraph 21 (e) – Percentage of independent board members	Business report, section A.5.3.3 “Supervisory board committees”
GOV-1 paragraph 22 (a) – Information on the identity of the administrative, management and supervisory bodies or individual(s) within a body responsible for oversight of impacts, risks and opportunities	Business report, sections A.5.3.3 “Supervisory board committees” and A.5.4 “Fit and proper assessment of the members of the management and supervisory boards and of key function holders and other relevant personnel”
SBM-1 paragraph 40 (a) i – Description of the important groups of products and/or services offered by the undertaking	Business report, section A.2.5 “Profile of the Sava Insurance Group”
SBM-1 paragraph 40 (a) ii – Description of the markets and/or customer groups served by the undertaking	Business report, section A.2.5 “Profile of the Sava Insurance Group”
SBM-1 paragraph 42 – Description of business model	Business report, section A.2.5 “Profile of the Sava Insurance Group”
SBM-1 paragraph 40 (g) – Disclosure of elements of the strategy that relate to or impact sustainability matters	Business report, section A.6.2 “Strategic priorities of the Sava Insurance Group”
SBM-3 paragraph 48 (a) – Description of material impacts, risks and opportunities resulting from the materiality assessment	Financial statements with notes, sections C.3.6.4.3 “Credit risk” and C.3.6.3.1 “Non-life underwriting risks – Catastrophe risk”
E1.SBM-3 paragraph 18 – Type of climate-related risk	Financial statements with notes, sections C.3.6.4.3 “Credit risk” and C.3.6.3.1 “Non-life underwriting risks – Catastrophe risk”
E1.IRO-1 paragraph 20 (b) (AR 11) – Description of material impacts, risks and opportunities resulting from the materiality assessment	Financial statements with notes, section C.3.6.7.1 “Emerging risks”

43 ESRS 2 BP-2 paragraphs 15 and 16.



GOV-1 – The role of the administrative, management and supervisory bodies ⁴⁴

Sava Re has a two-tier management system with a management board that conducts the business and a supervisory board that oversees operations. In 2025, the supervisory board comprised six members. In 2025, the gender balance on the supervisory board was 16.67% women and 83.33% men until 17 July 2025, and 50% women and 50% men from 18 July 2025.

The Company’s management comprised four members (25% women and 75% men).

The supervisory board of Sava Re also includes two employee representatives.

In accordance with the requirements of applicable legislation and its internal regulations, Sava Re ensures at all times that persons who effectively run and oversee the Company or are key or important function holders consistently meet the following requirements:

- (a) their professional qualifications, knowledge and experience are adequate to ensure sound and prudent management (they are “fit”), including with regard to sustainability and sustainable operations, and
- (b) they are of good repute and integrity (they are “proper”).

A session of the supervisory board’s fit and proper committee, held on 23 December 2025, was dedicated to such periodic evaluation. The evaluation procedures concluded that all members of the relevant personnel (the management board, the supervisory board and its committees) demonstrate appropriate professional qualification and fitness. At the same time, the committee determined that the management board, the supervisory board and all four of its committees are appropriately qualified as collective bodies.

The members of the management and supervisory boards, including any committees thereof, as well as key function holders and other relevant personnel, are responsible for managing and supervising the Company and therefore have specific requirements with regard to their professional knowledge, experience and personal skills.

The fitness requirements for the relevant personnel depend on the function or position held by the person concerned. Sustainable development and alignment with sustainability goals form part of the values and policies of both the Company and the Group; accordingly, the management board, the supervisory board and its committees regularly engage with sustainability-related matters. The process of assessing the suitability of relevant personnel also includes the assessment of skills and experience in the area of sustainable business operations.

The management and supervisory boards each have one member with a sustainability background. The Group also engages external experts and advisers who provide additional information and guidance on complex sustainability matters.

Criteria and procedures for any fit and proper assessment of members of the management and supervisory boards, key function holders and senior management are detailed in the Company’s fit and proper policy for relevant persons.

Sustainability governance system ⁴⁵

Sava Re has established a comprehensive sustainability governance system across the Group, as set out in the act of the management board and the sustainable business policy. The governance system involves management and supervisory bodies, business line managers in all Group companies and dedicated working groups, ensuring access to a wide range of sustainability-related expertise and competencies:

- The **supervisory board** ensures strategic oversight of sustainability priorities, monitors the implementation of the sustainability strategy, and grants its consent to the management board for determining the Group’s development strategy and individual policies. For specific areas, it has appointed committees responsible for specific predefined areas (audit,

risk, nominations and remuneration, and fit and proper assessment) that provide professional support to its work.

- The **management board** is in charge of the implementation of the strategy and the sustainable business policy, ensuring compliance with legislation and best practices. It also sets strategic goals in relation to material impacts, risks and opportunities, delegates authority and responsibility to relevant persons according to the organisational structure, and ensures oversight through appropriate oversight mechanisms. At regular meetings (generally held weekly) and monthly executive meetings, the members of the management board are informed of key ongoing business developments, including those relating to sustainable development, which is integrated into the Company’s operations as a cross-functional topic. The management board regularly (at least quarterly) reports to the supervisory board.

44 ESRS 2 GOV-1 paragraphs 21, 21 (a), 21 (b), 21 (c), 21 (d), 21 (e) and 22, and ESRS G1-1 paragraph 10 (g).

45 ESRS 2 GOV-1 paragraphs 22 (b), 22 (c), 22 (c) i, 22 (c) ii and 22 (d).



- The **sustainability line manager** is responsible for overseeing sustainability matters. She prepares strategic documents, coordinates activities at the Group level, reports to the management board on sustainability-related matters and leads the preparation of the sustainability report. The business line manager plays a key role in overseeing the Group's impacts, risks and opportunities, and in achieving sustainability goals. She also chairs the sustainability executive meetings. The **sustainability executive meeting** comprises business line representatives and oversees operational task planning, legislative monitoring, reporting progress tracking and best practice alignment.
- **Working groups** are formed to address regulatory requirements and include experts from a variety of disciplines, enabling a comprehensive approach to managing complex sustainability challenges.
- **Subsidiaries** have appointed members of management boards or senior management responsible for sustainable development, as well as persons responsible for the operational implementation and coordination of sustainable development, thereby establishing a comprehensive Group governance system that enables the effective transfer and implementation of policies and guidelines across Group companies.

Internal audit ensures the effectiveness of processes for identifying and managing material sustainability-related impacts, risks and opportunities. Audits are carried out on a regular basis and include a comprehensive assessment of internal control mechanisms and the effectiveness of strategies for achieving goals. In 2025, an internal audit on sustainable development was conducted to assess whether operations complied with sustainability requirements and to review whether the parent company's and the Group's internal sustainability regulations complied with EU and national legislation.

To ensure timely and appropriate reporting on sustainability matters and the timely identification of any potentially material changes in impacts arising from our operations, stakeholder expectations or regulatory requirements, we carried out a review of the double materiality metrics in 2025.

Development of sustainability competencies⁴⁶
To enhance sustainability competencies, members of the management board, members of the supervisory board and its committees, as well as key function holders and other relevant personnel, may regularly undertake top-level professional development through:

- associations and organisations in which we are members and actively involved, including the UN Global Compact (UNGC), the UN Principles for Responsible Investment (UN PRI), the Partnership for Carbon Accounting Financials (PCAF), the Slovenian Insurance Association, the Slovenian Directors' Association, the British-Slovenian Chamber of Commerce, the Meeting of Insurance and Reinsurance Companies (SorS), the Slovenian Institute of Auditors, the Slovenian Actuarial Association, the CFA Institute and the European Institute of Compliance and Ethics (EICE);
- industry-wide events and conferences;
- training sessions held by the Slovenian Insurance Association (SIA, GIZ) and the Slovenian Sovereign Holding (SDH d.d.);
- internal training programmes conducted by in-house and external sustainability experts;
- up-to-date sustainability information, which is also integrated into regular sustainability executive meetings.

In 2025, all members of Sava Re's management board and the majority of members of the supervisory board and all four of its committees completed training on sustainable development and sustainability regulations. Employees of the parent company also completed this training as part of their regular mandatory training programmes.

Controls and procedures used to manage impacts, risks and opportunities⁴⁷
The management of impacts, risks and opportunities (IRO), including metrics and the monitoring of progress towards sustainability goals, is embedded in the internal risk management system. The findings of risk assessments and internal controls are regularly updated and incorporated into the Group's policies and procedures, thereby supporting a proactive approach to addressing sustainability-related matters.

46 ESRS 2 GOV-1 paragraphs 23, 23 (a) and 23 (b).
47 ESRS 2 GOV-1 paragraph 22 (c) iii.



GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies⁴⁸

Key function holders and business line managers regularly inform the management board about all material business information affecting the company’s operations and strategic goals. Management board sessions are held on a regular basis, usually weekly. The management board is also briefed on sustainability topics through sustainability executive meetings.

At the Group level, we monitor changes in the external environment on a regular basis, usually quarterly, and identify new or increased risks, including those related to sustainability, which may have an impact on operations.

The management board of Sava Re d.d. oversees the implementation of the Group’s policy and strategy and the achievement of strategic and operational goals, establishes a system to ensure compliance with sustainability legislation and reports on this to the supervisory board.

In 2025, the administrative and management bodies of Group companies addressed key issues related to sustainable development and the sustainability aspects of the Group’s operations

at their regular sessions and executive meetings. The discussions covered information on material impacts on the environment, society and the Group’s operations, the management of sustainability-related and other risks, and the identification of opportunities associated with sustainable business.

When addressing material impacts, risks and opportunities in 2025, the management bodies of Group companies handled both decision-making and briefings on the Group’s sustainable business. They also closely monitored developments in, and announced changes to, sustainability legislation in the financial sector, as well as their potential impacts on the Group’s operations. The list of material impacts, risks and opportunities discussed by the management board during the reporting period and reviewed by the supervisory board is presented in the “Double materiality assessment” table in section IRO-1.

As part of its decision-making processes, the management board of Sava Re also discussed and adopted:

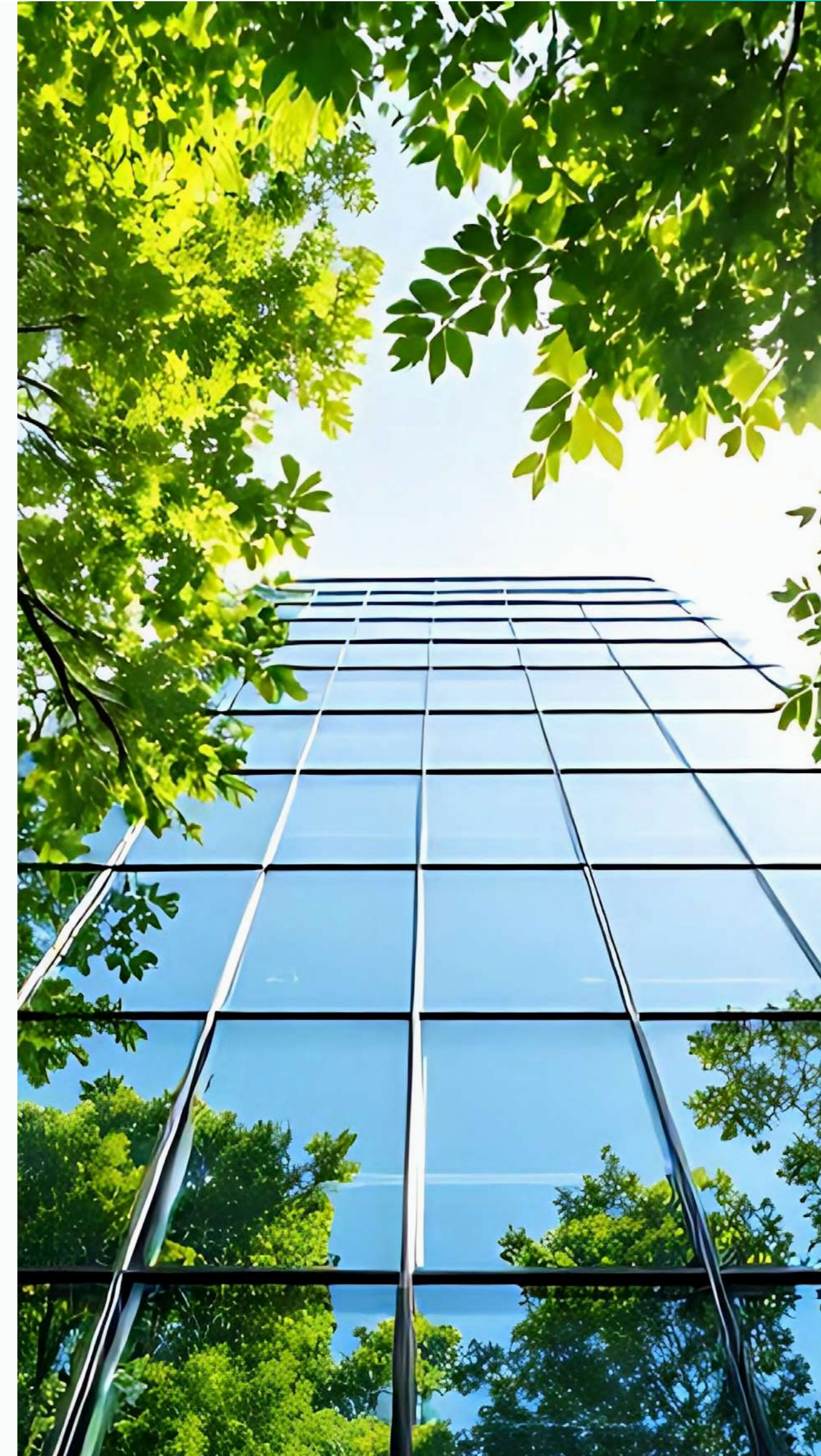
- an updated Group double materiality analysis,
- a revised sustainability investment policy,
- a revised sustainable business policy,
- a transition plan for climate change mitigation,
- decarbonisation measures implemented by all Group companies.

As part of its briefing sessions, the management board of Sava Re was informed of:

- the consolidated sustainability report and the independent auditor’s limited assurance report,
- the calculation of the Group’s carbon footprint,
- an analysis of the achievement of the Group’s sustainability strategic goals.

In April 2025, the parent company’s supervisory board was informed of the auditor’s limited assurance report on the consolidated sustainability report, and in November 2025 the board approved the revised Sustainable Business Policy of the Sava Insurance Group.

Ongoing dialogue between the management board and the management and supervisory bodies ensures that impacts, risks and opportunities are comprehensively identified, analysed and addressed in line with the Group’s long-term sustainability goals.



GOV-3 – Integration of sustainability-related performance in incentive schemes⁴⁹

The remuneration systems of management bodies are designed to promote the long-term performance of the companies and the Group and to support the Group's sustainable development. The remuneration framework is aligned with the Group's business model, long-term strategy and risk management system, and is intended to support stable and sustainable value creation. The remuneration system in the parent company is governed by the remuneration policy for members of the management and supervisory bodies, which is adopted by the supervisory body and takes effect once it has been approved by the company's general meeting following a consultation. Based on this policy, guidelines are prepared for designing the remuneration policy for members of the management and supervisory bodies of the Group's subsidiaries.

In addition to financial and business targets, the remuneration system incorporates non-financial elements related to responsible operations,

effective risk management and the integration of sustainability considerations into business decisions and processes. While the remuneration policies do not define specific quantitative sustainability metrics or targets, sustainability-related considerations are taken into account in practice as part of a comprehensive and qualitative performance assessment of members of the management bodies.

The link between the variable remuneration and sustainability goals is primarily established through the achievement of the Group's long-term strategic goals. These goals include compliance with sustainability-related regulatory requirements, responsible conduct towards investors and other stakeholders, maintaining customer satisfaction, and managing sustainability-related and other material risks arising from the Group's operations. The remuneration system is designed not to incentivise short-term performance at the expense of long-term stability, but rather to support balanced, long-term, sustainable risk-taking and behaviours aligned with the long-term interests of the Group, its investors and the wider social environment.

In determining the variable remuneration, due consideration is given to compliance, the effectiveness of risk management, and adherence to internal and external rules, including principles of sustainable governance. The assessment of performance against these elements is based on an overall performance evaluation in which sustainability considerations are integral to the general appraisal of individual performance.

Group companies use different remuneration models, with between 15% and 30% of the variable remuneration of management board or senior management members being tied to the achievement of sustainability-related goals. Sustainability goals are integrated into the remuneration system either directly, through goals related to sustainable development and the management of sustainability risks, or indirectly, through goals related to governance, compliance, risk management and human resource management. The Group regularly reviews the adequacy and effectiveness of this approach and will further develop it, where appropriate, in line with evolving regulatory requirements and sustainability governance practices.





GOV-4 – Statement on due diligence⁵⁰

The table below presents information on the implementation of due diligence processes, as

disclosed in our sustainability report. This is intended to facilitate an understanding of the Group’s due diligence process in relation to sustainability matters.

Core elements of due diligence	Paragraphs in the sustainability report
(a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-1 paragraphs 21 to 23 ESRS 2 GOV-2 paragraphs 26 (a) to 26 (c) ESRS 2 GOV-3 paragraphs 29 to 29 (e) ESRS 2 SBM-3 paragraphs 48 (a) to 48 (h)
(b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 SBM-1 paragraphs 45 to 45 (d) ESRS 2 SMB-2, interests and views of stakeholders ESRS 2 IRO-1 paragraph 53 (b) iii ESRS 2 MDR-P ESRS S1-2 paragraphs 27 to 27 (e) ESRS S3-2 paragraphs 21 to 21 (d) ESRS S3-3 paragraphs 27 (a) to 27 (d) ESRS S4-2 paragraphs 20 to 20 (d) ESRS S4-3 paragraphs 25 (a) to 25 (d) ESRS G1-1 paragraph 10 (c)
(c) Identifying and assessing adverse impacts	ESRS 2 SBM-3 paragraph 48 (c) i ESRS 2 IRO-1 paragraphs 53 (a) to 53 (h) ESRS E1-5 paragraphs 37 to 39 ESRS E1-6 paragraphs 44 to 52 (b) ESRS S1-14 paragraphs 88 (a) to 88 (c) ESRS S4-5 paragraphs 41 to 41 (c)
(d) Taking actions to address those adverse impacts	ESRS 2 MDR-A ESRS E1-3 paragraphs 29 (a) and 29 (b) ESRS E1-4 paragraphs 34 (a) and 34 (b) ESRS S1-5 paragraphs 47 (a) to 47 (c) ESRS S4-3 paragraphs 25 (a) to 25 (d)
(e) Tracking the effectiveness of these efforts and communicating	ESRS 2 SBM-1 paragraphs 45 to 45 (d) ESRS 2 MDR-M ESRS 2 MDR-T ESRS E1-5 paragraphs 37 to 39 ESRS E1-6 paragraphs 44 to 52 (b) ESRS S1-2 paragraphs 27 to 27 (e) ESRS S4-4 paragraphs 31 (d) and 32 (c)

50 ESRS 2 GOV-4 paragraphs 30, 32 and AR 8.
51 ESRS 2 GOV-5 paragraphs 36 (a), 36 (b), 36 (c), 36 (d) and 36 (e).

GOV-5 – Risk management and internal controls over sustainability reporting⁵¹

Risk management and internal controls, as part of the Group’s risk management process, also cover the assessment of the adequacy and timeliness of annual reporting in accordance with sustainability-related legislation. These processes include identifying and assessing risks and verifying the effectiveness of internal controls that could affect the adequacy, timeliness and compliance of reporting.

Periodic risk assessments related to sustainability reporting are provided to the management and supervisory bodies, who use this information as a basis for strategic decision-making. We also regularly carry out internal control measures, including process standardisation, employee training, input data controls, segregation of responsibilities and audits.

In relation to the consolidated sustainability report, particular attention is given to the risk of inadequate or untimely reporting under sustainability regulations. To mitigate this risk, a double materiality analysis was carried out prior to preparing the sustainability report, in consultation

with internal experts and external stakeholders. This helps ensure adequate reporting. The identified risk is appropriately managed through a number of established internal controls. These include regular sustainability executive meetings, an active role of the Group compliance function and a sustainability management system involving sustainability coordinators and management board members responsible for achieving company-wide sustainability goals. In addition, during the report preparation, appropriate supervisory mechanisms are regularly implemented to reduce the risk of inaccurate or untimely reporting, as set out in the internal Rules on Risk Management and Internal Controls for Sustainability Reporting of the Sava Insurance Group.

We are committed to continuously improving our sustainability reporting processes. This includes the gradual digitalisation of reporting processes, the enhancement of existing systems for data collection and analysis, the regular monitoring of legislative developments, the regular updating of internal regulations and employee training, ensuring compliance with the latest standards and legal requirements. The Group also holds training sessions, posts manuals and standardised reporting templates, and develops ESG data repositories.



SBM-1 – Strategy, business model and value chain⁵²

We are building a customer-centric, flexible and sustainability-oriented insurance group. Our operating segments include life, non-life, health and pension insurance services, asset management business and other complementary activities. We are becoming a comprehensive provider of these services for our customers at all stages of their lives. For more details about our services, see section [A.2.5 “Profile of the Sava Insurance Group”](#).

In the following sections of the report, we provide more information on engagement with customers ([ESRS S4](#)), employees ([ESRS S1](#)) and communities ([ESRS S3](#)).

In 2025, the Group employed 3,158 people (2024: 3,054).

The Group’s total revenue for 2025 was EUR 1,133.6 million (2024: EUR 1,035.1 million).

More information on our operations and revenue structure is provided in the business report section.

Sustainability-related goals⁵³

Across all key product and service groups, customer categories, geographic areas of operation and stakeholder relationships, we continuously strive to implement the core principles of sustainable development outlined in our Group’s sustainable business policy.

In the past financial year, we pursued key sustainable development priorities by following:

- the United Nations Sustainable Development Goals (SDGs) and the 2030 Agenda, respectively, with a particular focus on the following goals in our decision-making:
 - goal 3: Good health and well-being – by promoting a healthy lifestyle and well-being for all at all ages. With a special focus on the needs and interests of customers, in particular through the provision of appropriate insurance and financial products, and healthcare and other services, as well as on those of employees and the wider community;
 - goal 13: Climate action – by taking action to combat climate change and its impacts;

- the Paris Agreement and the European Green Deal;
- the international commitments, such as:
 - the United Nations Global Compact (UNGC), which sets out ten principles for responsible corporate governance, covering human rights, labour standards, climate change and anti-corruption;
 - the Partnership for Carbon Accounting Financials (PCAF).

The Sava Insurance Group’s strategic goals, which cover all relevant product and service groups, customer segments, geographical areas and stakeholder relationships, include:

1. following the EU initiative to reduce greenhouse gas emissions by 55% by 2030, thereby reducing carbon intensity,
2. responsible (re)insurance underwriting,
3. pursuing sustainability across the value chain and processes,
4. improving customer satisfaction,
5. ensuring satisfied and committed employees and fostering a strong sustainability culture.

Detailed goals are presented under individual sections (ESRS [E1](#), [S1](#), [S3](#), [S4](#) and [G1](#)).

The Sava Insurance Group’s strategic goals focus on integrating sustainability factors into all aspects of our business operations across all markets where we are present. The Group companies already offer innovative and sustainability-oriented products and solutions, thereby increasing their attractiveness to customers, investors and other stakeholders.

The link between our strategic goals and our products and services is evident at multiple levels:

- Reducing the carbon footprint (per employee, per revenue and from investing activities) across all Group companies, combined with:
 - decarbonising the investment portfolio and directing investments towards lower-carbon sectors,
 - decarbonising business processes and digitalisation, which also makes products and services more accessible to customers.
- Increasing the share of investments aligned with the EU Taxonomy and the Group’s sustainability investment policy by:
 - developing sustainable investments and financial products that promote environmental and social activities (Article 8 of the SFDR Regulation),
 - limiting investments in industries that the Group does not wish to support, as set out in our exclusion list.

52 ESRS 2 SBM-1 paragraphs 40 (a) i, 40 (a) ii, 40 (a) iii and 40 (b).
53 ESRS 2 SBM-1 paragraphs 40(e), 40 (f) and 40 (g).



- Monitoring the share of premiums from products that comply with the EU Taxonomy by:
 - developing insurance and reinsurance products for sectors with low environmental impact,
 - developing insurance and reinsurance products that mitigate climate-related and other sustainability risks across all the Group's insurance companies.
- Health, well-being and corporate culture initiatives, including:
 - expanding the range of health insurance products with additional benefits,
 - implementing prevention and health promotion activities.

Our 2023–2027 strategy addresses key challenges related to or impacting sustainability. These are outlined in section [A.6 “Mission, vision, strategic focus and goals”](#) and in sections on topical standards. Our key focus areas are: customer at the centre ([ESRS S4](#)), business process optimisation ([ESRS G1](#)), sustainability (stakeholder relations, [ESRS 2](#)), IT modernisation ([ESRS G1](#)), employee satisfaction and motivation ([ESRS S1](#)) and growth through acquisitions. Sustainable operations are a key strategic priority for the Sava Insurance Group.

Related business sectors⁵⁴

The operations of the Sava Insurance Group are closely linked to the following sectors:

- ESRS – insurance business: reinsurance and insurance, including both life and non-life insurance products, constitute the Group's core business,
- ESRS – capital markets: mutual funds and pensions from an investment and asset management perspective,
- ESRS – other services: mainly assistance services offered either independently or as part of a broader range of insurance products and services.

Business model and value chain⁵⁵

The business model of the Sava Insurance Group is based on providing a comprehensive range of insurance services, including non-life and life insurance, pension products, reinsurance, asset management and assistance services. We are also gradually expanding our healthcare services segment. The Group focuses on risk optimisation and investment management to ensure stability for its customers and investors. For more details, see section [A.2.5 “Profile of the Sava Insurance Group”](#).

The value chain of the Sava Insurance Group encompasses key external stakeholders who contribute to its operations. These include suppliers, distribution partners, (re)insureds, investment partners and end-users of the Group's products and services.

We have developed an overview of the Group's operations, business relationships and the framework in which these relationships take place, and an understanding of the Group's key stakeholders.

Activities and business relationships are considered from the perspective of:

- the analysis of the company's business plan, strategy, financial statements and, where appropriate, other information provided to investors;
- the company's operations, products/services and the geographical location of these operations;
- the allocation of the company's business relationships and value chain in the upstream and downstream supply chain, including the nature and type of business relationships.

We base our input data and approach for collecting, developing and maintaining this input data on the appropriate legal and regulatory framework in which the Group operates; Insurance Europe, the European insurance and reinsurance federation, which also provides professional support in the area of sustainability; analyses of peer companies; existing sector-specific benchmarks and other publications on general megatrends; and academic articles in the area of sustainability. By engaging in international voluntary commitments (PCAF, PRI), we also participate in the development of methodologies for sustainability reporting and promote transparency and disclosures of sustainable practices.

Outputs and outcomes for stakeholders⁵⁶

The Group paid out EUR 463.5 million in claims in 2025 (2024: EUR 448.6 million).

The Sava Re share price rose by 66.3% in the period from 1 January to 31 December 2025, and we paid out a gross dividend of EUR 2.25 per share (2024: share price grew by 42.9%, and the gross dividend was EUR 1.75 per share).

Employee and consumer indicators are presented in more detail in sections [ESRS S1](#) and [ESRS S4](#).

54 ESRS 2 SBM-1 paragraph 41.
55 ESRS 2 SBM-1 paragraphs 42 and 42 (a).
56 ESRS 2 SBM-1 paragraph 42 (b).

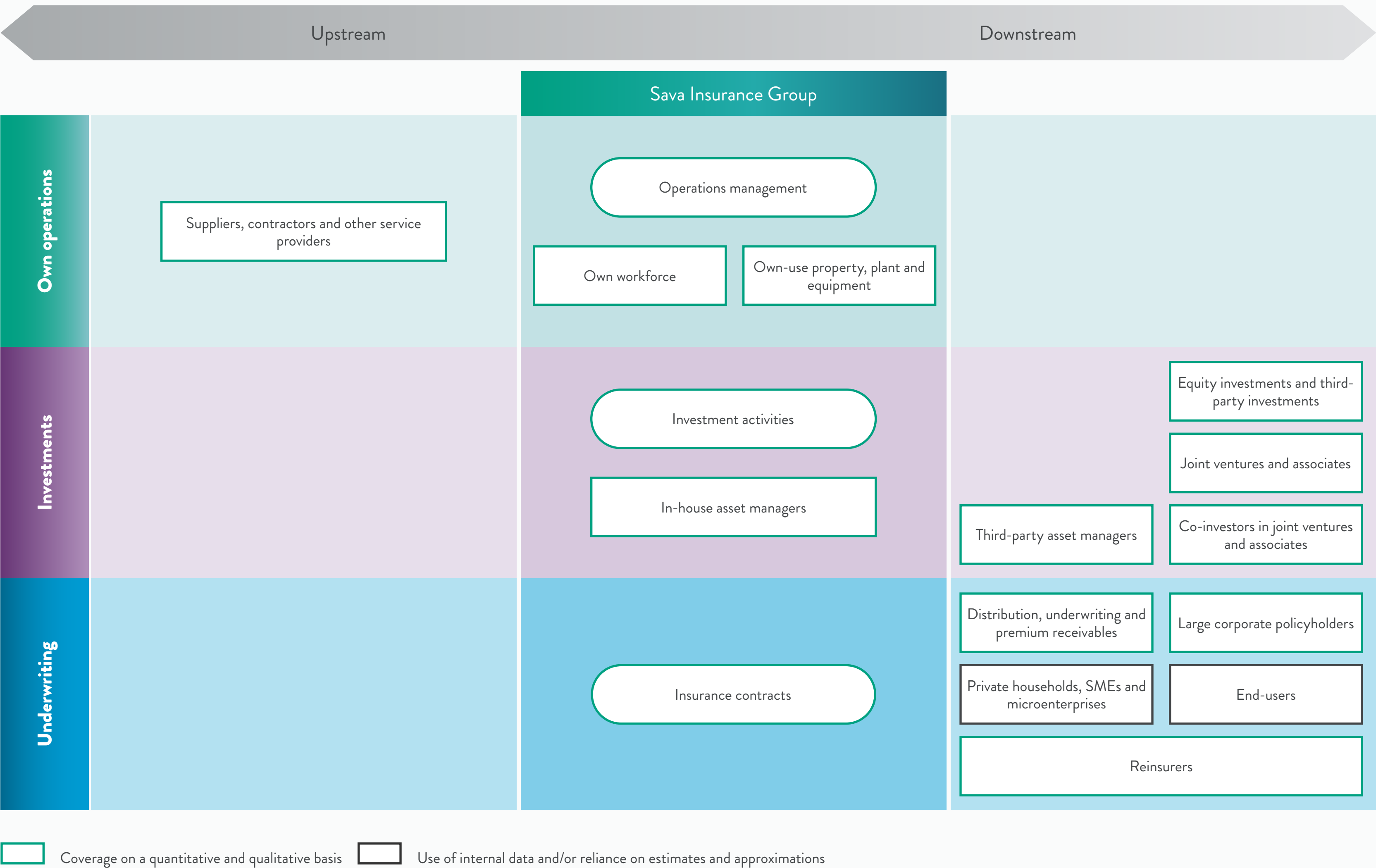


Description of the value chain ⁵⁷

The upstream value chain includes our supply chain. We work with many suppliers and partners, including major reinsurance service providers, technology service providers and professional advisers. Our relationships with suppliers and service providers provide our Group companies with the resources and services they need to ensure smooth operations.

As one of the leading insurance groups in the region, we are a key link in the value chain between suppliers and customers. Our primary role is to develop insurance, financial and investment products, and assistance services tailored to the needs of individual markets and customer segments. Through appropriate risk management, we ensure efficient operations and create stability for our customers and the economy as a whole.

The downstream value chain comprises our consumers and end-users, as well as other stakeholders who directly or indirectly influence the success and sustainability of our operations. Our Group companies offer a wide range of products and services, which means that we work with a diverse range of customer groups.



57 ESRS 2 SBM-1 paragraph 42 (c).



SBM-2 – Interests and views of stakeholders⁵⁸

Stakeholder engagement is an integral part of the Group’s business processes and encompasses a wide range of activities and methods, as detailed in the “Interests and views of stakeholders” table. This table also shows how we understand the interests and views of our key stakeholders in relation to our strategy and business model.

Based on the positions and interests of internal and external stakeholders, we adapt the Group’s business strategy and business model accordingly. To ensure the competitiveness of the business, we continuously adapt to the prevailing conditions in the specific markets where we are present. The changes primarily relate to the digital transformation of processes and products, sustainability aspects of business operations and the development of new products and services (for more details, see section [ESRS S4](#)). In doing so, we follow developments in both national and international industry guidelines and standards and take into account the impacts of climate change and other environmental and social factors.

► Interests and views of stakeholders

Stakeholder groups	Purpose of stakeholder management	Engagement methods and approaches	Analysis of views	Consideration of stakeholder interests and views	Communicating stakeholder interests to the management and supervisory bodies	Monitoring the effectiveness of efforts and communication (feedback)
Employees	coordinating views, enhancing organisational culture and relationships, reducing turnover, improving health and well-being	annual career development meetings, internal events (conferences, professional training), communication via intranet and email, participation in governance (works council), personal contact, satisfaction and engagement measurement, works council, double materiality analysis	measuring satisfaction and engagement, thinking outside of the box, personal relationships, annual performance appraisal interviews	tailoring training programmes to career plans, adapting working conditions to interests and views, employee benefits (health day, volunteer day and similar activities)	briefings at management board sessions, briefings at executive meetings, meetings with employee representatives	improving employee satisfaction indicators
Suppliers	identifying modern and sustainable solutions (services and products), low-carbon products and services, long-term cooperation	calls for applications, invitations to collaborate, questionnaires, meetings, presentations, appropriate remuneration policy, double materiality analysis	sustainability questionnaires, use of external data sources	coordinating business relationships	briefings at management board sessions, briefings at executive meetings	long-term partnerships, business contacts
External sales network	contacting customers, identifying actual market needs, exploring new sales channels	personal consultations, regular contacts, conferences, training, double materiality analysis	personal contacts, business meetings, sales trend analysis	harmonising working conditions and tailoring the offer to actual market needs based on market conditions	briefings at management board sessions, briefings at executive meetings	monitoring sales trends, business meetings
Reinsurers	contacting major customers – business-to-business (B2B), identifying market needs	business contacts, international conferences, double materiality analysis	business contacts, trend monitoring	aligning the terms and conditions of business cooperation with market conditions	briefings at management board sessions, briefings at executive meetings	reinsurance portfolio value trends
Consumers/end-users	identifying actual market needs, offering modern sales channels, providing quality products and services, operating in a sustainable way	personal consultations, regular contact, websites and other digital channels, contact centres, compliments and complaints, satisfaction measurement (surveys), double materiality analysis	satisfaction assessments, register of commendations and complaints	aligning the offering with real market needs based on market conditions	briefings at management board sessions, briefings at executive meetings	customer feedback via sales network or satisfaction measurement, sales trends

58 ESRS 2 SBM-2 paragraphs 45, 45 (a), 45 (a) i, 45 (a) ii, 45 (a) iii, 45 (a) iv, 45 (a) v, 45 (b), 45 (c), 45 (c) i, 45 (c) ii, 45 (c) iii and 45 (d).



Stakeholder groups	Purpose of stakeholder management	Engagement methods and approaches	Analysis of views	Consideration of stakeholder interests and views	Communicating stakeholder interests to the management and supervisory bodies	Monitoring the effectiveness of efforts and communication (feedback)
Owners	conducting business in a responsible and sustainable manner, clearly defining the dividend policy and returns, providing adequate information	regular public announcements (SEOnet), website publications, annual shareholder letter, a press conference held in connection with the publication of unaudited annual financial statements, domestic and international investment conferences, in-depth information on business operations, annual plan and strategic priorities, double materiality analysis	individual meetings, general meetings of shareholders, investment conferences	adapting business operations to market conditions	briefings at the general meeting of shareholders	share price performance
Supervisory bodies	ensuring business transparency and compliance, conducting business in a responsible and sustainable manner, clearly defining the dividend policy and returns, providing adequate information	regular and extraordinary supervisory board and committee sessions	supervisory board sessions, individual meetings	considering and reviewing key topics	briefings at regular and extraordinary supervisory board and committee sessions	long-term performance
Regulators	ensuring business transparency and compliance, conducting business in a responsible and sustainable manner	regular and ad hoc reporting, monitoring of regulatory recommendations	meetings, written communication via email	consistent tracking of changes in legislation, regulatory measures and recommendations	briefings at management board sessions, briefings at executive meetings	regulatory feedback during regular and extraordinary audits
Credit rating agencies	improving or maintaining an appropriate credit rating	annual review		ensuring proper business practices	active cooperation with credit rating agencies, briefings at management board sessions	credit rating
Wider community	addressing open issues, ensuring cooperation, improving safety, supporting the community, specific interests and vulnerable groups	donations, sponsorships, volunteering, prevention activities	analysis of initiatives and open issues	providing support in the form of financial assets, volunteer activities or other forms of assistance/support	briefings at management board sessions, briefings at executive meetings	corporate/brand reputation monitoring, media monitoring, feedback from (local) communities
Media	informing the general public, strengthening a factual and positive image of the company and the Group, maintaining regular and positive relations	press releases, press conferences, email or other communication channels	media inquiries and initiatives, media briefings on key events	responding appropriately to potential media enquiries and initiatives	active engagement, regular updates on media coverage	monitoring (analysis) of media coverage, regular contacts

We are adapting our strategy by incorporating additional sustainability goals, improving data quality (which enhances the transparency and disclosure of our reporting), driving the digitalisation of processes, and continuously developing products that meet current market and stakeholder needs.

We expect the planned measures and activities to further strengthen relationships with our stakeholders and increase their trust in the Group. Our focus is on improving relationships with our employees, customers and end-users, suppliers, business partners, the wider community and other external stakeholders.

Information on how administrative, management and supervisory bodies are informed of the views and interests of affected stakeholders, particularly with regard to the company’s impact on sustainability, is presented in the above table outlining the interests and views of stakeholders.



SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model⁵⁹

The Group’s operations have the most material impact on the social environment. For our own workforce, we have identified impacts related to working conditions, equal treatment and opportunities for all, and other work-related rights. We disclose these impacts in section [ESRS S1](#).

For affected communities, we have identified material impacts related to safety and the positive impact of our sponsorships and donations. We disclose these impacts in section [ESRS S3](#).

For consumers and end-users, we have identified impacts related to information, personal safety and social inclusion. We disclose these impacts in section [ESRS S4](#).

We have not identified any material risks and opportunities related to the above topics that would have a material financial impact on our operations.

In terms of governance, we have identified the following as material impacts: corporate culture, anti-corruption and anti-bribery matters, supplier relationship management and whistleblower protection. These are disclosed in section [ESRS G1](#), where we also report on risks relating to the operation and robustness of the IT system that we have assessed to be financially material.

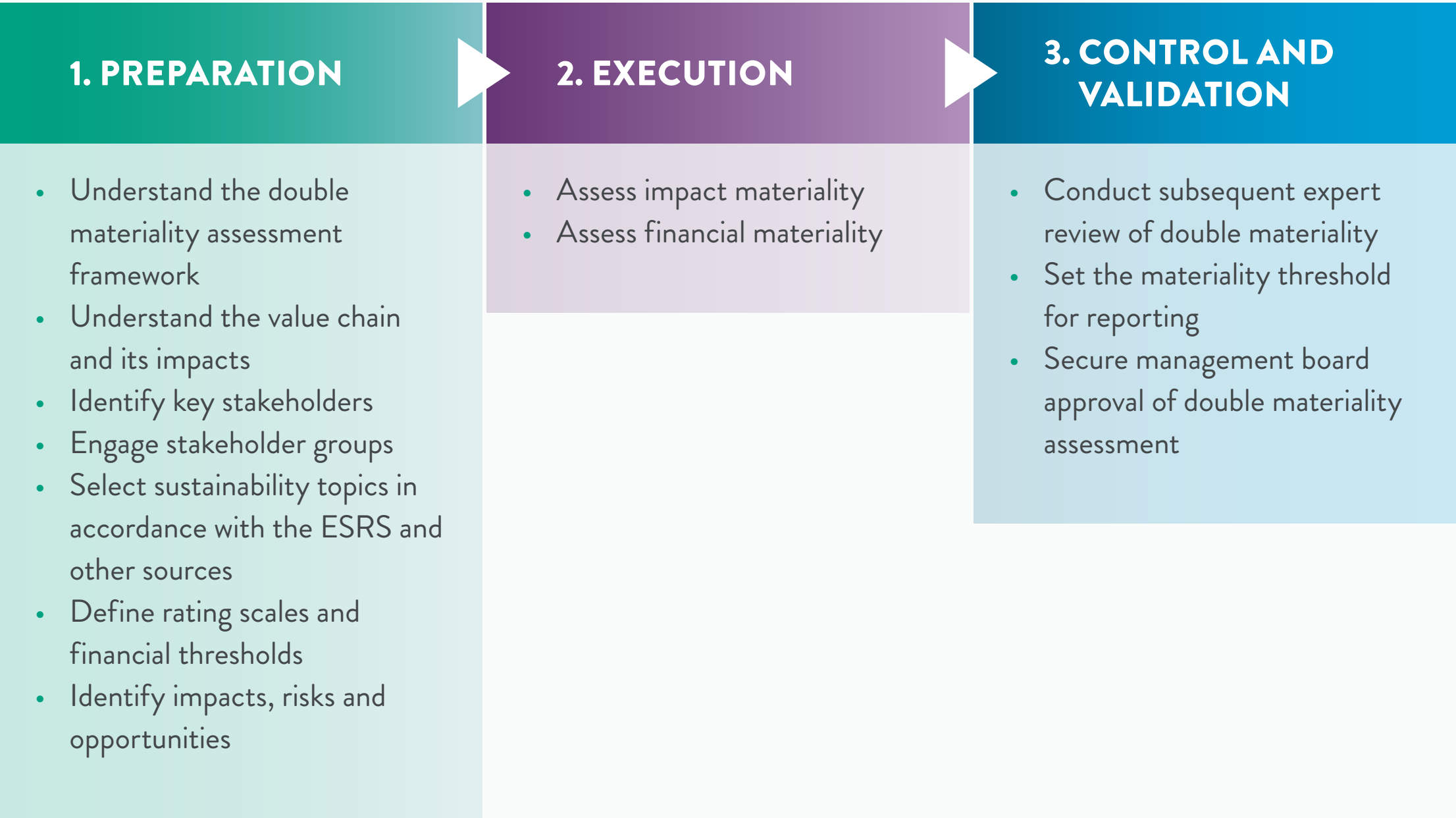
Our operations also have an impact on the environment, particularly in relation to climate change mitigation and renewable energy. Adapting to and mitigating climate change presents both risks and opportunities with a material financial impact on our operations. These are disclosed in section [ESRS E1](#).

In these sections, we disclose the current and expected implications of our material impacts, risks and opportunities on our business model, value chain, strategy and financial position. We have explained how the Group’s material impacts, whether negative or positive, affect people or the environment. We have also described the key actions taken to manage specific material impacts or risks, or to take advantage of specific material opportunities.

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities⁶⁰

We have developed a double materiality assessment methodology within the Group based on the ESRS standards. The methodology includes the identification of material sustainability matters based on the analysis of impacts on people and the environment, and the assessment of risks and opportunities, as well as financial materiality. The methodology consists of several successive steps, as shown in the diagram.

In identifying impacts, risks and opportunities, we relied on our comprehensive understanding of our business – both in terms of our business model and our value chain. We identified key stakeholders across the entire value chain, both upstream and downstream, and within our own operations, covering all markets where the Group is present. We ranked these stakeholders by relevance and developed an engagement plan to include them in the double materiality assessment.



59 ESRS 2 SBM-3 paragraphs 46 and 48.
60 ESRS 2 IRO-1 paragraphs 53 (a), 53 (b) iv and 53 (h).



In 2025, the management board of Sava Re reviewed and updated the Group’s double materiality analysis, following the assessment by a group of expert assessors. The review was based on the methodological framework of the 2024 analysis and included an assessment of any new actual and potential impacts, along with their related financial implications. As there were no material changes to the Group’s business model or structure in 2025, no new significant impacts were identified, and no additional changes to the analysis were required. We estimate that the double materiality analysis carried out in 2024 remains appropriate for reporting in the 2025 financial year, both for the Group’s impacts and its financial effects.

Impacts⁶¹

We have used the list of subtopics defined in the ESRS standards to identify, assess, prioritise and monitor the actual and potential impacts of the Group. We analysed our own strategic documents and other materials that take into account the due diligence process, reviewed the relevant legal and regulatory framework applicable to our operations, as well as the analytical and strategic sustainability-related documents of Insurance Europe. In addition, we considered sector-specific SASB standards, existing sector-specific benchmarks, other publications on general megatrends and scientific articles addressing sustainability within our value chain. We also

analysed the sustainability reports of major peer companies. Based on this, we further defined a broader list of potentially material, specific subtopics.

We used a two-tier approach to the impact assessment – identifying expert assessors along the Group’s business lines and consulting with key stakeholders who are materially impacted by our business and/or who themselves have a material impact on our operations.

Each significant stakeholder group was fully represented, or it was included by a representative sample in the assessment. Details are given in the “Interests and views of stakeholders” table. During the assessment process, we did not identify any significant differences arising from the nature of operations, geographical areas or other factors that could increase the risk of adverse impacts.

The assessment of the Group’s material impacts on people and the environment is based on expected impacts of our business operations, and on the goals and results achieved by the Group companies’ operations and related to impacts across the value chain. The impact assessment scale considers the identified impacts on people and the environment across three time horizons (short, medium and long term) and the business relationships involved (own operations and value chain), distinguishing between negative and

positive as well as actual and potential impacts. For the purposes of the assessment, we used a structured scale that enables comparison and ranking. Impacts were classified as material if they exceeded the predefined materiality threshold according to the applied severity criteria or the combination of severity and likelihood.

Risks and opportunities⁶²

To identify, assess and prioritise risks and opportunities, we used a list of identified impacts to determine which external environmental factors could present risks and/or opportunities to our Group. In doing so, we considered the relationships between impacts, dependencies, risks and opportunities arising from these. We analysed the Sava Insurance Group’s risk register, which already includes identified environmental, social and governance risks with financial implications. In addition, we used the list of subtopics that are part of the ESRS standards and other documents that we have previously referred to in the impact assessment process.

Based on this, we have defined a broader list of potential risks and opportunities. A sustainability matter is financially material to the Group if it has, or is reasonably expected to have, a material financial impact. The quantitative materiality threshold is defined as an estimated financial impact of at least EUR 7.5 million at the Group level.

The financial materiality of a sustainability matter is not limited to issues within the Group’s direct control. It also includes information on material risks and opportunities related to business relationships that extend beyond the scope of consolidation used in preparing the financial statements.

Opportunity assessment is based on operational analysis, cost-benefit assessment and alignment with the Group’s sustainability strategy. We integrate the identified opportunities into strategic business plans with the aim of creating greater added value for stakeholders, expanding our operations, improving business performance and increasing business resilience.

In the process of identifying, assessing and managing material impacts, risks and opportunities, we have used various input parameters, including analyses, ratings and rankings from our existing governance systems, stakeholder insights and assessments, and external expert analyses and assessments within our industry and value chain.

In accordance with the requirements of appendix C to the ESRS, the procedures for identifying and assessing impacts, risks and opportunities, as described under ESRS 2 IRO-1, were also applied to all environmental topical standards (ESRS E2–E5). No additional material impacts, risks or opportunities were identified.

61 ESRS 2 IRO-1 paragraph 53 (b).
62 ESRS 2 IRO-1 paragraphs 53 (c), 53 (c) ii, 53 (d), 53 (e), 53 (f) and 53 (g), E2.IRO-1, E3.IRO-1, E4.IRO-1 and E5.IRO-1.



► Double materiality assessment

Subtopic	Impact, risk, opportunity		Actual, potential
Environment E1 Climate change			
Climate change adaptation ⌆ ↓	impact	+	actual and potential
Climate change adaptation ⌆ ↓	risk and opportunity	+ −	potential
Climate change mitigation ⌆ ↓	impact	+ −	actual and potential actual
Society S1 Own workforce			
Secure employment ⌆	impact	+	actual
Working time ⌆	impact	+	actual
Adequate wages ⌆	impact	+	actual
Social dialogue ⌆	impact	+	actual
Freedom of association, the existence of works councils and the information, consultation and participation rights of workers ⌆	impact	+	actual
Collective bargaining, including share of workers covered by collective agreements ⌆	impact	+	actual

Subtopic	Impact, risk, opportunity		Actual, potential
Work-life balance ⌆	impact	+	actual
Health and safety ⌆	impact	+ −	actual actual and potential
Gender equality and equal pay for work of equal value ⌆	impact	+	actual, potential
Training and skills development ⌆	impact	+	actual
Measures against violence and harassment in the workplace ⌆	impact	−	actual, potential
Diversity ⌆	impact	+	actual
Privacy ⌆	impact	+ −	actual actual and potential
S3 Affected communities			
Security-related impacts ⌆ ↓	impact	+	actual and potential
Security of affected communities (specific) ⌆ ↓	impact	+	actual and potential
Donations and sponsorships ⌆ ↓	impact	+	actual

- Legend:
- + Positive impact, opportunity
 - − Negative impact, risk
 - ⌆ Own operations
 - ↓ Downstream value chain
 - ↑ Upstream value chain



Subtopic	Impact, risk, opportunity		Actual, potential
S4 Consumers and end-users			
Privacy ⌵ ⬇	impact	+ —	actual actual and potential
Freedom of expression ⌵ ⬇	impact	+	actual
Access to (quality) information ⌵ ⬇	impact	+	actual
Health and safety ⌵ ⬇	impact	+	actual
Access to products and services ⌵ ⬇	impact	+	actual
Responsible marketing practices ⌵ ⬇	impact	+	actual
Governance			
G1 Business conduct			
Corporate culture ⌵ ⬆ ⬇	impact	+	actual
Protection of whistleblowers ⌵ ⬆ ⬇	impact	+	actual
Management of relationships with suppliers, including payment practices ⌵ ⬆	impact	+	actual
Corruption and bribery: prevention and detection, including training ⌵ ⬆ ⬇	impact	+	actual and potential
Operation and robustness of IT systems ⌵ ⬆ ⬇	risk and opportunity	+ —	actual and potential

Legend:

+

 Positive impact, opportunity

—

 Negative impact, risk

⌆

 Own operations

⬇

 Downstream value chain

⬆

 Upstream value chain

IRO-2 – Disclosure Requirements in ESRS covered by the sustainability report⁶³

A list of disclosure requirements that have been met in preparing the sustainability report, based on the materiality assessment results, including the sections of the sustainability report where the related disclosures can be found, is presented in [appendix A – ESRS-appendix](#).

The disclosures required by Regulation (EU) 2020/852 and related delegated acts are presented in section [B.3 “Environmental information”](#).

The material information required to be disclosed concerning material impacts, risks and opportunities has been determined based on the requirements of ESRS 2 – General Disclosures and the ESRS topical standards. We have provided additional disclosures specific to our Group if a material sustainability matter is either not covered by the ESRS standards or not sufficiently detailed within them. The information disclosed is included where, in our double materiality assessment, we have determined that it is material from one or more of the following perspectives: whether the information is significant in relation to the matter it is intended to present or clarify, or whether the information can meet the decision-making needs of users, including primary users of general-purpose financial reporting and/or users primarily interested in impact-related information about our Group.



63 ESRS 2 IRO-2 paragraphs 56 and 59.

3 Environmental information

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

Regulation (EU) 2020/852 (the EU Taxonomy) establishes a unified classification system to help companies and investors identify environmentally sustainable economic activities.

An economic activity is considered environmentally sustainable where it makes a substantial contribution to the achievement of at least one of the six environmental objectives of the European Union, while causing no significant harm to any of the other objectives. In addition, the activity must be carried out in compliance with minimum safeguards and meet the technical screening criteria set out in the relevant implementing and delegated acts. Economic activities that meet all of these requirements are considered Taxonomy-aligned.

The environmental objectives of the European Union are:

- climate change mitigation,
- climate change adaptation,
- sustainable use and protection of water and marine resources,
- transition to a circular economy,
- pollution prevention and control,
- protection and restoration of biodiversity and ecosystems.

The KPIs of insurance and reinsurance undertakings, as defined in annexes X and XII to the Delegated Regulation (EU) 2021/2178 and in accordance with the EU Taxonomy requirements, are disclosed below.





Annex XI

Qualitative disclosures for insurance and reinsurance undertakings

General description of the approach to sustainable business operations

Investment

The Sava Insurance Group has established a sustainable strategy. The key governing document in the investment segment is the sustainability investment policy, which, among other things, defines the criteria for direct investments excluded from the Group’s investment universe. In line with its sustainable development strategy, the Group aims to increase the share of ESG investments and reduce the carbon footprint of investments under its own management.

The Group reports in accordance with Commission Delegated Regulation (EU) 2021/2178, which lays down technical screening criteria for disclosing key performance indicators for insurance and reinsurance undertakings. In July 2025, a revised Delegated Regulation was published, introducing simplifications to the existing reporting framework. As this Regulation had not yet come into effect when the narrative

part of the annual report was prepared, the Group decided not to apply it for this year reporting purposes.

Non-life insurance

The Sava Insurance Group is committed to systematically integrating sustainability factors into both the development of insurance products and the underwriting process. Our business activities support the goals of the EU Taxonomy, particularly those related to climate change mitigation.

Pursuant to Article 8 of the EU Taxonomy Regulation, undertakings subject to this provision are required to disclose the level of their exposure to economic activities aligned with the EU Taxonomy for the financial year 2025. The Sava Insurance Group adheres to these requirements, as demonstrated by the tables below, prepared in accordance with the delegated acts under the EU Taxonomy.

A product acceptability analysis has been carried out across all Group insurance companies, while a compliance assessment has so far been

limited to the Group’s largest portfolio, that of Zavarovalnica Sava. In this regard, we have begun to systematically integrate sustainability principles into the design of our insurance products and manage the integration of sustainability factors by assessing the sustainability of activities and implementing solutions that follow the technical screening criteria.

The initial selection of products assessed for EU Taxonomy alignment included home insurance products and commercial property insurance products for businesses. In the context of the alignment assessment and more detailed disclosures in 2025, we have further enhanced these products by establishing more precise connections between individual product components and climate-related risks (unlike in 2024, where this approach was not yet used).

Sustainability aspects are also assessed in the underwriting phase, where internationally recognised ESG considerations are followed, with particular emphasis also placed on product development and management, in which the Group seeks to introduce sustainability elements.

With regard to the management of climate change-related products and coverages, activities related to product oversight and governance (POG) for non-life insurance products should also be noted, including the assessment of individual customer needs and requirements.

One of the main challenges in implementing the EU Taxonomy is ensuring the availability and quality of the data required to assess the compliance of our products. In the future, we plan to improve our reporting and stakeholder engagement processes to obtain more accurate data on the sustainability impacts of our activities. We also expect to see the development and standardisation of (international) practices in this area, as detailed standardisation of positions and interpretations of product and underwriting regulations regarding the EU Taxonomy that take the specifics of the (re)insurance business into account has not yet occurred. For insurance products, we are addressing the challenges primarily through product upgrades to meet the technical screening criteria, thereby increasing the level of alignment.



EU Taxonomy alignment

Investment

The content and presentation of information that companies are required to disclose on environmentally sustainable economic activities and the methodology for fulfilling these disclosure obligations are set out in Delegated Regulation (EU) 2021/2178 (the Disclosures Delegated Regulation). In this respect, the Group discloses below one of its key performance indicators, the proportion of EU Taxonomy-aligned investments. This is the weighted average of the value of all investments aligned with the EU Taxonomy relative to the value of covered assets.

The covered assets in the denominator represent the total assets stated in the statement of financial position as at 31 December 2025. The numerator comprises financial investments and investment property, but excludes exposures to central governments, central banks and supranational issuers, as well as cash and derivatives. These covered assets relate to portfolios covering non-life insurance liabilities, traditional life insurance liabilities, life insurance liabilities where the investment risk is borne by the policyholders and the company’s own funds. In 2025, the assets covered amounted to 56.75% of the total amount of assets under management.

For investments in mutual funds, exchange-traded funds (ETFs) and alternative funds (infrastructure funds, real-estate funds and private debt funds), the Group applied a first-level look-through approach to 98.41% of mutual fund investments to ensure that EU Taxonomy alignment was calculated based on the underlying investments in these funds.

In 2025, the alignment of investments with the EU Taxonomy, based on revenue, was 2.38% of the assets covered or EUR 42.1 million compared with 2.63% of the assets covered or EUR 39.7 million in 2024. In absolute terms, Taxonomy alignment based on revenue (turnover) did not decrease; however, there was a decline in relative terms due to growth in the investment portfolio. The EU Taxonomy alignment of investments based on capital expenditure for 2025 amounted to 3.69% or EUR 65.2 million, whereas in 2024 such alignment amounted to 4.51% or EUR 68.1 million. In line with the sustainability investment policy, the Group increased the share of ESG investments in 2025, although these investments are not necessarily Taxonomy-aligned. The two indicators were also affected by methodological improvements and increased coverage of reported data obtained by MSCI. During the reporting period, we additionally strengthened internal

controls, expanded documentation requirements and aligned the interpretation of the technical screening criteria with regulators’ expectations and audit guidance. Taking a more conservative approach to assessing compliance led to a lower proportion of Taxonomy-aligned key performance indicators in certain cases.

The proportion of investments where policyholders bear the investment risk that are directed towards or linked to financing Taxonomy-aligned economic activities amounted to 52.65% or EUR 930 million in 2025, compared with 53.67% or EUR 809.8 million in 2024.

Currently, the sustainability investment policy includes no specific targets linked to Taxonomy-aligned investments. Although the Group set a target in its sustainability strategy to increase Taxonomy alignment, it decided not to monitor this, given that there are still uncertainties regarding the future calculation and reporting methodology.

At present, the Group has not developed a product-level strategy to define the limits on whether a product must be Taxonomy-aligned. Accordingly, when managing such funds, the Group adheres to the investment policies defined by the respective fund managers.

Nevertheless, the Group remains committed to gradually increasing sustainable investments and to continuously developing processes and data sources to ensure transparent and compliant reporting.

Information on the alignment of investments with the EU Taxonomy for 2025 was obtained from the external data provider, MSCI, which collects data directly from companies. The most recent data available as at the calculation date were used.

Disclosures arising from annex XII to the EU Taxonomy Delegated Regulation (nuclear energy and fossil gas related activities) are fully disclosed for 2025.



Non-life insurance

With regard to the alignment of non-life insurance products with the EU Taxonomy, we highlight the home insurance products and commercial property insurance products for businesses, for which taxonomy disclosure data collection has been upgraded. Unlike climate change-related data collection at the product level, qualitative enhancements have been implemented to allow for more precise identification of product content and individual climate-related risks. This has enabled a more comprehensive and detailed approach to environmental disclosures, which is reflected in different – though lower, yet more accurate – proportions of Taxonomy-aligned premiums.

The insurer continues to comply consistently with EU Taxonomy requirements, including in risk assessment and product design processes. Risk monitoring and management are embedded across several key operating segments, in particular product development, claims

management and actuarial affairs, especially when adapting risk assessment models and setting insurance premiums. The insurer analyses its historical data on weather-related events, such as floods, storms, hail and landslides.

As part of the insurer’s existing product framework for home insurance and commercial property insurance for businesses, business interruption coverage is not offered, nor is it provided outside these products.

Restrictions

Investment

The low alignment percentage is due to a discrepancy between the investments included in the numerator and the denominator of the KPI. Unlike the denominator, the numerator does not include exposures to companies not subject to the requirements of Articles 19a and 29a of Directive 2013/34/EU (the Accounting Directive) and exposures to derivatives. Consequently, it includes fewer investments than the denominator. The

calculation is also limited by the low coverage of the investment portfolio with data on the companies’ alignment with the EU Taxonomy. One of the reasons for this is the limited universe of companies for which the external data provider supplies data. In addition to large companies that are already subject to Taxonomy-alignment reporting, the investment portfolio includes small and medium-sized companies that are not yet required to report. It also includes a significant share of non-EU companies for which data are not yet available from the external data provider, as well as government bonds, which are excluded from KPI calculations as required by the regulation. The Group expects data coverage to improve annually for various reasons, including the gradual extension of regulatory requirements to more companies and the growing relevance of Taxonomy-alignment data.

For its investment property portfolio, which amounted to EUR 23.3 million in 2025, the Group carried out a detailed review and

assessment of potential EU Taxonomy alignment in 2025. Based on this review, the Group concluded that none of the investment properties currently met the requirements for Taxonomy-alignment reporting. Nevertheless, the Group aims to be able to report on the Taxonomy alignment of certain investment properties in future periods.

The issuer industry data obtained by MSCI were supplemented by the Group using data from the consolidated investment list. In addition to investment property, investments for which sector classification data were still unavailable even after this supplementation were included in KPI 7 (the proportion of exposures to other counterparties and assets over total assets covered by the KPI).

Information on Taxonomy-aligned revenue (turnover) and capital expenditure relating to the aforementioned investments is disclosed under KPI 13 (the proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI).

During the review of input data, a small exposure to controversial weapons, as defined by the SFDR (e.g., anti-personnel mines, cluster munitions, and chemical and biological weapons), was identified. The exposure arises from investments intended to cover liabilities to policyholders of Zavarovalnica Sava and Zavarovalnica Vita who bear the investment risk, as well as from the life-cycle funds of Sava Pokojninska. In 2025, exposure to controversial weapons accounted for 0.13% of the investment portfolio or EUR 3.7 million. Based on internally defined criteria, this figure is below the materiality threshold. For investment portfolios managed internally, the Group applies a zero-tolerance policy towards exposure to controversial weapons, and no such exposure was identified. For portfolios invested in mutual funds that cover the liabilities of policyholders who bear the investment risk, the Group does not apply its own sustainability policy but rather follows the investment policies defined by the respective fund managers. Nevertheless, the Group is actively monitoring exposure to controversial weapons within these portfolios and has contacted the relevant fund managers to eliminate these exposures. The Group will continue to monitor exposure to controversial weapons, including in mutual fund portfolios covering policyholder liabilities.

Disclosures under annex XII are based on the solution provided by the external data provider, MSCI, which applies a methodological approach that differs in certain respects from that used for annex X. In addition, certain differences in how individual investment types are classified make the two methodologies not fully comparable. Where reasonably practicable, the Group implemented appropriate adjustments to enhance the consistency and comparability of the data. In addition, the availability of company-level information required to achieve the necessary level of granularity is insufficient, which limits the use of MSCI data. Consequently, using two different methodologies, the Group's internal methodology and the MSCI methodology, limits the approach and may affect the comparability of certain indicators between the annexes.

Non-life insurance

The restrictions encountered when assessing premiums of other products, whether in terms of eligibility or EU Taxonomy alignment, are primarily objective in nature and partly related to the perception of certain products (e.g., motor third-party liability insurance), which the insurer considers as not (yet) being traditionally associated with climate change impacts. Accordingly, the insurer does not yet capture data or indirect circumstances of events in the

claims process (e.g., causes of claims related to climate change). As the insurer considers that the assessment of eligibility for this product in terms of the EU Taxonomy can also be based on publicly available data, reporting was done using such data, and eligibility was assessed on a "best effort" basis, while opportunities for systematic data coverage on climate-related causes of claims will be explored in future periods. Since the insurer does not yet have sufficiently granular data linking premium structure to specific climate hazards for motor third-party liability insurance (unlike casco insurance, where risks are more clearly climate-related), eligibility assessments for this product are based on an external source. According to publicly available traffic safety statistics published by the Slovenian Police (www.policija.si/o-slovenski-policiji/statistika/prometna-varnost), 23.46% of road traffic accidents in Slovenia were attributed to weather phenomena, which also served as the basis for assessing the eligibility of Zavarovalnica Sava's motor third-party liability insurance.

Within the limitations relating to the calculation of the share of eligible premiums, it is also necessary to highlight the objective need to apply different calculation methods to the portfolio of Zavarovalnica Sava on the one hand and to the portfolios of the other subsidiaries on the other.

As Zavarovalnica Sava had the option of using a more precise method to calculate the share of eligibility, this methodology was applied to that company for 2025. For the other companies, however, insufficient data granularity at the individual risk level meant that the method used for 2024 had to be retained. Due to these limitations, the shares of eligible premiums for Zavarovalnica Sava, on the one hand, and the other companies, on the other, are not directly comparable in substance.

In addition, due to the aggregated manner in which data are provided for treaty reinsurance business, the data received from cedants and retrocessionaires that are relevant from the perspective of the EU Taxonomy are not presented in a way that would enable a more detailed analysis and, consequently, the calculation of Taxonomy eligibility.

Other restrictions relate to objective barriers in data coverage. As the official insurance product classification is currently the only uniformly available level of data, Taxonomy-alignment reporting is carried out on that basis. We will continue to gradually enhance this approach in line with the development of data sources and the reporting environment, while also seeking to extend the criteria currently applied only at Zavarovalnica Sava to the other Group companies.



Disclosures – Non-life insurance

► Annex X – Template: Underwriting KPI for non-life insurance and reinsurance undertakings

Economic activities	Substantial contribution to climate change adaptation			DNSH (Do No Significant Harm)					
	Absolute premiums, year t	Proportion of premiums, year t	Proportion of premiums, year t - 1	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards
	Currency	%	%	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no
A.1 Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	14,917,579	1.72%	4.91%	yes	yes	yes	yes	yes	yes
A.1.1 Of which reinsured	3,975,700	0.46%	1.65%	yes	yes	yes	yes	yes	yes
A.1.2 Of which stemming from reinsurance activity	0	0.00%	0.00%	yes	yes	yes	yes	yes	yes
A.1.2.1 Of which reinsured (retrocession)	0	0.00%	0.00%	yes	yes	yes	yes	yes	yes
A.2 Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	225,495,605	26.06%	65.74%						
B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	624,729,822	72.21%	29.34%						
Total (A.1 + A.2 + B)	865,143,006	100.00%	100.00%						

The indicator is calculated based on gross written premiums.



► Taxonomy-aligned non-life insurance activities*

EUR	Gross premiums written			As % of total in 2025
	2025	2024	Index 2025/2024	
Medical expense insurance	0	0	n/a	0.00%
Income protection insurance	0	0	n/a	0.00%
Workers’ compensation insurance	0	0	n/a	0.00%
Motor vehicle liability insurance	0	0	n/a	0.00%
Other motor vehicle insurance	0	0	n/a	0.00%
Marine, aviation and transport insurance	0	0	n/a	0.00%
Fire and other damage to property insurance	14,917,579	38,040,401	39.22	1.72%
Assistance	0	916,354	0.00	0.00%
Total (1–8)	14,917,579	38,956,756	38.29	1.72%
Other non-life	850,225,426	753,700,550	112.81	98.28%
Total non-life	865,143,006	792,657,305	109.15	100.00%
Life insurance	219,820,066	206,661,737	106.37	
Total	1,084,963,071	999,319,043	108.57	

* In 2025, we enhanced the methodology and data bases used to calculate the share of Taxonomy-eligible premiums in non-life insurance, primarily by improving the granularity and traceability of the calculation.

The total premium amount of EUR 1,084,997 represents the gross stand-alone (re)insurance premium written by the insurers and the reinsurer within the Sava Insurance Group, i.e., the total non-life (re)insurance premium taken into account when calculating the share of Taxonomy alignment.

Disclosures – investments

► Annex X – Template: Proportion of the insurance or reinsurance undertaking’s investments that are directed at funding, or are associated with, Taxonomy-aligned activities in relation to total investments for 2025 and 2024

Proportion of the insurance or reinsurance undertaking’s investments that are directed at funding, or are associated with, Taxonomy-aligned activities in relation to total investments				
2025			2024	
1.	The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI , with the following weights for investments in undertakings per below: Turnover-based: 2.38% Capital expenditures-based: 3.69%	The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with the following weights for investments in undertakings per below: Turnover-based: EUR 42,116,114.90 Capital expenditures-based: EUR 65,153,727.74	The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI , with the following weights for investments in undertakings per below: Turnover-based: 2.63% Capital expenditures-based: 4.51%	The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with the following weights for investments in undertakings per below: Turnover-based: EUR 39,738,092.04 Capital expenditures-based: EUR 68,070,754.42
2.	The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities. Coverage ratio: 56.75%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage EUR 1,766,334,962.25	The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities. Coverage ratio: 98.33%	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage EUR 1,508,802,041.98
Additional, complementary disclosures: breakdown of denominator of the KPI				
2025			2024	
3.	The percentage of derivatives relative to total assets covered by the KPI: 0.00%	The value in monetary amounts of derivatives: EUR 0.00	The percentage of derivatives relative to total assets covered by the KPI: 0.00%	The value in monetary amounts of derivatives: EUR 213.43
4.	The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 6.97% For financial undertakings: 2.29%	Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: EUR 123,123,226.20 For financial undertakings: EUR 40,418,131.88	The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 3.00% For financial undertakings: 0.27%	Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: EUR 45,266,575.97 For financial undertakings: EUR 4,003,690.27
5.	The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 41.18% For financial undertakings: 12.06%	Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: EUR 727,450,554.95 For financial undertakings: EUR 212,975,029.42	The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 0.45% For financial undertakings: 0.00%	Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: EUR 6,795,814.60 For financial undertakings: EUR 0.00
6.	The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 18.10% For financial undertakings: 9.94%	Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: EUR 319,761,355.16 For financial undertakings: EUR 175,656,269.99	The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: 10.84% For financial undertakings: 0.87%	Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: EUR 163,517,511.58 For financial undertakings: EUR 13,118,086.37
7.	The proportion of exposures to other counterparties and assets over total assets covered by the KPI: 9.45%	Value of exposures to other counterparties and assets : EUR 166,950,394.64	The proportion of exposures to other counterparties and assets over total assets covered by the KPI: 84.58%	Value of exposures to other counterparties and assets : EUR 1,276,100,149.76
8.	The proportion of the insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: 52.65%	Value of insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: EUR 929,999,114.72	The proportion of the insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: 53.67%	Value of insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: EUR 809,801,064.94
9.	The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI: Turnover-based: 87.86% Capital expenditures-based: 86.62%	Value of all the investments that are funding economic activities that are not Taxonomy-eligible : Turnover-based: EUR 1,551,870,189.74 Capital expenditures-based: EUR 1,529,922,582.71	The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI: Turnover-based: 89.10% Capital expenditures-based: 87.81%	Value of all the investments that are funding economic activities that are not Taxonomy-eligible : Turnover-based: EUR 1,344,303,300.51 Capital expenditures-based: EUR 1,324,950,411.30
10.	The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI: Turnover-based: 9.76% Capital expenditures-based: 9.70%	Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned : Turnover-based: EUR 172,348,657.61 Capital expenditures-based: EUR 171,258,651.80	The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI: Turnover-based: 6.32% Capital expenditures-based: 5.75%	Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned : Turnover-based: EUR 95,307,594.82 Capital expenditures-based: EUR 86,743,785.67



► Annex X – Template: Proportion of the insurance or reinsurance undertaking’s investments that are directed at funding, or are associated with, Taxonomy-aligned activities in relation to total investments for 2025 and 2024

Additional, complementary disclosures: breakdown of numerator of the KPI				
2025			2024	
11.	The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: Turnover-based: 2.11% Capital expenditures-based: 3.35% For financial undertakings: Turnover-based: 0.28% Capital expenditures-based: 0.33%	Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: Turnover-based: EUR 37,193,773.73 Capital expenditures-based: EUR 59,220,775.58 For financial undertakings: Turnover-based: EUR 4,871,527.66 Capital expenditures-based: EUR 5,861,090.08	The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non-financial undertakings: Turnover-based: 1.96% Capital expenditures-based: 3.48% For financial undertakings: Turnover-based: 0.01% Capital expenditures-based: 0.01%	Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU : For non-financial undertakings: Turnover-based: EUR 29,543,672.34 Capital expenditures-based: EUR 52,532,621.27 For financial undertakings: Turnover-based: EUR 119,339.77 Capital expenditures-based: EUR 177,916.86
12.	The proportion of the insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: Turnover-based: 1.99% Capital expenditures-based: 3.02%	Value of insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: Turnover-based: EUR 35,165,766.89 Capital expenditures-based: EUR 53,307,923.95	The proportion of the insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: Turnover-based: 16.83% Capital expenditures-based: 15.51%	Value of insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned economic activities: Turnover-based: EUR 6,688,515.19 Capital expenditures-based: EUR 10,558,363.15
13.	The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI: Turnover-based: 0.00% Capital expenditures-based: 0.00%	Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI: Turnover-based: EUR 50,813.51 Capital expenditures-based: EUR 71,862.08	The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI: Turnover-based: 0.67% Capital expenditures-based: 1.02%	Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI: Turnover-based: EUR 10,075,079.92 Capital expenditures-based: EUR 15,360,216.29

Breakdown of the numerator of the KPI per environmental goals				
Taxonomy-aligned activities – provided “do-not-significant-harm” (DNSH) and social safeguards positive assessment				
2025			2024	
(1) Climate change mitigation	Turnover: 2.30% Capital expenditures: 3.62%	Transitional activities: 0.11% (Turnover) 0.15% (CapEx) Enabling activities: 1.28% (Turnover) 1.79% (CapEx)	Turnover: 71.85% Capital expenditures-based: 74.47%	Transitional activities: 3.89% (Turnover) 3.06% (CapEx) Enabling activities: 46.20% (Turnover) 35.68% (CapEx)
(2) Climate change adaptation	Turnover: 0.00% Capital expenditures: 0.01%	Enabling activities: 0.00% (Turnover) 0.00% (CapEx)	Turnover: 0.74% Capital expenditures-based: 8.18%	Enabling activities: 0.64% (Turnover) 2.88% (CapEx)
(3) The sustainable use and protection of water and marine resources	Turnover: 0.00% Capital expenditures: 0.00%	Enabling activities: 0.00% (Turnover) 0.00% (CapEx)	Turnover: 0.05% Capital expenditures-based: 0.09%	Enabling activities: 0.03% (Turnover) 0.08% (CapEx)
(4) The transition to a circular economy	Turnover: 0.07% Capital expenditures: 0.05%	Enabling activities: 0.06% (Turnover) 0.02% (CapEx)	Turnover: 0.75% Capital expenditures-based: 0.11%	Enabling activities: 0.49% (Turnover) 0.09% (CapEx)
(5) Pollution prevention and control	Turnover: 0.01% Capital expenditures: 0.01%	Enabling activities: 0.00% (Turnover) 0.00% (CapEx)	Turnover: 0.13% Capital expenditures-based: 0.02%	Enabling activities: 0.00% (Turnover) 0.00% (CapEx)
(6) The protection and restoration of biodiversity and ecosystems	Turnover: 0.00% Capital expenditures: 0.00%	Enabling activities: 0.00% (Turnover) 0.00% (CapEx)	Turnover: 0.00% Capital expenditures: 0.00%	Enabling activities: 0.00% (Turnover) 0.00% (CapEx)



Annex XII – Template 1: Nuclear energy and fossil gas related economic activities for 2025

Nuclear energy and fossil gas related activities		
	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	yes
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	yes

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 2: Taxonomy-aligned economic activities (denominator) – turnover-based for 2025

Taxonomy-aligned economic activities (denominator) – turnover-based	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Economic activities	EUR	%	EUR	%	EUR	%
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,286.57	0.00	1,286.57	0.00	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	207,762.83	0.01	207,762.83	0.01	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,734,963.69	0.32	5,734,963.69	0.32	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	56,773.47	0.00	35,776.90	0.00	20,996.58	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	175,428.28	0.01	81,113.82	0.00	94,314.46	0.01
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	27,718.07	0.00	27,295.09	0.00	422.98	0.00
Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	35,912,181.99	2.03	34,483,884.00	1.95	-62,240.77	0.00
Total applicable KPI	1,766,334,962.25	2.38	1,766,334,962.25	2.30	1,766,334,962.25	0.00

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 3: Taxonomy-aligned economic activities (numerator) – turnover-based for 2025

Taxonomy-aligned economic activities (numerator) – turnover-based	CCM + CCA		CCM		CCA	
Economic activities	EUR	%	EUR	%	EUR	%
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1,286.57	0.00	1,286.57	0.00	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	207,762.83	0.49	207,762.83	0.49	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	5,734,963.69	13.62	5,734,963.69	13.62	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	56,773.47	0.13	35,776.90	0.08	20,996.58	0.05
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	175,428.28	0.42	81,113.82	0.19	94,314.46	0.22
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	27,718.07	0.07	27,295.09	0.06	422.98	0.00
Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	35,912,181.99	85.27	34,483,884.00	81.88	-62,240.77	-0.15
Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI	42,116,114.90	100.00	40,572,082.89	96.33	53,493.24	0.13

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities – turnover-based for 2025

Taxonomy-eligible but not Taxonomy-aligned economic activities – turnover-based	CCM + CCA		CCM		CCA	
Economic activities	EUR	%	EUR	%	EUR	%
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,448.31	0.00	1,448.31	0.00	0.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,839.06	0.00	1,839.06	0.00	0.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	152,262.07	0.01	152,262.07	0.01	0.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,582,151.89	0.32	5,582,149.89	0.32	2.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5,059,857.71	0.29	5,036,274.26	0.29	23,583.45	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	702,677.75	0.04	304,870.83	0.02	397,806.92	0.02
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	160,848,420.82	9.11	66,943,610.59	3.79	11,498,880.89	0.65
Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	172,348,657.61	9.76	78,022,455.01	4.42	11,920,273.25	0.67

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 5: Taxonomy non-eligible economic activities – turnover-based for 2025

Taxonomy non-eligible economic activities – turnover-based		
Economic activities	EUR	%
Amount and proportion of economic activity referred to in row 1 of template 1 that is Taxonomy-non-eligible in accordance with section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,173.38	0.00
Amount and proportion of economic activity referred to in row 2 of template 1 that is Taxonomy-non-eligible in accordance with section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	239,002.76	0.01
Amount and proportion of economic activity referred to in row 3 of template 1 that is taxonomy-non-eligible in accordance with section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	123,712.06	0.01
Amount and proportion of economic activity referred to in row 4 of template 1 that is Taxonomy-non-eligible in accordance with section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	164,746.61	0.01
Amount and proportion of economic activity referred to in row 5 of template 1 that is Taxonomy-non-eligible in accordance with section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	24,505.48	0.00
Amount and proportion of economic activity referred to in row 6 of template 1 that is taxonomy-non-eligible in accordance with section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,845.63	0.00
Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,551,314,203.82	87.83
Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI	1,551,870,189.74	87.86

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 2: Taxonomy-aligned economic activities (denominator) – capital expenditures-based for 2025

Taxonomy-aligned economic activities (denominator) – capital expenditures-based	CCM + CCA		CCM		CCA	
Economic activities	EUR	%	EUR	%	EUR	%
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	20,075.07	0.00	20,075.07	0.00	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	715,427.56	0.04	378,814.85	0.02	336,612.71	0.02
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3,777,411.52	0.21	3,777,139.73	0.21	271.79	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	116,610.22	0.01	116,605.39	0.01	4.83	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	321,058.43	0.02	321,058.43	0.02	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	78,489.01	0.00	78,470.58	0.00	18.43	0.00
Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	60,124,655.93	3.40	59,195,909.91	3.35	-126,245.45	-0.01
Total applicable KPI	1,766,334,962.25	3.69	1,766,334,962.25	3.62	1,766,334,962.25	0.01

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 3: Taxonomy-aligned economic activities (numerator) – capital expenditures-based for 2025

Taxonomy-aligned economic activities (numerator) – capital expenditures-based	CCM + CCA		CCM		CCA	
Economic activities	EUR	%	EUR	%	EUR	%
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	20,075.07	0.03	20,075.07	0.03	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	715,427.56	1.10	378,814.85	0.58	336,612.71	0.52
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3,777,411.52	5.80	3,777,139.73	5.80	271.79	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	116,610.22	0.18	116,605.39	0.18	4.83	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	321,058.43	0.49	321,058.43	0.49	0.00	0.00
Amount and proportion of Taxonomy-aligned economic activity referred to in section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	78,489.01	0.12	78,470.58	0.12	18.43	0.00
Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	60,124,655.93	92.28	59,195,909.91	90.86	-126,245.45	-0.19
Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI	65,153,727.74	100.00	63,888,073.97	98.06	210,662.31	0.32

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 4: Taxonomy-eligible but not Taxonomy-aligned economic activities – capital expenditures-based for 2025

Taxonomy-eligible but not Taxonomy-aligned economic activities – capital expenditures-based	CCM + CCA		CCM		CCA	
Economic activities	EUR	%	EUR	%	EUR	%
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.45	0.00	0.45	0.00	0.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9,347.78	0.00	9,347.78	0.00	0.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	131,413.45	0.01	131,413.45	0.01	0.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,491,432.63	0.08	1,482,029.54	0.08	9,403.09	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,973,300.44	0.17	2,973,299.37	0.17	1.07	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	646,283.54	0.04	646,283.54	0.04	0.00	0.00
Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	166,006,873.51	9.40	73,545,441.20	4.16	12,007,284.21	0.68
Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	171,258,651.80	9.70	78,787,815.33	4.46	12,016,688.37	0.68

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.



Annex XII – Template 5: Taxonomy non-eligible economic activities – capital expenditures-based for 2025

Taxonomy non-eligible economic activities – capital expenditures-based		
Economic activities	EUR	%
Amount and proportion of economic activity referred to in row 1 of template 1 that is Taxonomy-non-eligible in accordance with section 4.26 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,747.33	0.00
Amount and proportion of economic activity referred to in row 2 of template 1 that is Taxonomy-non-eligible in accordance with section 4.27 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12,229.49	0.00
Amount and proportion of economic activity referred to in row 3 of template 1 that is taxonomy-non-eligible in accordance with section 4.28 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	118,917.38	0.01
Amount and proportion of economic activity referred to in row 4 of template 1 that is Taxonomy-non-eligible in accordance with section 4.29 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	64,547.26	0.00
Amount and proportion of economic activity referred to in row 5 of template 1 that is Taxonomy-non-eligible in accordance with section 4.30 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	47,025.03	0.00
Amount and proportion of economic activity referred to in row 6 of template 1 that is taxonomy-non-eligible in accordance with section 4.31 of annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,949.70	0.00
Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,529,675,166.52	86.60
Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI	1,529,922,582.71	86.62

* In 2024, we only reported template 1 under annex XII, which means that comparable data for the previous year are not available.

► Consolidated key performance indicators

2025 Category	Revenue	Percentage (A)	KPI turnover based (B)	KPI CapEx based (C)	KPI turnover based weighted (A*B)	KPI CapEx based weighted (A*C)
Asset management	28,164,694	2.8	0.00%	0.00%	0.00%	0.00%
Investments	90,055,524	8.8	2.38%	3.69%	0.21%	0.32%
Non-life insurance and reinsurance	810,587,722	79.4	1.72%	1.72%	1.36%	1.36%
Life insurance	82,395,314	8.1	0.00%	0.00%	0.00%	0.00%
Other	9,325,986	0.9	0.00%	0.00%	0.00%	0.00%
Total	1,020,529,241	100.0			1.57%	1.68%

► Comparative figures: consolidated key performance indicators for 2024

2024 Category	Revenue	Percentage (A)	KPI turnover based (B)	KPI CapEx based (C)	KPI turnover based weighted (A*B)	KPI CapEx based weighted (A*C)
Asset management	24,193,174	2.49%	0.00%	0.00%	0.00%	0.00%
Investments	137,114,030	14.14%	2.63%	4.51%	0.37%	0.64%
Non-life insurance and reinsurance	725,769,172	74.85%	4.92%	4.92%	3.68%	3.68%
Life insurance	74,911,624	7.73%	0.00%	0.00%	0.00%	0.00%
Other	7,699,599	0.79%	0.00%	0.00%	0.00%	0.00%
Total	969,687,599	100.00%			4.05%	4.32%



ESRS E1 – Climate change

GOV-3 – Integration of sustainability-related performance in incentive schemes⁶⁴

The management of climate-related impacts is one of the Group’s strategic priorities. The way in which climate-related considerations are taken into account in the remuneration of members of the administrative, management and supervisory bodies is disclosed in section [ESRS 2 GOV-3](#).

E1-1 – Transition plan for climate change mitigation⁶⁵

In the Sustainable Development Strategy of the Sava Insurance Group for 2023–2027, we have defined key goals for a successful transition to a climate-neutral economy in line with the goal of limiting global warming to 1.5°C as set out in the Paris Agreement. We have committed to reducing our scope 1 and 2 greenhouse gas emissions from our own operations and emissions intensity by 55% by 2030. With regard to our investment portfolio, we aim to reduce the carbon footprint by an average of 10% per each year. This commitment also includes a target to increase the proportion of sustainable investments to at least 25% of the portfolio by 2027, compared to 2022 levels.

In line with our sustainability strategy, we adopted a transition plan for climate change mitigation of the Sava Insurance Group in 2024, covering the period up to 2030. The plan was updated in 2025 and approved by the management board in early 2026. The updated version of the transition plan defines goals and measures to mitigate climate change by reducing greenhouse gas emissions. While these are aligned with the goal of the Paris Agreement to limit global warming to 1.5°C, the documented greenhouse gas emission reduction targets are not science-based, and we have not obtained external assurance in respect of them. In addition, the transition plan outlines measures to reduce the carbon footprint of the investment portfolio and to responsibly underwrite (re) insurance risks. As the Group has no direct greenhouse gas emissions attributable to its key assets or products, these are not discussed further in this report. We disclose the specific targets and progress achieved in section [ESRS E1-4](#). The goals were approved by the management board of Sava Re.

Alongside the defined climate change mitigation measures, the Sava Insurance Group is establishing and gradually introducing systematic monitoring of their implementation and of the planning of associated financial assets and

investments. In 2025, we introduced the monitoring of financial assets and investments used for implementing greenhouse gas emission reduction measures across the entire Group. In the coming years, we will also monitor, at the level of individual Group companies, the planning of resources for costs and investments related to implementing these measures. We do not disclose information on financial assets and investments allocated to implementing climate change mitigation measures in 2025 in the sustainability report.

With regard to investments, our approach to the sustainability aspects of investing in assets and managing sustainability-related investment risks is governed by the Group’s sustainability investment policy. The policy is regularly reviewed, usually once a year, and updated as necessary. It was last revised in November 2025. Among other things, the policy defines the criteria under which the Group will not invest in certain activities, including those in carbon-intensive sectors. In this way, the policy supports the goal of decarbonising the Group’s investment portfolio.

The Group also supports sustainability and the green transition by investing in debt securities issued to finance environmental projects. These include green bonds, sustainability bonds and

sustainability-linked bonds, which are intended to finance the issuers’ green and social sustainability targets and are issued by most governments and local authorities. As at 31 December 2025, the Group’s ESG investments accounted for 24.8% of its total assets (2024: 23.6%), which is in line with the Group’s strategic sustainability target of achieving 25% ESG investments in its investment portfolio.

The Group will continue to actively pursue such investments in the future.

The Group also supports the green transition by underwriting insurance and reinsurance risks. To this end, it has adopted sustainable insurance portfolio management guidelines that define a framework for responsible underwriting and the integration of environmental, social and governance considerations into insurance and reinsurance underwriting processes.

The key assumptions that underlie the GHG emission reduction targets include expected legislative changes, technological developments, and shifts in customer preferences and market demand. All of these factors may affect the volume, structure and carbon intensity of our operations, and consequently future emissions and the pace at which they are reduced.

⁶⁴ ESRS E1.GOV-3 paragraph 13.
⁶⁵ ESRS E1-1 paragraphs 14, 16 (a), 16 (b), 16 (c), 16 (d), 16 (h), 16 (i), 16 (j) and 17, E1-4 paragraphs 34 (e) and 34 (f), MDR-A paragraph 68 (a), and MDR-T paragraph 80 (h).



SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model⁶⁶

The strategic management of the Sava Insurance Group includes identifying material impacts, risks and opportunities and incorporating them into our strategy and business model.

By introducing new (re)insurance products and services related to climate change adaptation, we positively impact customers and end-users of our products and services.

The carbon footprint of our operations has a negative impact on the environment; however, due to the nature of our operations, this impact is relatively small. In line with our business strategy, we are implementing measures and activities to reduce our carbon footprint. In Group companies, we are gradually transitioning to renewable energy sources, implementing energy efficiency measures in our operations, optimising business travel, reducing paper consumption and more. In the long term, we aim to reduce our carbon footprint throughout the value chain through our investment and (re)insurance portfolios. Our development of insurance products for e-mobility, solar power plants and similar solutions has a positive impact on climate change mitigation. In the medium and long term, we will also have a positive environmental impact through

investments in renewable energy production, which will have a beneficial effect across the entire value chain.

We have identified both risks and opportunities that have a material financial impact on our operations in the area of climate change adaptation and mitigation.

Across all operating segments, we consider the following physical risks to be material:

- the risk of widening credit spreads on government bonds of countries exposed to the physical effects of climate change,
- the risk of declining property values due to natural catastrophes,
- the risk of increased costs and/or business interruption due to natural catastrophes affecting the assets of Group companies.

The concentration of risk in our investment portfolio is low due to its strong diversification, which we expect to maintain in the future. For more information on the sectoral and geographical diversification of the Group's investment portfolio, see section [C.3.6.4.3 "Credit risk"](#).

We see financial opportunities primarily in investing in sustainable projects and assets that support the green transition.

In non-life (re)insurance, the main physical risks are:

- the risk of an increase in the number and/or severity of non-life (re)insurance claims due to natural catastrophes,
- the risk of reduced availability and/or high prices of reinsurance protection due to the increasing frequency and severity of natural catastrophes,
- the risk of loss of income and poor diversification due to non-life (re)insurance underwriting restrictions.

These risks are primarily concentrated in Slovenia, with some exposure in the former Yugoslav countries where several Group companies operate. Our reinsurance operations are global, with limited exposure to individual regions. For more information on the insurance portfolio's exposure, see section [C.3.6.3.1 "Non-life underwriting risks"](#).

In this operating segment, we see opportunities to introduce new innovative (re)insurance products and services, raise customer awareness and provide assistance services.

Climate change mitigation across all operating segments includes the risk of a decrease in the value of investments in companies and countries that have a negative impact on climate change, and the risk of higher interest rates due to economic instability resulting from an inadequate or delayed transition to a green

economy. The concentration of risk is low due to the well-diversified investment portfolio and the implementation of a sustainability investment policy.

Climate change mitigation in the non-life (re)insurance segment presents the following transition risks with material financial implications:

- the risk of an inadequate non-life underwriting strategy and/or rules that do not take sufficient account of climate change,
- the risk of insufficient insurance premiums for new products covering green technologies,
- the risk of deteriorating credit ratings of reinsurance partners due to their inadequate adaptation to climate change.

At the same time, we see opportunities in this operating segment, such as developing new innovative (re)insurance products and services, fostering innovation and adaptation among customers and business partners, and exploring new business cooperation models. Material financial opportunities include reducing the Group's carbon footprint and managing sustainable investments in line with international guidelines. Through our strategy and business model, we seek to ensure that the positive impact of financial and environmental opportunities outweighs the potential negative impact of risks that may materialise.

Effects of material impacts, risks and opportunities on the business model, value chain, strategy and decision-making

The Group is already experiencing the effects of climate change, particularly in non-life (re)insurance. During the transition period, we anticipate potential impacts on the investment portfolio. To ensure a timely response, the Sava Insurance Group and its companies are incorporating these changes into their business plans. We do not foresee any changes to our business model, but we are implementing the necessary measures and adjustments within individual operating segments. In non-life insurance, we have already adjusted premiums, coverage and terms to ensure adequate coverage for customers and sufficient premiums to cover losses from natural catastrophes.

With an innovative approach to product development, we are tailoring our offering to market needs and raising consumer awareness about health and property protection.

Through insurance, the Group has a positive impact on people, for example, by providing non-life insurance cover against natural catastrophes.

Financial effects of material risks and opportunities

In recent years, the Sava Insurance Group has experienced the impact of climate change on certain non-life insurance products as both the frequency and severity of natural catastrophes have increased.

In 2025, we did not record any major loss events in Slovenia or in the markets in which the Group operates. However, multi-year trends indicate an increased frequency and severity of weather events.

The Group ensures that its insurance companies adapt their product and service offering by identifying environmental changes (among stakeholders) in a timely manner, adapting to new legislation and aligning with new sustainability strategies.

Expected financial effects of material risks and opportunities on financial position, financial performance and cash flows

We expect the frequency and severity of natural catastrophes to increase in the future, which is reflected in our business plan. Group companies will monitor developments and ensure appropriate diversification of insurance portfolios. In response to changing conditions, we will maintain appropriate reinsurance and retrocession protection and analyse the impact of climate risks. There may also be some future financial impact on the investment portfolio from both transition and physical risks. We will mitigate these impacts through portfolio diversification and a sustainability investment policy.

Resilience of strategy and business model

The resilience of the business model to various climate risks is tested through our annual own risk and solvency assessment (ORSA). For all business lines significantly affected by climate risks, ORSA includes analyses to assess key

exposures and the effect of different climate scenarios. ORSA includes both qualitative and quantitative assessments of climate change risks. The qualitative assessment covers the likelihood and severity of these risks over the long term. Our ORSA risk assessment showed that the most significant impacts of climate change on the Group and its companies are likely to be in non-life insurance and the investment portfolio. We therefore conducted additional analyses of physical and transition risk exposures in these areas.

Based on a qualitative assessment and a materiality analysis of exposure to transition risks, the Group estimates that its investment portfolio is not materially exposed to these risks. However, the Group is materially exposed to physical risks, primarily in its insurance portfolio.



Based on the risk assessments, we developed three scenarios for the purposes of resilience analysis as part of last year's ORSA (2025), using the shared socioeconomic pathways (SSPs) defined by the Intergovernmental Panel on Climate Change (IPCC). These scenarios incorporate greenhouse gas emission projections and socio-economic global change assumptions up to 2100. We have analysed the following scenarios:

- The medium-term transition climate scenario SSP1-1.9, which is consistent with limiting the global average temperature increase to 1.5°C (with at least a 50% probability) and achieving climate neutrality by 2050 (Net Zero 2050). In this scenario, we have analysed the transition risks of the investment portfolio.
- The medium-term climate scenario SSP2-4.5, or the delayed transition scenario, which assumes that greenhouse gas emissions continue to rise slowly at first and then decline in the middle and towards the end of the 21st century but remain relatively high. In this scenario, in addition to the transition risk in the investment portfolio, we have also analysed the materialisation of physical risks in the insurance portfolio.

The following two climate scenarios were included in the ORSA for 2026:

- The long-term climate scenario SSP2-4.5, which assumes that greenhouse gas emissions will continue to rise gradually before declining in the middle and towards the end of the 21st century, although they will remain at relatively high levels throughout the period. In this scenario, we assumed that the long-term effects of physical risks were accounted for, so we analysed the impact of climate change-related physical risks on our investment and insurance portfolios.
- The long-term climate scenario SSP5-8.5 (re-run in 2025), which assumes little success in limiting emissions and takes into account current policies (with no future changes), predicts that emissions will increase rapidly in the 21st century, leading to high physical risks (a hot house world). In this scenario, we have analysed the impact of physical risks from climate change on the investment and insurance portfolios.

When assessing the medium- and long-term impact of physical risks, we considered events such as hailstorms and floods across different return periods in Slovenia and other countries in which the Group operates. The impact on the insurance portfolio was assessed using modelling performed by an external partner, based on assumptions regarding the effects of climate change. With respect to the investment portfolio, we assume increases in risk spreads on debt securities and declines in shareholder and property values, depending on the issuer's sector and country of operation. The extent of the decline in investment value in a given country depends on its vulnerability, as determined by the ND-Gain index⁶⁷.

For non-life insurance, we used these scenarios to assess the impact of an increase in the number and severity of natural catastrophes in the medium and long term. The medium-term period covers the years 2030 to 2050, and the long-term period the years 2071 to 2100. When assessing the medium- and long-term impact of physical risks, we considered events such as hailstorms and floods that our materiality analysis identified as having the most significant

impact on the geographical area in which the Group operates. In this context, additional senior management actions were either not taken into account or were considered only on a qualitative basis.

The climate scenario analysis showed that each scenario could have a material impact on the financial results in a given year, while the Group's solvency, and hence its business model, remains resilient even if these scenarios materialise. At the same time, the analysis involves a certain degree of uncertainty because it incorporates highly unpredictable events and impacts.

The Group's actions to adapt to the identified impacts of climate change are set out in section [ESRS 2 SBM-3](#).



IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities⁶⁸

We disclose the procedures for identifying and assessing material impacts, risks and opportunities in section [ESRS 2 IRO-1](#).

When developing its strategy, the Group takes into account the potential impacts of climate change (both physical and transition effects) on its insurance and investment portfolios. Based on this assessment, the Group establishes its sustainability policies. Where necessary, the Group also adjusts its business strategy accordingly.

The assessment and identification of physical risks throughout the value chain that could have a material impact on the Group’s operations and business results are carried out as part of ORSA and the assessment of emerging risks, which we describe in section [C.3.6.7.1 “Emerging risks”](#). In identifying material climate risks, we have also considered EIOPA’s proposal on defining climate risks⁶⁹. A materiality analysis was carried out as part of ORSA to assess the materiality of individual climate risks. This analysis, which is presented in section [ESRS 2 SBM-3](#), served as the basis for defining scenario analyses, which we use to assess risks that could have a material

financial impact on the Group’s operations in the future. For the scenario analysis, we relied on EIOPA’s guidance⁷⁰ on scenario implementation in relation to climate change. The scenario analysis assesses the impact on both the insurance and investment portfolios, helping us to assess risks that may have a financial impact on these parts of the value chain. The scenario analysis also includes a high emissions scenario and a scenario that limits the global average temperature increase to a maximum of 1.5°C. In the scenario analysis, we consider the geographical exposures that are most relevant to the Group. Therefore, when assessing physical risks, assuming an increase in the frequency of natural catastrophes, we calculate the impact on Slovenia and several other countries in which the Group operates.

We qualitatively assess risks over the next ten years in the risk register, where physical and transition risks are assessed separately. In the short term, we monitor climate risks by tracking loss events and their subsequent financial impact on insurance portfolios and investment valuations. The projection assumptions underlying the climate scenarios are aligned with the assumptions used in the financial statements.

Based on these analyses and the potential future impact of climate change, the Group is identifying business opportunities across various lines of business.

E1-2 – Policies related to climate change mitigation and adaptation⁷¹

The Group manages the impact of its companies on climate change through its sustainable development strategy, sustainable business policy, guidelines for responsible underwriting of environmental, social and governance risks in non-life insurance, and sustainability investment policy.

The sustainability investment policy provides guidelines for the investment portfolios of Group companies, with the exception of portfolios where policyholders’ benefits are linked to movements in the net asset value per unit (NAVPU) of the investment funds of the policyholders’ choice and investments covering liabilities under investment contracts of Sava Pokojninska Družba and Sava Penzisko Društvo.

The guidelines relate to limiting investments in sectors such as the production, distribution and sale of tobacco products, the adult entertainment industry, gambling, thermal coal-based power generation, thermal coal mining, shale gas and oil, the manufacture of controversial weapons, as defined under the SFDR. They also relate to human rights violations and the monitoring of governance aspects in accordance with the UNGC and OECD criteria. With regard to government bonds, we monitor the overall ESG rating, which must not be lower than BB. These

measures enable the Group to address the ESG aspects of the investment portfolio, thereby having a positive impact on the environment, society and stakeholders.

The Group has adopted the UN Principles for Responsible Investment and is a signatory to the UN Global Compact, which promotes responsible business practices in the areas of human rights, labour, the environment and anti-corruption. As part of the investment process, the Group monitors potential violations of the UNGC and OECD principles and actively works to integrate these principles into the investment process.

The Group supports the collective efforts of the global investment community to develop common standards for incorporating environmental, social and governance considerations into investment decisions. When making investment decisions, we focus primarily on risks related to greenhouse gas emissions and social risks.

Sava Re, as the parent company of the Group, has entered into an agreement with a data provider to provide data on the principal adverse impacts (PAIs) of the assets managed by Group companies. Currently, the Group addresses PAIs through exclusions as defined in its sustainability investment policy.

⁶⁸ ESRS E1.IRO-1 paragraphs AR 8 (b), 19 (c), 20 (a), 20 (b), 20 (c), AR 11 (a), AR 11 (b), AR 11 (c), AR 11 (d), 21, AR 12 (a), AR 12 (b), AR 12 (c), AR 12 (d), AR 13 (d), 21 and AR 15.
⁶⁹ EIOPA – Opinion on the supervision of the use of climate change risk scenarios in ORSA, www.eiopa.europa.eu/document/download/f984b53b-3549-49a4-9beb-7fe5057ecd94_en?filename=Opinion%20on%20climate%20change%20risk%20scenarios%20in%20ORSA.pdf
⁷⁰ EIOPA – Application guidance on climate change materiality assessments and climate change scenarios in ORSA, www.eiopa.europa.eu/publications/application-guidance-climate-change-materiality-assessments-and-climate-change-scenarios-orsa_en
⁷¹ ESRS E1-2 paragraph 25, and MDR-P paragraphs 65 (a), 65 (b), 65 (c), 65 (d) and 65 (e).



At the Group level, climate-related issues are managed by the office of the management board and of compliance, the insurance, sales and Group governance business centre, the financial operations and financial investment management business centre and the risk management and asset-liability management department. Depending on their organisational structure and the materiality of climate-related impacts, individual Group companies may engage external experts in climate risk management and participate in national and international industry associations. In addition, funds are allocated for education, training and other measures aimed at increasing positive climate impacts.

Climate-related targets are defined in the Group’s sustainable development strategy for 2030, while subsidiaries are responsible for implementing and achieving these targets in line with the Group’s strategic priorities.

E1-3 – Actions and resources in relation to climate change policies⁷²

To implement the Group’s climate change policies and strategy, a range of actions has been adopted across several key areas, as set out in detail in the transition plan for climate change mitigation of the Sava Insurance Group, covering the period up to 2030. The results of these actions are presented in section [E1-4](#); however, due to insufficient data, the sustainability report does not disclose information on financial assets and investments allocated to implementing climate change mitigation measures.

To reduce the carbon footprint of our own operations, the Group continues to focus on climate change mitigation activities and measures, such as procuring electricity from renewable sources, improving the energy efficiency of buildings, consolidating property and optimising space, promoting sustainable mobility and encouraging responsible employee behaviour. Measures to optimise business travel are also being implemented. The companies provide the necessary financial and other resources for all planned actions.

The Group’s sustainability investment policy systematically excludes sectors with the most significant adverse environmental impact, thereby reducing the carbon footprint of our investment portfolio, as described in more detail in section [E1-1](#).

Sava Re, on behalf of the Sava Insurance Group, has joined the Partnership for Carbon Accounting Financials (PCAF), an organisation committed to aligning the financial industry with the goals of the Paris Agreement. We first used the PCAF methodology in 2025 to calculate the carbon footprint of the investment portfolio. These calculations are based exclusively on data obtained from MSCI.

E1-4 – Targets related to climate change mitigation and adaptation⁷³

The key performance indicators and targets that our Group monitors in relation to climate change mitigation and adaptation include:

- reducing scope 1 and 2 greenhouse gas emissions at the Group level in terms of number of employees and consolidated revenue, with a target of 55% reduction per employee and per consolidated revenue by 2030 compared to 2022;

- reducing greenhouse gas emissions in the investment portfolio by an average of 10% per year compared to the 2022 baseline, with the aim of achieving this by 2027. The target for reducing greenhouse gas emissions does not cover all emissions disclosed in section [ESRS E1-6](#); rather, it is based on the Principal Adverse Impact (PAI) indicator 2, as defined in the SFDR.

The Group is achieving its emissions-reduction target by excluding carbon-intensive sectors, such as thermal coal mining, electricity generation from thermal coal, conventional oil and gas extraction, and shale oil and gas extraction. In addition, the target is pursued by increasing the share of ESG investments in the consolidated portfolio, in line with the objective that ESG investments account for 25% of the investment portfolio.

72 ESRS E1-3 paragraphs 28, 29 (a), 29 (b) and 29 (c), and MDR-A, paragraphs 68 (a) and 68 (b).
73 ESRS2 MDR-M paragraph 77 (b), ESRS E1-4, paragraphs 32 and 33, and MDR-A paragraph 68 (c).



For scope 1 and 2 emissions, our carbon footprint per employee, calculated using the location-based method, was 1.20 tonnes in 2025 (2024: 1.15 tonnes). The result achieved in 2025 represents an 18.4% reduction from the baseline year (2022: 1.47 tonnes) (unaudited).

Greenhouse gas emissions of the Sava Insurance Group⁷⁴

► Emission reductions in 2025 compared to 2022 baseline – absolute value and trend index (unaudited)

	2025	2022	Reduction in tCO ₂ e	Index 2025/2022
Scope 1 GHG emissions	1,042.78	1,256.96	214.18	82.96
Scope 2 GHG emissions – location-based method	2,323.06	2,717.96	394.90	85.47
Scope 2 GHG emissions – market-based method	2,272.00	2,949.98	677.98	77.02
Scope 3 GHG emissions	760,163.24	545,286.13	-214,877.11	139.41
Total GHG emissions – location-based method	763,529.08	549,261.05	-214,268.03	139.01
Total GHG emissions – market-based method	763,478.02	549,493.08	-213,984.95	138.94

A negative value indicates an increase in GHG emissions. Similarly, an index value above 100 also indicates an increase in GHG emissions. The increase in both the absolute value and the trend index is due to improved data coverage of the investment portfolio’s emissions and the portfolio’s growth. Scope 3 financed emissions data for the baseline year have also been calculated in accordance with the PCAF methodology.

74 ESRS E1-4 paragraphs 34 (a) and 34 (b).
75 ESRS E1-5 paragraphs 37, 37 (a), 37 (c), 37 (c) ii, 37 (c) iii, AR 34, 38 (a), 38 (b), 38 (c), 38 (e) and 39.

E1-5 – Energy consumption and mix⁷⁵

	Unit	2025	2024
Total energy consumption related to own operations	kWh	10,390,945.16	10,352,446.99
Total energy consumption from fossil sources	kWh	9,153,458.50	9,268,797.55
Total energy consumption from renewable sources	kWh	1,237,486.66	1,083,649.44
Total energy consumption from nuclear sources		n/a	n/a
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	kWh	948,269.06	794,250.90
Consumption of self-generated non-fuel renewable energy	kWh	289,217.59	289,398.54
Consumption from coal fuel and coal products	t	0.00	0.00
Fuel consumption from crude oil and petroleum products	l	306,117.41	335,080.25
Fuel consumption from natural gas	kWh	841,786.05	790,204.25
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	kWh	9,153,458.50	9,268,797.55
Production of renewable energy	kWh	320,294.95	338,863.43

Renewable energy is produced at two locations of Zavarovalnica Sava in Maribor – Ulica Eve Lovše 7 and Zagrebška Cesta 83, where solar power plants are installed.

► Energy consumption and mix in shares

As % of total	2025	2024
Share of renewable sources in total energy consumption	11.91	10.47
Share of fossil sources in total energy consumption	88.09	89.53



E1-6 – Gross scope 1, 2, 3 and total GHG emissions⁷⁶

► Greenhouse gas emissions⁷⁷

tCO ₂ e	2025	2024
Gross scope 1 GHG emissions	1,042.78	1,038.11
Direct emissions from stationary combustion – heating	196.07	194.36
Direct emissions from stationary combustion – diesel for power generators	1.26	1.44
Direct emissions from mobile combustion – fuels	771.37	837.11
Process emissions	0	0
Fugitive emissions from HVAC and refrigeration systems	74.07	5.19
Gross scope 2 GHG emissions – location-based method	2,323.06	2,288.70
Indirect emissions – electricity use	1,581.94	1,492.30
Indirect emissions – thermal energy use	741.12	796.40
Gross scope 2 GHG emissions – market-based method	2,272.00	2,360.09
Indirect emissions – electricity use	1,530.88	1,563.69
Indirect emissions – thermal energy use	741.12	796.40
Gross scope 3 GHG emissions	760,163.24	608,356.08
Purchased goods and services – water	2.82	2.71
Purchased goods and services – paper	50.49	49.77
Transmission and distribution losses from electricity and district heating	95.54	n/a
Waste management – waste water	2.52	3.29

tCO ₂ e	2025	2024
Business travel – cars owned by others	87.66	81.62
Business travel – taxi	2.70	1.27
Business travel – local shuttle services	0.16	0.15
Business travel – bus	0.61	0.09
Business travel – rail	0.04	0.03
Business travel – air	149.10	189.73
Employee commuting – motorcycle	5.40	8.69
Employee commuting – bus	69.80	138.59
Employee commuting – rail	8.28	14.95
Employee commuting – tram	1.70	2.23
Employee commuting – car	1258.15	1,137.74
Upstream leased assets	76.90	73.12
Downstream leased assets – electricity	247.68	342.20
Downstream leased assets – heating	241.83	353.30
Financed emissions – investment portfolio*	757,861.87	605,956.60
Total GHG emissions – location-based method	763,529.08	611,682.89
Total GHG emissions – market-based method	763,478.02	611,754.28

⁷⁶ ESRS E1-6 paragraphs 23 (b), 47, AR 39 (b), AR 42 (c), 45 (d), 46 (h) and 46 (i), and MDR-T paragraph 77 (b).
⁷⁷ ESRS E1-6 paragraphs 44, 48 (b), 49 (b), 52 (b), 51, AR 41, AR 45 (d) and AR 45 (e).



In 2025, we updated the methodology for calculating category 15 scope 3 emissions (financed emissions). While the calculation for 2024 was prepared using the PAI methodology, we transitioned to the PCAF methodology in 2025, an internationally recognised standard for measuring financed emissions.

To ensure methodological consistency and data comparability, the comparative data for 2024 were recalculated using the PCAF methodology.

The figure originally disclosed for 2024 (using the PAI methodology) was 556,317.66 tCO₂e, while the restated figure for 2024 under the PCAF methodology amounted to 605,956.60 tCO₂e.

The 2025 figure, calculated using the PCAF methodology, is 757,861.87 tCO₂e.

The difference between the originally disclosed and restated figures for 2024 arises from a change in the methodological approach, particularly with regard to the definition of the scope of coverage, the input data used, and the calculation methods for financed emissions in line with the PCAF standard.

The carbon footprint calculations for scopes 1, 2 and 3 were not verified by an independent external body other than the assurance provider.

The organisational boundaries of the carbon footprint calculation include all 16 companies of the Sava Insurance Group and their subsidiaries operating in 257 locations.

The carbon footprint calculation includes:

- direct emissions from the use of fossil fuels for space heating and electricity generators, fuel combustion in vehicles owned or controlled by the company and fugitive refrigerant gases (scope 1 emissions);
- indirect emissions from the consumption of electricity and district heating (scope 2 emissions);
- indirect emissions from paper and water purchases, waste water management, transmission and distribution losses from electricity, business travel with vehicles not owned or managed by the company, employee commuting and downstream leased assets (including electricity and heating consumption at leased locations), and financed emissions from the investment portfolio (scope 3 emissions).

The Sava Insurance Group’s carbon footprint calculation for 2025 follows the GHG Protocol and is prepared in accordance with the proposed approach for carbon footprint calculation. Scope 2 emissions from purchased electricity and district heating are calculated using both the location-based and market-based methods.

Details are presented in the report [Calculation of the Sava Insurance Group’s Carbon Footprint for 2025](#), approved by the management board of Sava Re. The report also explains which categories of greenhouse gas emissions are currently excluded, in line with the Group’s materiality assessment of scope 3 categories.

Emissions intensity⁷⁸

The emissions intensity is calculated based on the Group’s total revenue, as shown in section [ESRS 2 SBM-1](#).

tCO ₂ e per EUR million	2025	2024
Emissions intensity – location-based method	673.5	590.9
Emissions intensity – market-based method	673.5	591.0

Emissions intensity is calculated based on total greenhouse gas emissions (scopes 1, 2 and 3). Due to a change in the methodology for calculating category 15 scope 3 emissions and a transition from the PAI approach to the PCAF methodology, the total emissions data for 2024 were also restated. Consequently, the emissions intensity for 2024 was also restated to ensure methodological consistency and data comparability across periods.



Financed emissions

In 2025, the Group applied the PCAF methodology for the first time to calculate the carbon footprint of the investment portfolio. In previous years, calculations had been performed in accordance with the PAI methodology under the SFDR. The Group uses a software solution and data obtained exclusively from the data provider MSCI to calculate financed emissions.

To ensure year-on-year comparability and enable progress monitoring, financed emissions for 2024 were recalculated retrospectively using the PCAF methodology. Total scope 1 and 2 financed emissions amounted to 177,496 tCO₂e in 2025, marking a 37% increase from the previous year. This increase is primarily attributable to growth in the investment portfolio (8%) and improved data coverage (16%). Total scope 1 and 2 financed emissions intensity was 62 tCO₂e per million euros in 2025, a 26% increase on the previous year.

Financed emissions are calculated based on the consolidated list of investments as at 31 December 2025 and the latest available emissions data for companies and sovereigns from the external data provider. For investments in mutual funds, exchange-traded funds (ETFs) and alternative funds (infrastructure funds, real-estate funds and private debt funds), the Group applied a look-through approach to ensure that the impact was calculated based on the underlying investments in these funds. The look-through approach was applied to level 1 fund investments. The Company was unable to obtain data on the structure of funds for 1.59% of the portfolio.

Financed emissions are currently calculated for 89% of the portfolio, representing the coverage included in the measurement. The Group aims to calculate the carbon footprint for as large a share of the portfolio as possible, but current coverage is limited by the identifiers available in MSCI’s data environment for which emissions data are collected.

When calculating financed emissions for listed shares and corporate bonds, the Group uses the PCAF methodology, which is based on the relationship between enterprise value, the amount invested and the greenhouse gas emissions of individual companies.

For government bond portfolios, the Group calculates financed emissions proportionally, based on the share of bonds held relative to a country’s GDP, adjusted for purchasing power parity (PPP). This calculation includes sovereign emissions and emissions from land use. In accordance with the PCAF methodology, however, emissions from land use, land-use change and forestry (LULUCF) are excluded.

Financed emissions from green bonds are calculated by multiplying the bond’s nominal value by an emissions factor specific to the project or use-of-proceeds category financed by the bond. To achieve this, the Group uses MSCI data, which estimate emissions at the project level, typically for scopes 1 and 2, with green bond emissions accounted for separately from the issuer’s emissions.

The “other” category predominantly includes derivatives treated under the look-through approach. The PCAF standard does not currently prescribe a methodology for calculating financed emissions for such investments. Accordingly, the Group applies the MSCI methodology, which is based on the PCAF guidelines. Financed emissions associated with these instruments represent an immaterial share of the investment portfolio’s total financed emissions.

The financed emissions disclosed in section [”ESRS E1-6 Gross scope 1, 2, 3 and total GHG emissions”](#) differ from the emissions included in the investment portfolio’s GHG reduction target, as defined in section [”ESRS E1-4 Targets related to climate change mitigation and adaptation”](#). Section [ESRS E1-6](#) includes all emissions from the investment portfolio, except for emissions from investment property, which are included in the Group’s scope 1 and 2 emissions, whereas the target set out in section [ESRS E1-4](#) only includes emissions from investee companies in accordance with the SFDR.



► Carbon footprint of the investment portfolio for 2025 and 2024

Year	2025							2024*						
Investment grade	Carrying amount as at reporting date (EUR)	Scope 1 and 2 financed emissions (tCO ₂ e)	Scope 3 financed emissions (tCO ₂ e)	Scope 1 and 2 financed emissions intensity (tCO ₂ e per EUR million invested)	Scope 3 financed emissions intensity (tCO ₂ e per EUR million invested)	Scope 1 and 2 PCAF data quality score	Scope 3 PCAF data quality score	Carrying amount as at reporting date (EUR)	Scope 1 and 2 financed emissions (tCO ₂ e)	Scope 3 financed emissions (tCO ₂ e)	Scope 1 and 2 financed emissions intensity (tCO ₂ e per EUR million invested)	Scope 3 financed emissions intensity (tCO ₂ e per EUR million invested)	Scope 1 and 2 PCAF data quality score	Scope 3 PCAF data quality score
Listed shares	761,561,569	23,833	179,332	31	236	2.26	2.38	610,530,414	16,536	149,840	27	245	2.23	2.33
Corporate bonds	829,108,128	30,784	328,106	37	396	2.55	2.64	620,457,744	25,740	275,977	41	445	2.45	2.54
Government bonds	745,108,410	120,968	72,928	162	106	4.00	4.00	522,723,679	85,428	51,041	164	107	4.00	4.00
Green bonds	216,570,480	1,910	–	9	–	5.00	–	161,401,627	1,393	–	9	–	5.00	–
Other	16,366	0	0	168	630	5.00	5.00	31,821	1	0	152	343	5.00	5.00
Investments not covered	318,841,118							714,680,729						
Total	2,871,206,071	177,496	580,366	62	202	3.07	2.96	2,629,826,014	129,098	476,859	49	181	2.99	2.87

* The data for 2024 have not been audited.

4 Social information

ESRS S1 – Own workforce

SBM-2 – Interests and views of stakeholders

The Group's own workforce consists of individuals who have signed an employment contract with at least one of the Group companies.

At the Sava Insurance Group, we have set five priorities for our human resource strategy for the 2023–2027 strategy period:

- Attracting and retaining the best talent – we justify the trust of our employees and take care of the image and reputation of the Sava Insurance Group in the labour market.
- Developmental orientation – we continuously identify and develop the potential of our employees.
- Performance management – we make possible the development of a culture of high performance in which successful employees are supported and rewarded, are able to improve and are effectively managed.

- Sustainable working – we promote a values-based culture with a focus on diversity, inclusion, well-being and sustainable business.
- Digitalisation and optimisation – we adapt the organisation, processes, positions and ways of working towards the future of business.

As part of our sustainability work, we are building a culture that focuses on diversity, equality, inclusion, employee well-being and the prevention of discrimination and psychosocial risks.

By adopting sustainability guidelines, we focus on the long-term responsible management of our employees, the development of the Group and the creation of a socially responsible community. We encourage individuals and groups to take part in socially responsible projects and activities. We are building a reputation as a trusted employer, modernising our recruitment methods and ensuring a quality employee experience to attract and retain the best talent.

Our sustainability guidelines support the long-term success of the Group, the satisfaction of our employees and our responsibility to the wider community and the environment in which we operate.

We recognise our employees as a key stakeholder group whose interests, views and rights are fundamental to our business. All Group companies ensure that the interests and rights of our employees are integrated into strategic decisions and business processes.



SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model⁷⁹

The strategic guidelines and policies apply equally to all employees of all Group companies.

The report covers all employees, regardless of the type or duration of their employment contract. Most employees work on permanent contracts. The Group has not identified any categories of employees who are exposed to a higher material risk or those working in industries that cause negative impacts. No positions in the Group are identified as entailing higher material risk. A systematic approach ensures safe working conditions for all.

As a result, we have not identified material risks or opportunities arising from impacts on specific groups of employees. Group companies focus their activities on promoting equal opportunities and preventing discrimination for all employees.

We have a number of initiatives in place to improve working conditions and foster positive interactions among the Group's employees. In 2025, our human resource management was focused on the following goals and activities:

1. Digitalising and optimising HR processes in human resource management and implementing the FledgeWorks HR information system.
2. Strengthening employee satisfaction and engagement through measures in the areas of internal communication, development, training and leadership, designed and implemented based on the results of employee satisfaction and engagement surveys.
3. Improving reporting in line with ESRS standards and key performance indicators for human resource management, which we regularly monitor and adjust to achieve the defined goals.
4. Developing a competency model to identify potential and support employee development, and introducing the Smart Arena and Academy learning platforms.
5. Building the employer brand through the continued planning and implementation of the communication strategy and activities aimed at building the employer brand in line with the employee value proposition and the employer image.

6. Promoting health and well-being by running workshops and programmes to manage stress and promote healthy lifestyles.
7. Promoting sustainable practices and raising employee awareness of the importance of sustainability through training programmes, workshops, information on sustainability issues, corporate volunteering and other sustainability-related programmes.

The Group has not identified any material risks in the area of human resource management; however, one potential risk is a shortage of suitably qualified professionals in the labour market. To address this, we encourage our employees to change roles within the Group. We have also established links with the labour market and cooperate with universities to develop potential employees at the level of individual companies and according to the needs of the local market. We also continually strive to implement activities that contribute to a positive working environment and employee well-being: we promote a culture of sustainability, protect employee rights and have zero tolerance for misconduct.





S1-1 – Policies related to own workforce⁸⁰

The Group has put in place the following policies with regard to human resource management:

- Remuneration Policy of the Sava Insurance Group,
- Fit and Proper Policy for Relevant Persons of the Sava Insurance Group,
- Human Resource Development and Succession Planning Policy of the Sava Insurance Group.

Policies governing employee relations within the Group are prepared by Sava Re’s human resource management department.

The **remuneration policy** aims to establish a competitive, efficient and transparent remuneration system that is internally fair. The key principles of the policy reflect the main principles of ethical and sustainable practices and operations.

The aims of this remuneration policy are:

- clear and transparent governance,
- reliable and efficient risk management,
- compliance with regulatory requirements and principles of sound management,
- monitoring of and adapting to market trends and practices,
- sustainable pay for sustainable performance,
- employee motivation and retention.

In line with our policy, we have designed a remuneration package that includes a base salary, variable pay and additional financial and non-financial benefits. The types and level of potential additional benefits and incentives are laid down in the companies’ internal regulations. The basic and variable parts of the remuneration are properly balanced in order to encourage sound and efficient work and appropriate risk management.

Group companies observe the following guidelines when designing remuneration systems and schemes:

- designing a balanced remuneration structure,
- establishing a direct link between pay and performance,
- adopting a multi-annual approach to performance evaluation and aligning variable pay with sustainable business performance over time,
- ensuring that the incentive system remains consistent with its mechanisms, organisational processes and the activities and behaviours being rewarded.

The **fit and proper policy** ensures that persons who effectively manage and supervise the company or who hold key or important positions meet the requirements set out in applicable law and the policy. These requirements include:

- fitness: they have the appropriate professional qualifications, knowledge and experience for the sound and prudent conduct of business,
- propriety: they are of good repute and act with a high degree of integrity.

The policy ensures continued compliance with standards of responsible management and oversight.

The **human resource development and succession planning policy** sets the foundations and priorities for the planning and implementation of all forms of personal and professional human resources development and succession planning in all Group companies.

The aims of the policy are to:

- encourage the acquisition of new knowledge, skills and competencies on a regular basis in order to efficiently perform relevant work tasks,
- ensure continuous identification and targeted development of employees’ potential,
- provide succession planning for key functions in individual companies and the Group.

Human rights⁸¹

The Group strictly respects and protects internationally proclaimed human rights and fundamental freedoms. We require our business partners to do the same. We have a zero-tolerance approach to illegal and unethical behaviour and violence in the workplace.

Ensuring the integrity and protection of the personal dignity of employees and other persons involved in the work and business processes of the companies is one of the Group’s key priorities.

Every employee has the right to equal treatment, dignity and personal integrity in the workplace.

The inviolability and protection of the personal dignity of individuals is ensured by mechanisms and actions that provide for a clear, transparent, rapid and pre-defined process for detecting and sanctioning misconduct. At the Group level, we have an independent external arbitration body that operates according to key principles such as independent decision-making, professionalism, autonomy, decision-making independent of the Group and strict confidentiality of both whistleblowers and infringers.

We have procedures for reporting and addressing violations, including protecting the identity of whistleblowers and sanctioning retaliation, as detailed in section [ESRS G1-1](#).

80 ESRS S1-1 paragraph 19, S1-2 paragraph 27 (d), and MDR-P paragraphs 65 (a), 65 (b), 65 (c) and 65 (e).
81 ESRS S1-1 paragraphs 20, 20 (a), 20 (c), 21, 23, 24 (a), 24 (b), 24 (c) and 24 (d), and MDR-P paragraphs 65 (c) and 65 (d).



We have reaffirmed our commitment to human rights and sustainable development by joining the United Nations Global Compact (UNGC).

We provide appropriate working conditions and equipment for our employees. In accordance with applicable legislation, we regularly refer employees for health checks and periodic training in occupational health and safety.

All principles, commitments and core values are further defined in the Policy on Ensuring the Inviolability of the Person and Protection of Personal Dignity in the Sava Insurance Group, which is described in more detail in section [ESRS G1-1](#). The policy is overseen by the office of the management board and compliance.

S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts⁸²

The Group has various mechanisms in place to engage with employees, and we strive for open communication and close collaboration. We keep our staff regularly informed of all major issues by email and have an internal employee portal (intranet) where we publish important news.

Some Group companies have organised trade unions, works councils and employee representatives. Through them, we actively

promote open social dialogue. The management and professional staff of the companies provide the trade unions, employee representatives and works councils with all relevant data, information and facts about the company’s work, business and development that have an impact on the financial and social situation of the employees.

In companies where there is a works council and/or a trade union, employee representatives meet regularly with management to discuss proposals for improvements and actions in the area of cooperation with the employees. We also facilitate structured discussion and the development of measures to improve employees’ working conditions through quarterly and/or annual performance appraisal interviews, as well as through various surveys, which give employees the opportunity to express their views. All feedback is recorded in writing and submitted to the relevant company bodies for further consideration. The companies then provide the necessary resources and funding to implement the activities.

S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns⁸³

The process for protecting the personal integrity of individuals, in particular sexual integrity, is conducted outside the companies with a view to

independent and impartial decision-making and with the aim of building trust in the mechanism and preventing internal abuse. The procedural rules are governed by the Act on the Procedure for Dealing with Violations of the Rights to Inviolability of the Person and Personal Dignity in the Sava Insurance Group (the Act).

The channels for raising concerns are described in detail in section [ESRS G1-1](#).

The reporting procedure is managed by an arbitration body, which makes decisions in ad hoc panels of three members. The members of the arbitration body are appointed from among the nine permanent members drawn from the legal and other professions (psychology, psychiatry, social work, medicine and the like). Each panel comprises at least two legal experts, one of whom is the chairperson, who are responsible for ensuring legal certainty, due process and a high level of professionalism in the outcome of the proceedings. The procedure for the functioning of the arbitration body is set out in more detail in the Act. The Act is designed to ensure transparency and clarity in the procedures for reporting violations.

An independent body dealing with the reports prepares a comprehensive factual and legal justification for further action and proposes specific measures (immediate protection of the

victim, request to the infringer to immediately cease the violation, discussion with the infringer, referral of the infringer to an interview with a relevant professional, formal notice to the infringer in accordance with the applicable legislation, issuance of a formal notice or initiation of proceedings for ordinary or extraordinary termination of the employment contract in accordance with the law and similar measures).

The Act is published on the Group’s intranet, together with other internal regulations adopted and important information, which employees are made aware of when they start working for one of the Group companies. This information (acts and internal regulations), along with other relevant news, is available to employees at all times. Any changes to the internal rules and regulations are communicated to employees through newsletters and monthly updates.

The Group has measures in place to protect whistleblowers, in particular by:

- protecting the identity of the whistleblower,
- sanctioning attempts to identify the whistleblower,
- sanctioning retaliation.

Any employee, posted worker, student, pupil, apprentice or third party (customer, visitor, family member and others) can make a report. Reports must be submitted in writing by email.

82 ESRS S1-2 paragraphs 27, 27 (a), 27 (b), 27 (c) and 27 (e), S1-4 paragraph 38 (d), S1-5 paragraph 47 (c), and MDR-P paragraph 65 (f).
83 ESRS S1-3 paragraphs 32 (a), 32 (b), 32 (c), 32 (d), 32 (e) and 33.



S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions⁸⁴

Based on the business strategy, the Group’s human resource departments prepare an annual recruitment plan, which is approved by the companies’ management boards. This plan defines the key actions to be taken in relation to the Group’s own workforce. The Group has a system of internal controls, as part of which we maintain a risk register. The purpose of the risk register is to assess the operational risks arising from failures in the implementation of internal processes or from inappropriate behaviour by employees.

Adverse events are recorded monthly and are supported by IT. This enables those responsible to record and manage adverse events.

The internal control system is based on five key elements:

- **Internal control environment:** the system is based on professionalism, ethical values and a vision of leadership. Through its policies, the management influences target-setting, risk assessment, control activities, communication systems and monitoring.

- **Risk identification and assessment:** the system allows for the continuous identification and analysis of risks that could affect the achievement of goals, and for the ongoing adaptation to new business, regulatory and market changes.
- **Control activities:** procedures to ensure that risk management activities are properly implemented are embedded in all key business processes.
- **Keeping employees informed:** timely and reliable information enables employees to perform their jobs effectively and manage risk. Communication channels provide access to internal policies and procedures.
- **Supervision activities:** ongoing monitoring and evaluation of the system, including periodic reviews, internal audits and ongoing adjustments where necessary.

We act in accordance with the guidelines of relevant institutions and ensure that the system of internal controls supports efficient, compliant and secure operations.

We invest in the continuous training and development of our employees, which we believe is key to achieving our strategic goals. Training programmes are tailored to the needs of individuals, supporting their professional development and contributing to the innovation

and competitiveness of each company. Zavarovalnica Sava has once again received the Top Investor in Education certificate, awarded by Planet GV to organisations that systematically invest in the development and training of their employees.

We also strive to create an inclusive work environment that values diversity and encourages collaboration among employees. This contributes to a better understanding of customer needs and improves the company’s flexibility and responsiveness to market changes. In 2025, Zavarovalnica Vita received the Excellence in Intergenerational Work Award in recognition of its activities promoting intergenerational cooperation. The award reflects systematic efforts in diversity, adaptability and inclusion, and recognises the creation of an environment in which employees of different generations complement each other and contribute jointly to the success of the organisation and the Group.

By integrating the interests, views and rights of our own workforce into our strategy and business model, we reinforce our commitment to sustainable development and long-term success while contributing to employee satisfaction and motivation.

We focus on developing a culture of sustainability through professional development programmes, promoting diversity, inclusion and mentoring programmes, and recruiting young talent and scholarship students

We actively integrate the principles of sustainable development, respect for human rights and strengthening social responsibility into our business practices, reducing the risk of negative impacts on our own workforce. Policies in this area are described in more detail in section [ESRS S1-1](#).

All Group companies have human resource departments in place to manage material impacts or employ people who carry out the human resources function. Depending on each company’s organisation, external experts in human resource management, psychology, law and medicine may also be involved. Funding is also provided for implementing training and employee health and well-being programmes, as well as other actions to enhance positive impacts on employees. Some Group companies also provide employees and their immediate family members with psychological support programmes (Employee Assistance Programme – EAP).



S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities⁸⁵

Targets related to own employees are defined and measurable at the level of individual companies and are not consolidated. They apply to all employees of each company, regardless of employment type or duration. Progress is monitored at least annually, and the results are reported to the Group’s parent company. The measurement methodology is harmonised at the Group level, where aggregated trends are monitored and data comparability is ensured. At the Group level, the human resource management function is responsible for monitoring and managing the key performance indicators.

The most important key performance indicators that the Group monitors and measures annually in relation to engagement with its own employees are:

- the number of employees on long-term sick leave, with a view to reducing or at least not increasing it,
- the number of employees participating in promotional activities (such as the health day),

- with the aim of maintaining or increasing this number,
- the number of awareness-raising activities to prevent discrimination and psychosocial risks, with a view to preventing such risks,
- employee satisfaction and engagement, which measure the organisation’s internal potential, employee satisfaction and engagement,
- promoting a culture of sustainability, measured by employee participation in organised corporate volunteering activities, with the aim of maintaining engagement levels,
- training hours per employee, with a view to maintaining or increasing the number of hours,
- employee turnover, with the aim of maintaining staff numbers at current levels.

In terms of employee engagement, the Group also monitors:

- the ratio of men to women in a company’s governance bodies,
- the ratio of men to women at the B-1 level (and B-2 level in large companies),
- the ratio of men to women in management – the management board / board of directors, plus the first management level and the supervisory boards in the Group.

We involve our employees in setting the company’s goals through annual performance appraisal interviews, during which they set goals together with their superiors. Annual performance appraisal interviews provide an opportunity to gain a deeper insight into long-term goals, support employee development, monitor the achievement of goals and suggest improvements based on the results achieved.

Performance appraisal interviews are held in an open and constructive spirit, focusing on the following key aspects:

- reviewing achievements and potential challenges,
- agreeing on the goals for the next period,
- identifying training or additional support needs,
- obtaining feedback from employees on their satisfaction and suggestions for improvement.

The results are generally published in annual reports, and some results are also communicated to employees through internal communication channels, such as the intranet and email, to ensure that all employees are involved and that reporting is transparent.

S1-6 – Characteristics of the undertaking’s employees⁸⁶

The Sava Insurance Group recruited new staff in 2025. The recruitment process is based on timely identification of needs, careful planning and the recruitment of qualified and motivated workers. We integrate employees into the workplace through induction and training.

In 2025, we recruited new staff due to increased workload, internal transfers, departures and maternity leave. Within the Group, sales and IT were the main areas where new employees were recruited. The recruitment approach described above is aimed at long-term success and effective adaptation to the needs of individual companies and the Group.

The number of employees is also disclosed in the notes to the financial statements, section [C.3.1 “Basic Information”](#).

85 ESRS S1-5 paragraphs 47 (a), 47 (b) and 47 (c), and MDR-T paragraphs 72, 80 (b), 80 (c), 80 (e), 81 (a) and 81 (b).
86 ESRS S1-6 paragraphs 50 (a), 50 (b), 50 (c), 50 (d), 50 (d) i, 50 (d) ii, 50 (f) and 51.



► Number of employees in the Sava Insurance Group

Year	2025		2024	
Gender	Number	As % of total	Number	As % of total
Women	1,893	59.94	1,829	59.89
Men	1,265	40.06	1,225	40.11
Total	3,158	100.0	3,054	100.0

The comparative figure on the number of employees for 2024 has been corrected. The figure previously published was 3,044 employees; the corrected figure is 3,054 employees.

► Number of employees in the Sava Insurance Group by country

Year	2025		2024	
Country	Number	As % of total	Number	As % of total
Slovenia	1,480	46.9	1,430	46.8
Croatia	187	5.9	186	6.1
Serbia	631	20.0	603	19.7
Kosovo	308	9.8	300	9.8
North Macedonia	291	9.2	274	9.0
Montenegro	261	8.3	261	8.5
Total	3,158	100.0	3,054	100.0

The comparative figure for 2024 has been corrected.

► Group full-time equivalent as at year end

Year	2025		2024	
Gender	Number	As % of total	Number	As % of total
Women	1,645	58.6	1,696	58.6
Men	1,160	41.4	1,197	41.4
Total	2,805	100.0	2,893	100.0

► Average number of employees in the Sava Insurance Group in 2025 and 2024

Year	2025	2024
Month	Number	Number
January	3,058	3,007
February	3,083	3,011
March	3,085	3,020
April	3,112	3,021
May	3,116	3,009
June	3,117	2,996
July	3,115	3,012
August	3,116	3,011
September	3,128	3,017
October	3,132	3,032
November	3,162	3,048
December	3,158	3,054
Average number of employees	3,115	3,020

The comparative figure for 2024 has been corrected.

► Average Group full-time-equivalent

Year	2025	2024
Month	Number	Number
January	2,742.3	2,907.2
February	2,761.6	2,904.0
March	2,764.1	2,890.8
April	2,770.1	2,881.2
May	2,775.1	2,881.4
June	2,779.0	2,869.3
July	2,783.1	2,877.7
August	2,784.3	2,860.8
September	2,797.3	2,873.5
October	2,808.7	2,883.2
November	2,817.3	2,901.1
December	2,805.6	2,892.9
Average number of FTEs	2,782.4	2,885.3

Characteristics of Sava Insurance Group employees

The following is an overview of some characteristics of Sava Insurance Group employees.

► Group employees by type of contract as at year end

Year	2025				2024			
Type of employment	Permanent contracts		Temporary contracts		Permanent contracts		Temporary contracts	
Gender	Number	As % of total	Number	As % of total	Number	As % of total	Number	As % of total
Men	1,023	32.4	213	6.7	991	32.4	246	8.1
Women	1,560	49.4	362	11.5	1,481	48.5	336	11.0
Total	2,583	81.8	575	18.2	2,472	80.9	582	19.1

The comparative figure for 2024 has been corrected.

► Group employees by type of employment relationship as at year end

Year	2025				2024			
Type of employment relationship	Full-time		Part-time		Full-time		Part-time	
Gender	Number	As % of total	Number	As % of total	Number	As % of total	Number	As % of total
Men	1,101	34.8	173	5.5	1,088	35.6	137	4.5
Women	1,568	49.6	317	10.0	1,534	50.2	295	9.7
Total	2,668	84.5	490	15.5	2,622	85.9	432	14.1

The comparative figure for 2024 has been corrected.

At the Group level, the turnover rate has decreased compared to the previous year and stands at 12.8%.

Year	2025	2024	
	Number	Number	Difference
Number of employees who left	391	492	-101
Number of employees as at year end	3,054	3,009	45
Employee turnover rate (%)	12.8	16.4	-3.5

The comparative figure for 2024 has been corrected..

► Formula for calculating turnover:

Employee turnover rate (%) =

Number of staff who left during the year

Total number of employees as at year end

× 100



S1-8 – Collective bargaining coverage and social dialogue⁸⁷

Social dialogue is organised in different ways across the Group, reflecting the specificities of each country and its legal framework. We recognise that good quality social dialogue is the cornerstone for creating a supportive and inclusive working environment, and we encourage regular, open and constructive communication

at all levels. To strengthen the bond between management and employees, we organise team-building activities that foster closer cooperation, better relationships and greater employee loyalty. At the Group level, we organise sports games to bring together employees from all Group companies. The aim of the event is to promote team spirit, strengthen mutual relationships and build closer ties between colleagues from different backgrounds.

► Group employees covered by collective bargaining agreements as at year end

Year	2025		2024	
	Number	As % of total	Number	As % of total
Employees covered by the collective bargaining agreement	2,318	73.4	2,151	70.4
Employees not covered by the collective bargaining agreement	840	26.6	903	29.6
Total	3,158	100.0	3,054	100.0

The comparative figure for 2024 has been corrected.

The Group has various forms of association that enable employees to participate and protect their rights. Seven companies have at least one of the forms of association listed:

- trade unions: in companies with trade unions, employees can voluntarily join a trade union to represent their interests, campaign for better working conditions, wages and other employee rights, and bargain collectively with the company’s management; the Group has several collective bargaining agreements in place;
- works council: the works council is a body that enables employees to participate directly in decision-making on important company matters that affect them;

- employee representatives: the role of employee representatives is to represent the interests of employees, protect their rights and promote good working conditions; they act impartially, protect confidential information and safeguard employee interests.

These forms of association give employees a voice in shaping their working conditions and securing their rights. In companies where legislation or the size of the company does not yet require an association, we organise various meetings for employees to provide them with key information about the business, to involve them in discussions and to take their views into account in business decisions.

► Group employees covered by trade unions

Country	As % of total
Slovenia	16.8
Croatia	0.0
Serbia	2.2
Kosovo	0.0
North Macedonia	0.0
Montenegro	2.4
Total	21.4



S1-9 – Diversity metrics⁸⁸

The Group has put in place a comprehensive system of procedures and policies to promote diversity, eliminate discrimination and ensure equal opportunities for all employees.

► Members of management body by gender

Year	2025		2024	
Gender	Number	As % of total	Number	As % of total
Men	30	60.0	34	68.0
Women	20	40.0	16	32.0
Total	50	100.0	50	100.0

The age structure shows that the largest group of employees is aged between 31 and 50.

► Employees by age group as at year end

Year	2025				2024			
Gender	Women	Men	Total		Women	Men	Total	
Age group	Number	Number	Number	As % of total	Number	Number	Number	As % of total
Up to 30 years	251	138	389	12	242	117	359	12
From 31 to 50 years	1,133	736	1,869	59	1,107	753	1,860	61
51 years and over	512	388	900	28	477	358	835	27
Total	1,896	1,262	3,158	100.0	1,826	1,228	3,054	100.0

The comparative figure for 2024 has been corrected.

88 ESRS S1-9 paragraphs 66 (a), 66 (b) and AR 71.



S1-10 – Adequate wages⁸⁹

All Sava Insurance Group employees are paid more than the national minimum wage required by law.

Year	2025		2024	
	Number	As % of total	Number	As % of total
Employees paid less than the minimum wage	0	0.0	0	0.0
Employees paid more than the minimum wage	3,158	100.0	3,054	100.0
Total	3,158	100.0	3,054	100.0

S1-12 – Persons with disabilities⁹⁰

► Group employees with disabilities by gender as at year end

Year	2025		2024	
	Number	As % of total	Number	As % of total
Gender				
Women	21	1.1	23	1.3
Men	14	1.1	15	1.2
Total	35	2.2	38	2.5



89 ESRS S1-10 paragraphs 69 and 70.
90 ESRS S1-12 paragraphs 79, 80 and AR 76.



S1-13 – Training and skills development metrics⁹¹

► Group employees involved in annual performance appraisal interviews

Year	2025		2024	
Gender	Number	As % of total	Number	As % of total
Women	1,042	33.00	847	27.8
Men	746	23.62	835	27.4
Total	1,788	56.6	1,682	55.3

We provide professional and personal development opportunities for our employees by:

- engaging in work and projects in a culturally diverse international environment,
- promoting and integrating a wide range of training and development programmes that are relevant to the needs of the workplace and the business, taking into account the individual’s personal and career development,
- designing e-learning programmes and selecting the most appropriate platform to make e-learning effective and accessible to all employees,
- encouraging intergenerational cooperation between young talents and experienced employees;
- identifying promising professional and managerial talent and involving them in targeted development programmes.

We provide training for employees on how to use digital products, new functionalities and tools that enhance efficiency and the customer experience. Particular attention is given to new starters, who are systematically introduced to all the key digital solutions relevant to their work through induction programmes. Sales teams across the Group actively contribute ideas for developing additional digital solutions that improve work efficiency, data transparency and the quality of customer support. The Group operates several digital portals, such as SavaNet, which enables investors to manage their

investments electronically. It is therefore essential that employees are familiar with how these portals operate, keep up to date with developments and provide appropriate support to customers.

Responsible management of personal data is also an important aspect of sustainable practices, given the nature of our business, as compliance with legislation and a high level of employee awareness are critical. We conduct regular training on personal data protection, covering both fundamental concepts and practical examples from the workplace.

We promote the development and transfer of knowledge and skills throughout the Sava Insurance Group. To this end, we organise professional meetings for all companies as events or professional conferences to share experiences, knowledge, results and plans. In 2025, we organised internal conferences for the managers in charge of data protection, compliance, human resources, procurement, sustainability, internal

audit, information technology, actuarial and risk management, sales and Group governance, finance, controlling and accounting.

We also held an international Group strategy conference, bringing together senior management and other key employees from across the Group. The main objective was to address current issues, challenges and opportunities.

In 2025, we also established a system of internal professional training within the Sava Insurance Group Academy. It comprises a general module that provides basic knowledge of the insurance business and our Group, as well as specialised modules that cover individual professional areas. The Academy is delivered live twice a year to a select group of employees in collaboration with in-house experts. All interested Group employees are provided with continuous access to video recordings and training materials.

► Average number of hours of employee education/training in current year

Year	2025				2024			
Gender	Number	Hours of training/ education	Average hours per participant	Average hours per employee	Number	Hours of training/ education	Average hours per participant	Average hours per employee
Women	1,492	42,297	28.35	22.34	1,325	36,205	27.32	19.8
Men	1,029	29,809	28.97	23.56	908	25,806	28.42	21.2
Total	2,521	72,106			2,233	62,011		

91 ESRS S1-13 paragraphs 83 (a), 83 (b) and 84.



S1-14 – Health and safety metrics⁹²

At the Sava Insurance Group, we ensure the health and safety of our employees through a variety of actions that promote a healthy lifestyle, physical health, work-life balance and safe work. We take all the necessary actions for occupational safety, health and fire protection, as required by law and internal regulations. We provide our employees with pre-recruitment and periodic occupational health assessments, as well as new and periodic training in occupational safety, health and fire protection.

In 2025, most companies offered employees the opportunity to participate in so-called health days, which included collective and sporting events (such as hiking, cycling, skiing and free preventive blood tests), lectures (on healthy eating, stress

management and healthy living) or similar individual activities of their choice.

Throughout the year, the company also offers employees the opportunity to participate in various sports activities (volleyball, basketball and tennis), take short active breaks or participate in individual sports activities (yoga, gymnastics and fitness) at a reduced cost. Some companies also offer their employees healthy snacks or fruit at work.

The following provides information on the involvement of employees in the health and safety management system in accordance with legal requirements and/or recognised standards and guidelines, as well as information on work-related injuries and absenteeism.

► Employees covered by the health and safety management system in accordance with legal requirements and/or recognised standards or guidelines

Year	2025		2024	
	Number	As % of total	Number	As % of total
Employees covered by the health and safety management system	3,158	100.0	3,054	100.0
Employees not covered by the health and safety management system	0	0.0	0	0.0
Total	3,158	100.0	3,054	100.0

92 ESRS S1-14 paragraphs 88 (a), 88 (b) and 88 (c).

► Work-related injuries

Year	2025	2024
Injuries	Number	Number
Number of injuries in the workplace	9	8
Number of fatalities as a result of work-related injuries	0	0
Total	9	8

► Absenteeism rate

Year	2025	2024	Difference
	Number	Number	
Number of working days lost	26,516	25,988	528.0
Average number of employees	3,115	3,020	96.1
Number of working days per year	6,927	6,887	40.0
Absenteeism rate (%)	0.12	0.12	

► Formula for calculating absenteeism:

Absenteeism rate (%) =

* Number of working days lost (all employees) per year

** Average number of employees × total number of working days per year

× 100

* Number of working days lost = number of working days lost due to diseases/illness, injuries at and away from work, occupational diseases, care, function of guardian and other similar reasons.
** Average number of employees = (number of employees31 January + ... + number of employees31 December) / 12



S1-15 – Work-life balance metrics⁹³

At the Sava Insurance Group, we are committed to promoting work-life balance, improving employees’ mental and physical health, reducing stress and preventing burnout.

Our work-life balance activities include:

- clearly defined working hours,
- flexible working,
- health days,
- teambuilding events,

- measuring internal potential, employee satisfaction and employee engagement,
- delivering mental health programmes and training,
- raising awareness of the right to disconnect,
- training for managers to ensure that the right to disconnect is respected.

All employees are entitled to take family-related leave in accordance with collective agreements and internal company rules.

Year	2025		2024	
Employees on family-related leave	Number	As % of total	Number	As % of total
Women	242	12.8	247	13.5
Men	99	7.8	127	10.4
Total	341	20.6	374	23.9

S1-16 – Remuneration metrics (pay gap and remuneration ratio)⁹⁴

At the Sava Insurance Group, we strive for gender balance at all levels of management and provide equal opportunities for advancement. We select our staff on the basis of professionalism and competence and without regard to gender, race, religion or nationality.

Gender pay gap (remuneration indicators)

The gender pay gap analysis provides insight into the gross hourly pay levels of all employees and shows the average pay difference between female

and male employees, regardless of their job position.

In 2025, the gender pay gap at the Group level was 24.9% in favour of men. This figure represents the average pay difference between male and female employees within the Group.

Comparative data for 2024 are not presented because the calculation methodology was adjusted in 2025 to align with ESRS requirements, which makes the data non-comparable.

The gender pay gap for 2025 was calculated using the following formula:

Pay gap =

(Average gross hourly pay of male employees – average gross hourly pay of female employees)

Average gross hourly pay of male employees

× 100

93 ESRS S1-15 paragraphs 93 (a), 93 (b) and 94.
94 ESRS S1-16 paragraphs 97 (a), 97 (b) and 97 (c).



Remuneration ratio

This ratio includes the total remuneration package of the highest-paid individual in the Group, comprising fixed and variable pay, additional benefits, and the median annual total remuneration of all employees (excluding the highest-paid individual).

The ratio of annual total remuneration at the Group level is ten to one.

Comparative data for 2024 are not presented because the calculation methodology was adjusted in 2025 to align with ESRS requirements, which makes the data in non-comparable.

The following formula was used to calculate the ratio:

Annual total remuneration ratio =

Annual total remuneration of the highest-paid individual

Median annual total remuneration for all employees
(excluding the highest-paid individual)

S1-17 – Incidents, complaints and severe human rights impacts⁹⁵

In order to prevent bullying and harassment in the workplace, the Sava Insurance Group has the necessary mechanisms in place to ensure that an employee who believes he or she is a victim of such acts can be adequately protected. In 2025, we recorded 12 cases of reported harassment (2024: 4), all relating to one Group company and all interrelated. All of these procedures were concluded by the end of the year.

The comparative figure for 2024 has been adjusted because not all reports of potential workplace harassment were included in the previous reporting. Following a renewed review of the records, a total of four reports were identified for the previous year.

In 2024 and 2025, no fines or other sanctions were imposed on the Group companies, nor were they required to pay damages in connection with incidents of discrimination, including harassment and related complaints.



95 ESRS S1-17 paragraphs 103 (a), 103 (b), 103 (c), 104 (a) and 104 (b).



ESRS S3 – Affected communities

SBM-2 – Interests and views of stakeholders⁹⁶

In the Sava Insurance Group we recognise our responsibility towards the communities in which we operate. We regularly monitor the interests and views of local communities, incorporating them appropriately into our business processes in line with the company’s objectives.

Interested stakeholders can submit their own initiatives and proposals for cooperation directly or indirectly (via employees) to publicly available email or postal addresses. All received initiatives are reviewed.

At the same time, we proactively identify the interests of local communities, particularly where there are opportunities that may have a direct positive impact on enhancing or strengthening our reputation in the (local) environment and our employer brand, or where we recognise needs in the local community that can be beneficially addressed through cooperation. These opportunities mainly relate to socially responsible activities and projects, such as corporate volunteering, cooperation with educational institutions, sponsorships, donations and prevention initiatives.

Many partnerships are long-term – companies enter into long-term contracts or agree to renew them on an annual basis.

Our primary objective is to improve safety and quality of life, either through financial contributions or other forms of engagement with the local community. Through the partnerships with communities, the Group companies primarily pursue interests, such as:

- higher levels of safety and prevention, loss prevention (prevention activities),
- improving conditions for the development of sport, culture and talent (sponsorship, donations and volunteering),
- promoting sport as a good way to improve health and well-being (partnerships with local sports associations),
- improving the living conditions of vulnerable groups in the local community (fundraising campaigns, donations and volunteering),
- restoring the natural environment (reforestation and landscaping),
- education, awareness and skills development (financial literacy and capital market development),
- youth development, support for young talent and science development (scholarships),

- intergenerational cooperation (volunteering),
- improving animal welfare (zoos and sanctuaries),
- co-creating sustainability communities (environment and society).

We are continuously expanding and adapting our community partnerships to meet the needs of the local environment.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model⁹⁷

The Group has not identified any material negative impacts on affected communities, but we recognise numerous positive impacts arising from our operations.

Our fundamental orientation towards the community is reflected in the Group’s corporate slogan “Among Good People”, which emphasises our focus on connecting with people as a core value. We work with communities at the national level across all markets, with a particular focus on local communities where we have a physical presence, as this is where we can best and most easily identify the needs and potential of individual

groups. This also creates opportunities to promote the company as a responsible employer and to attract local talent.

All Group companies contribute significantly to the development of their communities, primarily by creating new jobs and ensuring the financial stability of their employees. We further support community development by actively engaging in sports, cultural, educational, prevention and volunteering projects within the community. Through donations and charitable activities, we support vulnerable and marginalised groups while encouraging healthy and active lifestyles, preserving the natural environment and strengthening local infrastructure.

Safety is a key focus area for us, and we address it in a holistic manner. Through prevention activities, we raise awareness of the importance of safety, appropriate insurance coverage, and investment opportunities. By using prevention tools and forming partnerships, we help improve the overall safety for people and property, enhance road safety and promote a better understanding of safety issues within the wider community.

⁹⁶ ESRS 2 SBM-2 paragraph 45 (b), ESRS S3-1 paragraph 16 (b), ESRS S3-2 paragraph 21 (a), and MDR-P paragraphs 65 (d) and 65 (e).
⁹⁷ ESRS 2 SBM-3 paragraph 48, and ESRS S3 paragraphs 9, 9 (a), 9 (b), 9 (c), 9 (d), 10 and 11.



As the largest company in the Group, Zavarovalnica Sava carries out the largest volume of community support activities. Most of these activities are designed as long-term sponsorship or donation partnerships. The company’s commitment to the community is also demonstrated by its long-term support of projects such as the Call of Loneliness (Klic osamljenosti) and You’ve Got This! (Maš to!), which raise awareness of the importance of mental health.

Zavarovalnica Sava continues to develop the SavaFit bonus scheme to encourage its policyholders and the wider community to adopt an active lifestyle. Based on the pay-as-you-live principle, the scheme offers additional benefits provided by selected partners. It is also used as a platform for charitable activities involving policyholders.

Group companies also receive awards and recognition for their work in engaging with affected communities, confirming our positive impact on affected communities. In 2025, Zavarovalnica Sava received the Superbrands Slovenia 2025 certificate in recognition of its excellence, reputation and customer trust. It also obtained the Sport-Friendly Company certificate in recognition of its active promotion of a healthy lifestyle, physical activity and sports culture among employees and the wider community.

Zavarovalnica Vita was awarded at the Slovenian Advertising Festival (SOF) for its Lullabies for Two project (Uspavanke za dva), which is a creative and emotive example of social responsibility aimed at supporting young mothers. The project received two professional awards: a gold award in the “sound” category and a silver award in the “authored copywriting” category.

The primary role of insurance companies is to bear risk and provide the insured with an adequate level of security. Through the Group’s prevention activities, we further enhance this role and encourage stakeholders to identify various risks, thus contributing to the protection of health, life and property.

In cooperation with communities, we also identify opportunities, including:

- strengthening networking through projects, sponsorships, donations, volunteer initiatives and prevention campaigns,
- raising awareness and educating the wider community on sustainable development and practices,
- improving technical performance as a consequence of investing in prevention activities,
- investing in projects aimed at preventive actions, increased safety and protection against the impacts of climate change.

All Group companies have community involvement plans that systematically include activities to improve the local environment and projects to support vulnerable groups, such as children, the elderly and people with disabilities. These activities mainly take the form of sponsorship, donations and volunteering.

S3-1 – Policies related to affected communities⁹⁸

Group companies regulate their engagement with communities through their code of ethics, communications rules and/or sponsorship and donations rules.

The code of ethics represents a basic tenet for the conduct of Group companies and reflects our Never Alone promise. It is closely linked to our mission, vision and corporate culture. By adopting the code of ethics, the Group companies have committed themselves to sustainability and respect for human rights, among other things. In accordance with the code, we do not fund political parties, organisations or projects that support any form of discrimination, whether based on race, gender, religion or any other grounds. We also do not support projects that are offensive or ethically or morally questionable. Donations and funds for prevention activities are primarily used for health initiatives, charitable causes

in social welfare, ecology, scientific development, education and protection of life (disaster relief). The code further stipulates that sponsorship must be proportionate, ensuring an appropriate balance between the level of funding and the economic purpose of the sponsorship.

The sponsorship and donations rules set out in greater detail the procedures and requirements for planning sponsorship and donation expenditure, allocating sponsorship and donations, ensuring traceability and monitoring of sponsorship and donations, and reporting on sponsorship and donation agreements. We are aware that by investing in sponsorship and donations we contribute to the development of the local environment and strengthen the reputation of Group companies.

Sponsorship and donation activities are, for the most part, transparently presented on the Group companies’ websites and social media channels. The Group’s code of ethics and Sava Re’s sponsorship and donations rules are also publicly available to interested stakeholders on our website. The larger Group companies also have a communications strategy in place to ensure consistent and coordinated communication with stakeholders and target audiences. Such a strategy helps build trust, differentiate from competitors, strengthen the reputation and achieve the desired brand positioning.

98 ESRS S3-1 paragraphs 14 and 16 (a), and MDR-P paragraphs 65 (a), 65 (b) and 65 (f).

Group companies determine annually the financial volume of resources to be allocated to prevention activities. The insurance companies govern the allocation and use of these funds through internal rules.

Human rights⁹⁹

In the area of human rights, our main commitments when engaging with local communities are to promote equality, improve training conditions, ensure access to basic necessities, and strengthen the social inclusion of vulnerable groups.

In engaging with communities, all Group companies operate ethically, ensure equal and respectful dialogue and enable feedback. Community representatives have the means to file complaints in the event of potential violations of their rights, and all complaints are handled in accordance with the corporate approach, as described in section [ESRS G1-1](#).

Our policies also align with international human rights frameworks and principles, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the global Sustainable Development Goals.

During the reporting period, no cases of non-compliance by Group companies with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises were identified involving affected communities.

S3-2 – Processes for engaging with affected communities about impacts¹⁰⁰

We prioritise entering into long-term partnership programmes, as continuous, uninterrupted support enables the long-term, sustainable development of the projects we support and contributes to better outcomes for all parties involved. At the same time, we are open to new partnerships and welcome proposals for cooperation from interested community representatives.

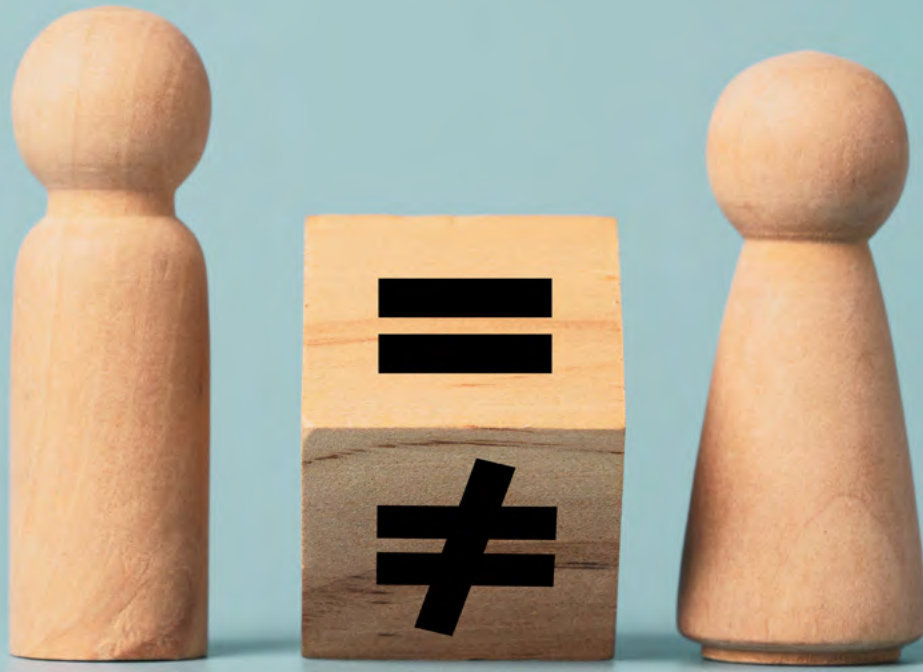
Through regular dialogue with affected communities, we systematically identify their interests and perspectives and appropriately incorporate them into our activities. This approach is integrated into our strategy and business model in a manner that is disclosed in section [ESRS 2 SBM-2](#).

Support for communities by Group companies is provided continuously throughout the year, while individual campaigns are more intensive during specific periods. For the projects in which we are involved, we monitor both their impacts and the effectiveness of their implementation.

At the Group level, the community engagement area is managed by the office of the management board and compliance. At the level of individual companies, a responsible person is appointed to manage and oversee this area, most commonly from the communications, marketing or public relations departments, depending on the company's organisational structure.

The effectiveness of engagement with affected communities is assessed through regular monitoring of projects at all stages of cooperation. Feedback on effectiveness is assessed primarily based on:

- responses from the communities and organisations supported,
- any coverage in the media or other information channels,
- internal analysis of the results achieved,
- monitoring of project implementation.



99 ESRS S3-1 paragraphs 16, 16 (c) and 17.
100 ESRS S3-2 paragraphs 21 (a), 21 (b), 21 (c) and 21 (d), and MDR-P paragraph 65 (c).



S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns¹⁰¹

We strive to continuously improve the quality of our work, including in the area of community engagement. In doing so, we recognise that, in some instances, our decisions may differ from stakeholder expectations. In such circumstances, Group companies have various communication channels at their disposal, including in-person, written, telephone and digital channels, through which concerns or complaints may be submitted.

To date, Group companies have not identified any cases in which community representatives have raised concerns about negative impacts. Therefore, there are no specific mechanisms in place to address the concerns of affected communities, but appropriate communication channels are available for raising such concerns. The Group also ensures these channels are available within its business relationships, with established contractual and operational procedures that enable concerns to be submitted and addressed via business partners.

The companies address any such concerns under the same procedures that apply to consumer and end-user complaints or concerns raised by other affected stakeholders, in accordance with the disclosures in sections [ESRS S4-3](#) and [ESRS G1-1](#).

S3-4 – Actions to address material impacts on affected communities, approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions¹⁰²

Although no direct negative impacts on communities have been identified during our operations, we systematically and carefully monitor the content and impacts of our partnerships with communities.

We also strengthen our role in the community through long-term cooperation with educational institutions. We work with schools and universities, carry out activities to promote financial literacy among young people, and present career opportunities in the areas where we operate. We regularly participate in career fairs and collaborate with educational institutions that train professionals relevant to our future employment needs, depending on the requirements of individual business areas. We recognise our responsibility to develop professional talent and therefore consistently strengthen our role as an attractive potential employer.

In the area of prevention, we primarily focus on supporting social groups most in need of

assistance. Some of our activities are also directed towards projects aimed at improving animal welfare and preserving the natural environment.

Sponsorships and donations

We are actively committed to community development in the areas of sport, culture, infrastructure improvement, education and skills development, particularly financial literacy, in the communities where we operate. At the Group level, we sponsor the ABA League and the ACH Volley Ljubljana volleyball club. The Group has also joined the Green Heart of the Karst project, which aims to reforest the Slovenian Karst Plateau affected by wildfires. In addition, the Group companies allocate available resources and actively implement projects to support communities, in line with their financial plans and taking into account market opportunities and needs.

Prevention projects

A key focus of our prevention activities is to raise awareness among policyholders and the wider community of the importance of protecting assets and health, as well as fire and road traffic safety. Through preventive actions, we help to prevent and reduce the occurrence of loss events, while also raising awareness of the importance and adequacy of insurance coverage.

In accordance with local legislation, our insurance companies set up special funds dedicated to financing such projects. Group-wide prevention activities primarily address:

- protection of health, both physical and mental,
- road safety (in Slovenia in cooperation with the national automobile association AMZS, and in other markets with local organisations),
- fire safety, in cooperation with fire brigades,
- hail protection and other actions to protect property.

In order to prevent and eliminate risks to insured property and persons directly related to the insurance business, the Group’s insurance companies regularly finance programmes with a preventive purpose, either directly or in partnership with other stakeholders. Such cooperation includes using in-house personnel and resources to work directly with policyholders, financing prevention programmes developed outside insurance companies, and making financial contributions to preventive investments or investments that reduce losses.

¹⁰¹ ESRS S3-3 paragraphs 27 (a), 27 (b), 27 (c), 27 (d) and 28.
¹⁰² ESRS S3-4 paragraphs 32 (a), 32 (b), 32 (c), 32 (d), 33 (a), 33 (b), 33 (c), 34 (b), 35, 36 and 38, and MDR-A paragraphs 68 (a), 68 (b), 68 (c), 68 (d), 68 (e), 69 (a), 69 (b) and 69 (c).



Corporate volunteering – Heart for the World

The Heart for the World initiative is a corporate volunteering programme that engages employees in a wide range of community activities. The programme focuses on helping vulnerable groups, improving animal welfare, preserving and revitalising the natural environment, health education and addressing other social issues.

In 2025, a total of 7,985 hours of corporate volunteering were provided in collaboration with employees of Group companies (2024: 6,574 hours).

Commitments to external initiatives and memberships

We participate in initiatives that promote ethical conduct and sustainable business practices. We implement fundamental standards of professional conduct through the Insurance Code of the Slovenian Insurance Association and follow the Ljubljana Stock Exchange recommendations for the disclosure practices of listed companies. We are also signatories to the Slovenian Corporate Integrity Guidelines. At Sava Re, we follow the Slovenian Corporate Governance Code for Listed Companies as our reference corporate governance framework.

All Group companies are also active members of national and local associations and take a proactive role in shaping the insurance sector and other social developments.

Monitoring and evaluation of actions

We regularly monitor and evaluate the implementation of actions in accordance with their nature. In doing so, we maintain records of investments by category of sponsorship and donation, monitor media coverage and other communication channels, keep records of corporate volunteering hours, monitor the employment of scholarship recipients across Group companies, and collect feedback from communities and organisations that received support. In addition, we carry out internal analyses of the results achieved.

We communicate regularly with affected communities and have not identified any negative impacts based on the responses to date. If negative impacts arise, we will act in accordance with the procedures described in sections [ESRS S3-4](#) and [S3-3](#). Our approach to risk management and the identification of opportunities is presented in section [ESRS 2 SBM-3](#). Based on this we implement the actions described in section [S3-4](#).

We follow the policies set out in section [S3-1](#) when planning activities and projects to engage with affected communities to ensure that our practices do not cause material negative impacts. To date, we have not identified any serious issues or adverse human rights incidents involving affected communities.

The following table is a breakdown of the financial assets committed to sponsorships, donations and prevention activities in 2025.

► Sponsorships and donations by purpose

EUR	2025	2024	Index
Charity	127,757	294,812	43.3
Arts	186,791	162,685	114.8
Sports	2,756,961	2,203,151	125.1
Education, training	241,724	128,456	188.2
Science	0	1,400	0
Social care	21,416	11,249	190.4
Disability	4,800	4,600	104.3
Health	24,895	24,664	100.9
Other	522,868	649,846	80.4
Total	3,887,212	3,480,863	111.7

► Funding allocated to prevention by purpose

EUR	2025	2024	Index
Road safety	571,708	779,128	73.4
Fire safety	105,061	104,577	100.5
Reduction of risks arising from weather events	46,450	31,588	147.0
Reduction of occupational injury risks	21,123	184	11,479.9
Other	157,582	178,443	88.3
Total funding allocated to prevention	901,924	1,093,920	82.4

S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities¹⁰³

The main objectives of the Group companies are to promote social responsibility and enhance brand awareness and reputation within local communities.

Based on this, the targets related to promoting positive impacts on affected communities do not focus on measuring individual quantitative outcomes, but rather on:

- implementing donations, sponsorships and prevention activities in line with the annual financial plan,
- maintaining the same level of volunteer activities as in the previous year,
- ensuring the Sava Insurance Group is recognised as a reputable and trustworthy partner of the local community.

No specific dedicated metrics have been established to monitor and achieve targets relating to affected communities. When determining the purpose-specific allocation of funds, we act in accordance with internal regulations and with due consideration of the interests of

relevant stakeholders, as described in section [ESRS 2 SBM-2](#). We measure the reputation of Zavarovalnica Sava in Slovenia as part of a brand reputation monitoring survey, and we keep records of investments in sponsorships, donations and prevention activities.

The company has not defined specific, measurable targets for these activities as they are implemented flexibly in response to the needs of the local environment and available funds within the annual financial plan.

The effectiveness of engagement with affected communities is also monitored indirectly through targets and metrics established for other stakeholders, in particular consumers and end-users, who are often members of those communities. These indicators include customer satisfaction, market share by geographic location, building the company's profile as a good employer, and monitoring media coverage and social media posts.

The interests and perspectives of affected communities are regularly monitored through direct dialogue and meaningfully incorporated into achieving the defined objectives. The approach to engagement with affected communities is described in section [ESRS 2 SBM-2](#).





ESRS S4 – Consumers and end-users

SBM-2 – Interests and views of stakeholders¹⁰⁴

At the Sava Insurance Group, we put our customers at the centre of everything we do. We also disclose how we take the interests and views of our consumers and end-users into account in our strategy and business model in section [ESRS 2 SBM-2](#).

Group companies carry out one or more of the following activities in the course of their business: reinsurance, non-life and health insurance, life insurance, pension insurance, asset management, and assistance and healthcare services.

In Group companies regulated by the European Union and carrying on insurance and reinsurance activities within the Group, we regularly assess compliance with market needs and sustainability factors as part of the approval process for new or renewed insurance products and services in the following areas:

- non-life and health insurance,
- life insurance,
- pension insurance.

In accordance with the requirements of the insurance product approval process (product oversight and governance – POG), insurance companies define the target market and ensure that insurance products are designed and distributed in a manner consistent with the needs, objectives and characteristics of customers in that market. To this end, they establish and implement appropriate procedures to ensure product transparency, appropriateness and compliance. At the same time, they ensure that all material risks relevant to the target market are identified and assessed, including risks related to product design and distribution, and that an appropriate distribution strategy is defined. The suitability and effectiveness of distribution strategies are regularly reviewed and adjusted where necessary, in line with customer interests.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model¹⁰⁵

The insurance and investment sectors must continuously adapt to current conditions because they are intrinsically linked to dynamic developments in society and the economy. The

primary purpose of insurance is to provide security and financial protection to policyholders in case of unforeseen events. Our business strategy is based on understanding the needs of different groups of consumers and end-users, protecting their rights and responding to environmental, technological, demographic and regulatory changes.

Material impacts that may pose risks to consumers and end-users include climate change adaptation and mitigation, policyholder privacy issues and the associated vulnerability to potential cyberattacks. In response and in line with our strategy and business model, we offer products linked to climate change adaptation, we work to reduce our carbon footprint over the long term, we have a strong consumer privacy policy and effective security systems in place, and we train our employees and raise their awareness to handle our customers' personal data as securely as possible. We also continually invest in improving IT processes, the control environment and the availability of products and services. Our approach to developing innovative products and advancing digital transformation is based on proactively developing innovative solutions, automating processes and improving responsiveness to market changes.

We also adhere to responsible market practices by not exploiting the insured's vulnerable position. In this case, we take an even more prudent approach and disclose all material information.

In accordance with the applicable criteria for defining sustainability factors set out in European legislation, insurance companies operating in markets governed by this legislation carry out activities to adapt, update and enhance publicly disclosed documents relating to the sustainability characteristics and elements of individual insurance products. As part of these activities, insurance companies assess the direct and indirect impacts of insurance products on the environment, society, employee-related matters, and respect for human rights.

In the non-life segment, insurance products with a particularly strong social component are personal accident and health insurance.

Customers of the Group's insurance companies receive annual updates on their insurance product benefits, as required by applicable regulations and insurance policy terms and conditions, depending on the type of insurance products offered.

104 ESRS 2 SBM-3 paragraphs 10, 10 (a), 10 (a) i, 10 (a) ii, 10 (a) iii and 10 (a) iv.
105 ESRS 2 SBM-3 paragraph 48, and MDR-A paragraphs 65 (a) and 65 (b).



Information to customers in pre-contractual disclosures in the distribution of financial products

In accordance with the SFDR, the Group’s financial service providers give detailed information on investment decisions and their impact on sustainability. This information is made available to customers on company websites and through pre-contractual and contractual disclosures on financial products.

Information to customers about sustainability factors in insurance products

In accordance with legislation, the Group’s insurance companies operating in relevant markets (Slovenia and Croatia) consider sustainability factors and goals when developing or approving an insurance product and when determining its target market, distribution, management and control. These insurance companies regularly publish documents on their websites detailing the sustainability factors of their products.

Negative impacts ¹⁰⁶

A potential material negative impact may arise in relation to policyholders’ privacy. We collect a broad range of personal data in the course of underwriting insurance policies, making investments or engaging in other forms of

business relationships with consumers, and we also process and use this data for reporting and disclosure purposes, particularly in the personal lines of business, where the majority of the Group’s business is written. We recognise the broader societal implications of potentially irresponsible management of personal data, especially given the development of artificial intelligence, smart devices and other modern digital technologies. In order to mitigate negative impacts within the Group and in line with our commitments to high ethical standards, particular attention is paid to protecting personal data in connection with ensuring cybersecurity.

At the Group level, the management board of the parent company has appointed the holder of the supporting business function for privacy and personal data protection in the Group. In Group companies, the senior management has appointed a data protection officer (DPO) who reports directly to the senior management of that company and to the holder of the Group’s supporting business function.

Positive impacts ¹⁰⁷

Through our products and services, we have a positive impact on consumers and end-users in multiple ways.

All companies have complaint mechanisms in place to ensure freedom of expression. At the Group level, we established a central complaints register and, in addition to the Group’s guidelines and rules, the companies have their own internal rules, procedures and instructions for accepting and resolving complaints, all in accordance with applicable law.

We provide consumers and end-users with continuous access to quality information relevant to their decision-making. In the area of unit-linked insurance and the underlying investment options (funds), we provide access to sustainability-related information in accordance with the SFDR. We are committed to the financial education of our customers and develop advanced digital solutions that provide users with easy and fast access to information – anytime, anywhere. The Slovenia-based companies use the SavaNet personal portal, which makes it easier for users to access information and manage insurance services. There is also a call centre staffed by trained advisers.

Sustainable investment options are available to Group customers through various business models: to policyholders of Zavarovalnica Sava and Zavarovalnica Vita through unit-linked life insurance products, and to customers of Sava

Infond through direct investments in investment funds classified in accordance with the SFDR. Within unit-linked life insurance products of Zavarovalnica Sava and Zavarovalnica Vita, policyholders can choose investment funds that promote environmental and social characteristics, but do not have a sustainable investment objective and are classified as Article 8 products under the SFDR. Promotion of environmental and social characteristics depends on selecting at least one such fund at policy inception or during the policy term, or on an appropriate share of such funds in the premium or policy assets.

Consumer health and safety is a fundamental element of a large part of our companies’ products and services. We promote healthy habits among our insureds through offers designed to encourage such behaviour (e.g., the SavaFit incentive programme). Health and life insurance products increase the possibility of taking care of one’s health and financial security in case of unforeseen events or illness. We are expanding the accessibility of healthcare services in Slovenia and North Macedonia. Through a wide range of non-life insurance products, we provide financial security for our policyholders. We are also adding a security element to our assistance services.

¹⁰⁶ ESRS 2 SBM-3 paragraph 10 (b), MDR-P paragraph 65 (c), and MDR-A paragraph 68 (a).
¹⁰⁷ ESRS 2 SBM-3 paragraphs 10 (c) and 10 (d), and MDR-A paragraphs 68 (a), 68 (b) and 68 (c).



Our activities with consumers and end-users are based on responsible marketing practices. We approach marketing and advertising responsibly, in accordance with the principles of clear, transparent and responsible communication. Within our Group companies, we promote transparency and clear communication of product terms, rights and obligations. We promote financial inclusion and protect consumers and vulnerable groups by introducing simple and accessible insurance products. We have introduced a net promoter score (NPS) system to measure customer satisfaction, and we invest in green technologies and sustainable projects that have a long-term positive impact on community well-being.

Certain insurance products are tailored to specific customer segments, such as the protection of children. These include pre-school and school accident insurance, supplementary accident insurance and unit-linked scholarship policies. Life insurance is also an important form of protection for children and is taken out to provide financial security for dependants in the event of death. The companies' assistance segment also offers tailor-made services for children.

Investing in process digitalisation and the gradual introduction of advanced technologies, such as geographic information systems (GIS) data and automated underwriting, improves our ability to manage insurance risks. In addition, Group companies are introducing new approaches that include modular product design to enable more flexible offerings. Our innovative product development methods see internal sales teams identify current customer needs and preferences, either independently or in collaboration with external stakeholders, and based on this feedback, these sales teams continuously update offerings and adapt insurance products accordingly. This allows for improved product segmentation and adaptation to specific customer needs.

Through innovation in sustainable solutions and digitalisation, we are creating new opportunities for growth while supporting the adoption of green technologies and the development of digital solutions. In the area of sustainable products, we have introduced insurance for electric vehicles, photovoltaic power plants and energy storage systems, and enabled investments in sustainable funds. These measures strengthen our customer support and ensure flexible solutions in line with modern trends. Our aim is to enhance the competitiveness and reliability of our services, which are based on a sustainable and innovative

approach. This is why the Group continues to expand its portfolio of digitally accessible products. By integrating products and services through portals, call centres and communication channels, we ensure a 360-degree customer view.

The Group maintains a high level of trust with its investors, consumers and other key stakeholders by providing transparent and timely reporting on its sustainable operations that goes beyond regulatory requirements.

S4-1 – Consumer and end-user policies¹⁰⁸

All Group companies have adopted internal regulations to manage our service delivery processes, which are essential to ensure quality and hence customer satisfaction. They cover underwriting, personal data protection, claims handling, recourse procedures and complaints handling. Our engagement with consumers and end-users is governed by the following documents adopted at the Group level:

- the Group's business strategy,
- the Group's sustainable development strategy for 2023–2027,
- the Group's sustainable business policy,
- the Group's privacy and personal data protection policy.

On an individual basis, depending on their business and applicable local laws or regulations, the companies have adopted additional internal strategies, policies and rules for considering sustainability factors, managing consumer processes, distributing insurance products, implementing after-sales processes and managing investments.

Human rights¹⁰⁹

The Group companies strive to respect all fundamental human rights, such as privacy, non-discrimination, physical accessibility, access to information, personal safety, inclusion of vulnerable groups, and protection of personal data and others, in the conduct of their non-life, life and pension insurance, asset management and assistance services businesses. Through the implementation of our product oversight and governance (POG) policy, we ensure that our products are consistent with our customers' interests, sustainability goals and international standards. We pay particular attention to inclusive practices and accessibility for diverse customer groups.

¹⁰⁸ ESRS S4-1 paragraphs 15 and 17, and MDR-P paragraphs 65 (a) and 65 (b).
¹⁰⁹ ESRS S4-1 paragraphs 16, 16 (a) and 16 (b), and MDR-P paragraph 65 (d).



We also ensure respect for the human rights of consumers and end-users, who are individuals, by adhering to the Group’s policy on the responsible underwriting of environmental, social and governance risks in non-life insurance, by implementing a sustainability investment policy for life insurance and unit-linked products, and by implementing internal rules on respect for privacy and the protection of personal data.

On an individual basis, depending on the nature of their business and applicable local laws or regulations, some Group companies have adopted additional internal regulations relating to the integration of sustainability factors, the management of customer processes, the distribution of insurance products, the implementation of after-sales processes and the management of investments. We disclose our approach to consumer and end-user engagement in section [ESRS S4-2](#).

We have strengthened our commitment to human rights by joining the UN Global Compact and focusing on the UN Global Sustainable Development Goals. The Group’s policies are aligned with international standards such as the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational

Enterprises and data protection legislation. We are committed to transparency and compliance in all markets in which we operate.

Remediation ¹¹⁰

The Group’s insurers regularly assess the potential impacts on customers’ privacy, personal security and social inclusion as part of the product development process. Any potential risk of violating the rights of individuals is managed in accordance with the Group’s code of ethics, the Group’s policy on ensuring the inviolability of the person and protection of personal dignity and other internal policies governing the conduct of companies and employees in relation to consumers and end-users.

The insurance ombudsman is responsible for protecting the interests of policyholders and ensuring fair and transparent business operations in Slovenia and strives to achieve fair solutions for the benefit of policyholders.

We did not identify any violations or non-compliance with the UN Guiding Principles on Business and Human Rights in the Group companies’ dealings with consumers and end-users.

S4-2 – Processes for engaging with consumers and end-users about impacts ¹¹¹

The Group companies have established a number of sales channels to engage with consumers, designed to be open and flexible in order to meet different market needs as efficiently as possible, depending on the type of product and consumer group. We regularly monitor consumer and end-user satisfaction using various tools. Based on the feedback received, we adjust our products and services as necessary and build long-term customer relationships.

We predominantly engage with consumers and end-users through direct interaction via communication channels that enable two-way communication. These channels include personal contact at company headquarters or branch offices, written communication and through call centres, internal networks of employed insurance agents, external sales networks of insurance agents, agencies, banks and other contractual partners, networks of insurance brokers, social media, company websites and other digital platforms, including mobile applications. Besides their sales function, these channels also provide comprehensive customer support.

In addition to two-way communication, we also communicate with consumers and end-users in a one-way manner by providing documentation, legally required communications and information, sales and promotional materials, or informative and educational content, either in electronic form or by post.

We engage with consumers and end-users throughout all key stages of the product life cycle, such as the development of new products and services (which is based on consumer needs), sales activities, the duration of the contractual relationship and after-sales activities, with particular emphasis on services provided during the handling and settlement of claims.

At Zavarovalnica Sava, we have also developed a “design thinking” approach where new product concepts are developed based on ongoing validation and feedback from target groups. Similar approaches are also applied by insurance companies in other markets, where products are tested prior to launch in order to assess their alignment with the needs of the target market.

¹¹⁰ ESRS S4-1 paragraph 16 (c), and MDR-A paragraphs 68 (a), 68 (b) and 68 (c).
¹¹¹ ESRS S4-2 paragraphs 20, 20 (a), 20 (b), 20 (c), 20 (d) and 21, MDR-P paragraph 65 (c), and MDR-M paragraph 75.



The head of the insurance, sales and Group governance business centre is responsible for developing and supporting the development of the relevant business function at the subsidiary level, whose role is to engage with consumers and end-users. His work is overseen by the parent company’s management board. The area of digital transformation is managed by both the business centre and the IT department working together. The responsibility for implementing the activities and ensuring that they are adequately funded lies with the management board of each company.

The effectiveness of the cooperation with consumers and end-users is measured through metrics such as net promoter score (NPS), customer satisfaction score (CSAT) and customer effort score (CES). Data are collected through call centres, online platforms and/or regular or ad hoc surveys.

Insurance companies also use specific market approaches, including target market needs assessments, to develop tailored products for children or other specific target groups, such as those based on age or other relevant categories.

We have processes in place in the major Group companies to keep up to date with customer feedback, enabling us to be immediately aware of customer opinions and take proactive action.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns¹¹²

In dealing with complaints from policyholders and other beneficiaries of insurance policies, Group companies follow their internal rules and procedures for handling complaints, which are in line with local legislation and the guidelines of the European Insurance and Occupational Pensions Authority (EIOPA). In addition to the applicable law and implementing regulations in the area, the Group’s asset management company also complies with the guidelines of the European Securities and Markets Authority (ESMA).

In accordance with the Group’s governance rules, Sava Re keeps a record of complaints made regarding the conduct of its subsidiaries. Following review, such complaints are forwarded to the respective subsidiaries for resolution, with the Group governance function maintaining an internal online register of these complaints.

In 2025, six complaints were lodged against four companies domiciled outside the EU and one Slovenian company. All complaints were referred to the five companies concerned for resolution in accordance with the established protocol.

The Group companies have established several channels through which customers can express their concerns, dissatisfaction and complaints. This information is regularly collected through the sales network, the call centre, email, the website, the complaints and grievance management system or other communication channels. Complaints may also be submitted in person at company headquarters or branch offices, by telephone or in writing by post. Consumers may also lodge complaints anonymously.

Consumers and end-users are informed of the available complaints procedures at the time the contract is concluded, in the contract documents, at various stages of communication with customers during the handling of their claims, on the website and in other information material.

The Group regularly monitors the use of complaint channels and the handling of complaints as an indicator of consumer and end-user awareness of available grievance mechanisms and their trust in these procedures.

The effectiveness, accessibility and credibility of complaint mechanisms are also assessed indirectly based on the number and nature of complaints received, the variety of channels used to submit them, how promptly they are handled, and whether there are any recurring themes. Based

on these insights, Group companies adjust their complaint-handling procedures and customer communication as needed, and continuously improve the quality and professionalism of their operations.

Group companies have procedures in place to ensure that individuals are not subjected to retaliation for submitting a complaint or raising concerns. Complaints may be submitted anonymously, and their handling does not affect existing or future insurance relationships, insurance rights or the treatment of customers. Internal rules and procedures in subsidiaries incorporate the principles of impartial, confidential and independent handling of complaints.

All subsidiaries also have internal rules, prescribed procedures and instructions in place for monitoring and handling complaints in accordance with applicable laws. Details are provided in section [ESRS S4-4](#).

112 ESRS S4-3 paragraphs 25 (a), 25 (b), 25 (c), 25 (d) and 26, MDR-P paragraph 65 (d), and MDR-A paragraphs 68 (a), 68 (b) and 68 (c).



S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions ¹¹³

In our dealings with consumers and end-users, we strive to prevent and address any potential material negative impacts to the greatest extent possible, in particular in the area of data privacy. Group companies consistently comply with the requirements of the General Data Protection Regulation (GDPR) and applicable local data protection legislation to ensure the protection of consumer privacy. In order to ensure diligent and effective protection of personal data, we apply a comprehensive set of technical and organisational measures, including risk assessments, the maintenance of registers, regular reporting, the integration of security safeguards into IT systems and business processes, employee training, contractual commitments by external partners and transparency towards individuals.

We pay particular attention to responsible marketing practices to build trusting, long-term relationships with consumers and end-users. These practices are:

- regular training of distribution network staff and all employees (face-to-face or distance training, visits to points of sale, marketing materials and other information and guidance),
- availability during normal working hours – in person, by telephone, through electronic media, website and call centres,
- clearly defined content that sales representatives must disclose to customers when concluding contracts (both before and after the conclusion of a contract),
- full public presentation of products and services on company websites,
- the publication of frequently asked questions and answers on company websites,
- the promotion of sustainability and attention to the sustainability aspect of products,
- the development of loyalty programmes and personalised insurance products tailored to the specific needs of consumers, and making products and services more accessible (and affordable).

The effectiveness of the actions taken is verified by measuring consumer response to the actions taken. Our approach to assessing effectiveness in relation to consumers and end-users is explained in section [ESRS S4-2](#).

Across the Group, we seek to reduce actual or potential negative impacts on consumers through systematic procedures such as complaint analysis, internal audits, feedback from the sales network and compliance with regulatory guidance.

Complaints are handled systematically in accordance with internal rules, and related communications are appropriately documented.

Substantive complaints are generally decided upon by a committee of several members, and under no circumstances does the individual whose decision is challenged participate in the decision-making process, thereby ensuring impartiality and a comprehensive assessment. Impartiality and professional judgement are further reinforced by the possibility for companies to involve external experts from various fields in the complaint resolution process. In addition, the customers of Slovenian insurers can initiate a mediation or out-of-court consumer dispute resolution with the Slovenian Insurance Association. In other markets, insurers protect consumer rights in accordance with local laws.

Where we identify material negative impacts on consumers or end-users, we develop a remedial action plan based on the analysis, defining measures, objectives and metrics, as well as the implementation timeline. We review whether the implementation of the actions is effective and whether the goals are being met using various indicators defined in section [S4-2](#).

We report on our approach to ensuring that remediation procedures are in place in the event of material negative impacts on consumers and end-users in section [ESRS 4-3](#).

Group companies have developed numerous positive incentives which, in line with the nature of each company's operations and market practices, represent material opportunities in relation to consumers and end-users.

113 ESRS S4-4 paragraphs 30, 31 (a), 31 (b), 31 (c), 31 (d), 32 (a), 32 (b), 32 (c) and 33 (a), and MDR-A paragraphs 68 (a), 68 (b), 68 (c) and 68 (d).



Actions for positive incentives¹¹⁴

New products: In response to the growing need for accessible and high-quality healthcare and financial security in retirement, demographic changes and increasing life expectancy, Group companies are developing health and pension products. These include advanced services such as coverage for scientifically recognised treatment methods and various assistance services related to consumers’ healthcare and medical needs. This type of product offering can help ensure that consumers have financial security in retirement and sufficient protection in the event of a claim. At the same time, this strengthens consumer confidence in the Sava Insurance Group’s reliability, thereby contributing to its reputation.

Protecting children and vulnerable groups: The Group companies are committed to the inclusion of vulnerable groups and to strengthening social inclusion in general. To improve the accessibility of insurance products, we are introducing specific insurance products that protect children and adapting existing products to make them suitable for vulnerable groups as well.

Strengthening the range of products with a sustainability element: In line with the Group’s sustainability strategy, we are expanding our range of products and services that promote sustainable

practices and support environmental and social goals. As insurance companies, we encourage our customers to enhance road traffic safety, improve fire safety for property and adopt more sustainable behaviour. Through modern product design, we enable consumers to actively fulfil their sustainability commitments while raising awareness of the broader societal impacts of climate change. The Group’s sustainable products and services are used to raise the Group’s profile as a socially responsible community partner.

Digitalisation: Customer expectations for simpler, faster and paperless services are increasing. In response, Group companies are introducing new digital solutions and online platforms (e.g., SavaNet) for claims reporting, underwriting, remote damage assessment, access to claim status information and resolution of other consumer queries. Digitalisation also reduces administrative burden, improves the user experience and increases process transparency, providing customers with clearer insight into how their queries are handled.

Innovative approach to product development: All employees are involved in innovation development processes through systems that encourage innovation and targeted training programmes. Employees are encouraged to

contribute proposals for process optimisation, and we organise additional training on the use of digital solutions and artificial intelligence to empower staff to work effectively with new technologies. We also provide training for our external partners involved in sales processes.

To improve the quality of service, enhance the customer experience and thus increase customer satisfaction, Zavarovalnica Sava is introducing a questionnaire for reporting changes to an insured building prior to policy renewal.

Communication and optimisation: The Group recognises the need to develop multi-channel access, not only for underwriting and claims reporting but also for providing information on other products and special customer benefits. To this end, Group companies are developing new digital solutions to improve communication with their consumers and increase customer awareness of the benefits they receive as long-term partners of the Group.

Loyalty rebates and incentive schemes: To strengthen long-term relationships with customers, we are developing loyalty rebate schemes and expanding our bundled service offerings. Insurance companies offer customers bundled and volume rebates for multiple insurance policies, longer insurance periods or group

insurance arrangements, contributing to higher customer satisfaction and long-term stability of the companies’ operations.

Zavarovalnica Sava has developed the SavaFit bonus scheme to encourage its policyholders to lead active and healthy lifestyles. The scheme is based on the “pay-as-you-live” principle and includes bundled and group rebates as well as additional benefits offered by partner providers. SavaFit is also used as a platform for charity programmes involving policyholders.

We seek to have open and transparent relationships with consumers. When developing, amending or distributing insurance products, we ensure that the goals, interests and characteristics of the target market, including sustainability goals, are duly taken into account. Within this framework, we prevent conflicts of interest and the negative impacts of marketing practices, and we consistently monitor compliance with legislation, internal company policies and rules, and ethical principles.

To implement these measures, companies allocate the necessary financial, human and other resources, as defined in their strategic and annual plans, alongside the envisaged activities and funding.

114 ESRS S4-4 paragraphs 33 (b), 34 and 37, and MDR-A paragraphs 68 (a), 68 (b) and 68 (c).

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities ¹¹⁵

Our overarching goal in the area of customer privacy is to have no valid claims of privacy violations or misuse of personal data. We also have a zero-tolerance policy towards greenwashing and human rights violations. These goals are in line with the Group’s code of ethics, its policy on ensuring the inviolability of the person and protection of personal dignity, and its internal rules on respect for privacy and the protection of personal data.

Group companies continuously carry out activities to ensure effective and professional communication with customers, aiming to achieve a high level of customer satisfaction and reduce risks related to misuse of privacy. At the Group level, we began gradually rolling out a customer interaction management system across call centres in 2024 to improve data organisation, automate processes and enhance the user experience.

To achieve our strategic targets, we monitor key performance indicators defined at the level of individual companies, taking into account their target groups and the specific characteristics of national markets. The insurance, sales and Group governance business centre is responsible for monitoring key performance indicators in this area at the Group level.

The key consumer- and end-user-related indicators we primarily monitor include the share of customers who have consented to electronic communication, the share of claims reported online, the number of paperless policies taken out, the share of complaints, the average number of insurance policies held by each customer, and the results of customer satisfaction surveys.

Targets are set based on trend analyses, benchmarking and customer feedback, while ensuring compliance with legislative requirements. Employees and external partners receive regular training on appropriate customer engagement.

Customer satisfaction is regularly monitored across various touchpoints. All Group companies use the net promoter score (NPS) metric, while larger companies also apply additional user experience indicators. Feedback is analysed and used to improve existing products and processes, develop new solutions and adjust targets accordingly.

Products and services are monitored for effectiveness through sales analysis, claims performance and indicators such as the share of complaints relative to the number of active insurance contracts, NPS results and customer churn rates. These measures help us reduce the risk of customer dissatisfaction while creating new business and sales opportunities.

Group companies have not yet defined detailed methodologies or baselines for measuring progress against all customer-related targets. This will be a focus area in future reporting periods to improve transparency in tracking target achievement.



115 MDR-M paragraph 75, MDR-T paragraphs 80 (a), 80 (b), 80 (d), 80 (f), 81 (a), 81 (b) and 81 (b) ii, and ESRS S4-5 paragraphs 41 (a), 41 (b) and 41 (c).

5 Governance information

ESRS G1 – Business conduct

GOV-1 – The role of the administrative, supervisory and management bodies

We disclose the role of the administrative, supervisory and management bodies in section [ESRS 2 GOV-1](#).

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities

We disclose the procedures for identifying and assessing material impacts, risks and opportunities in section [ESRS 2 IRO-1](#).

G1-1 – Business conduct policies and corporate culture ¹¹⁶

At Sava Re and the companies of the Sava Insurance Group, we have established a corporate culture that we continuously develop, promote and assess. We have also defined standards of business conduct.

The basic documents governing business conduct and corporate culture include:

- the Group’s code of ethics, which regulates the values and principles of ethical and business conduct,
- the policy on ensuring the inviolability of the person and protection of personal dignity in the Group,
- the diversity policy, which governs gender and age balance among members of the management and supervisory boards (in addition to Sava Re, the diversity policy has also been adopted by the pension company and the two insurance companies based in the EU),
- the rules on managing conflicts of interest, which aim to mitigate and manage conflicts of interest that may arise in the course of performing duties and responsibilities within the company (applicable only to Sava Re; the majority of subsidiaries have adopted equivalent rules),
- the policy on establishing the internal reporting procedure, adopted in accordance with the applicable legislation on whistleblower protection,
- the Group’s and Sava Re’s compliance policy,

- the Group’s fit and proper policy for relevant persons,
- the Group’s and Sava Re’s procurement policy, which governs the management of contracts with suppliers.

We have fraud prevention and detection systems in place in all Group companies.

In addition to the aforementioned documents developed within the Group, we also adhere to established guidelines and codes:

- the Group’s insurance companies comply with the provisions of the adopted insurance code to ensure business development, professional underwriting and professional conduct,
- by signing the Slovenian Corporate Integrity Guidelines, Sava Re and the Group have committed themselves to creating a work environment based on a culture of corporate integrity, zero tolerance for illegal and unethical conduct by their employees, and compliance with legislation, rules and values while maintaining high ethical standards,
- Sava Re complies with the corporate governance code for listed companies.

Sava Re and our Group companies pay special attention to the following areas:

- anti-corruption conduct, in accordance with the Slovenian Corporate Integrity Guidelines and the Group’s procurement policy,
- personal data protection, where Sava Re has set up a support function for privacy and personal data protection and adopted a Group privacy and personal data protection policy,
- cybersecurity, through continuous strengthening of internal system controls with information and organisational solutions, as well as training and education of employees in information security,
- human rights, where compliance is ensured in line with the Group’s sustainable business policy, international conventions and applicable legislation. This commitment is further reinforced through our membership in the UN Global Compact.

Key documents governing corporate culture and standards of business conduct also include measures to promote and assess such conduct.



The values and principles of ethical conduct are defined in the Group’s code of ethics, which the Group subsidiaries have also adopted. The general principles of the code of ethics are the Group’s core values, which are binding on all our employees and include, among others, business compliance, protection of reputation, respect for the dignity and integrity of the individual, protection of trade secrets and other confidential information, honest and fair business practices, respect for market rules, professionalism and care for employees, equal information to all shareholders, transparency and integrity of information, avoidance of conflicts of interest, sustainability orientation and respect for human rights.

Employees who become aware of violations of the code of ethics or other binding rules must report them to the compliance function holder. The compliance function reviews each report and investigates any alleged irregularities. Each Group member takes appropriate action against any person who violates the code, depending on the seriousness of the violation. In accordance with the Group’s and Sava Re’s compliance policy, the compliance function holder in each Group company holds a position that ensures independence, sufficient authority and necessary powers. The independence of the compliance function from other key and business functions

is ensured by the senior management of each company.

The compliance function holder of each company prepares annual and semi-annual (periodic) reports on the adequacy of controls implemented to manage compliance risks. These reports include a summary of any instances of non-compliance reviewed, any material adverse events or irregularities, their consequences and the actions taken. The compliance function holders in Group companies report periodically to the management and supervisory bodies or, where applicable, to the audit or other supervisory board committees and, in specific cases, also to sectoral committees and local regulators, in accordance with the national legislative framework and the internal regulations of each company. The periodic reports from subsidiaries are also shared with the Group compliance function holder.

No confirmed violations of the code of ethics were observed in 2025.

Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law was transposed into Slovenian law with the adoption of the Slovenian Reporting Persons Protection Act (ZZPri), which entered into force on 22 February 2023.

At Sava Re and other Group subsidiaries that fall within the scope of ZZPri, we fully comply with all sectoral regulatory requirements. We have put in place appropriate mechanisms within the Group to ensure that employees are properly encouraged to safely raise any concerns they may have about possible misconduct in the workplace. We have a vested interest in ensuring that all reports are thoroughly investigated and that violations are remedied while ensuring that a system is in place to protect employees from retaliation.

The internal reporting procedure for violations is set out in the policy for establishing the internal reporting procedure under ZZPri.

In most of our subsidiaries, we have already integrated the Group’s internal regulations into their operations, while in some this has been done only partially or in different ways due to specific local legislation (e.g., in North Macedonia and Montenegro).

At Sava Re, we have appointed a confidential adviser and a deputy confidential adviser to receive and handle reports. The confidential adviser works independently and is not subject to any instructions or guidance in any particular case, as defined in the policy. The confidential adviser at Sava Re is an executive employee within the meaning of the Slovenian Employment

Relationships Act and holds the key compliance function at the Group level.

We have established a secure and confidential reporting procedure. Employees can make reports in writing to the confidential adviser’s email address, by post to the Company’s address, or verbally by calling the confidential adviser’s telephone number or meeting him or her in person. Violations may also be reported anonymously without disclosing personal data.

In accordance with the policy, the confidential adviser reviews and processes each report following the prescribed procedure. He or she advises the whistleblowers, informs them of the reporting procedures and provides assistance in case of retaliation. If the confidential adviser determines that the report is substantiated, he or she takes all necessary steps to stop the violation. If the confidential adviser is not authorised to take such action, he or she notifies the responsible organisational unit and makes recommendations for corrective action.

The confidential adviser provides written reports to the company’s management board on handled cases and prepares an annual statistical report on the previous year’s reported cases.

The confidential adviser may consult an advisory group to support him or her when assessing and handling reports. This group consists of experienced professionals who are not employees of the Sava Insurance Group. The advisory group is organised and operates in a manner and in accordance with a procedure that ensure independent consideration, separate from the management board of any company in the Sava Insurance Group. The advisory group submits an annual statistical report on its activities to the management board.

The confidential advisers in each Group company have the opportunity to receive training to improve their expertise and understanding of whistleblowing procedures.

Sava Re's confidential adviser participated in training sessions during the preparation of ZZPri, where proposed legislative amendments and employer obligations regarding whistleblower protection were discussed. In addition, the confidential adviser attended the European Institute of Compliance and Ethics (EICE) conference, where the challenges of implementing ZZPri in companies were addressed. The confidential adviser also develops his or her knowledge independently through professional materials and by following current sources and research on the subject. Such continuous development ensures that the confidential

adviser is able to effectively deal with reports of irregularities and protect whistleblowers in accordance with sectoral legislation and internal rules.

All employees of Sava Re and its subsidiaries, to whom the policy and rules apply, were informed of the adoption of both documents. They were presented with the documents through internal communications and/or employee training activities. Beyond the whistleblower reporting procedures at Sava Re, we adhere to the principles and policies of the rules on the management of conflicts of interest and the policy on ensuring the inviolability of the person and the protection of personal dignity.

Sava Re's rules on managing conflicts of interest aim to mitigate and manage conflicts of interest that may arise from the performance of an individual's duties and responsibilities in the Company. This is achieved by establishing and implementing procedures and measures to be applied when conflicts of interest arise. If a person subject to the disclosure requirements fails to disclose a conflict of interest, the compliance function initiates a review of the circumstances and, if necessary, provides opinions, recommendations or policies on the specific case or in general. If the review process reveals that damage has been done to the company, the compliance function prepares a report for the

management board. According to the policy, any violation of its provisions constitutes a breach of employment or contractual obligations, while an intentional violation or a violation due to gross negligence constitutes a serious breach of employment or contractual obligations and forms the basis for summary termination of the employment relationship. For more information, see section [A.5 "Corporate governance statement"](#). Most subsidiaries have also adopted the rules governing the management of conflicts of interest.

The Group operates in accordance with the policy on ensuring the inviolability of the person and the protection of personal dignity. We are committed to ensuring equal treatment under this policy, irrespective of nationality, race or ethnic origin, social or national origin, gender, colour, medical condition, disability, religion or belief, age, sexual orientation, marital status, trade union membership, financial standing or any other personal circumstances. Ensuring the inviolability and protection of the personal dignity of employees and others involved in work and business processes is one of the Group's key priorities, and we strive to provide and maintain a safe workplace in which no one is subjected to violence (in particular sexual violence) or harassment, discrimination and bullying. The inviolability of the person and protection of

personal dignity are guaranteed by mechanisms and measures that provide for a clear, transparent, swift and predefined procedure for detecting and sanctioning undesirable conduct, independent decision-making, professionalism, autonomy and independence of the arbitration body, decision-making by a body independent of the Group, and the strictly protected principle of confidentiality for whistleblowers and infringers.

Every employee has the right to equal treatment, dignity and personal integrity in the workplace. The act on the procedure for dealing with violations of the rights to the inviolability of the person and personal dignity in the Group establishes a protocol for identifying and resolving such risks.

We are committed to the highest standards of ethical business conduct and compliance. As part of our efforts to prevent corruption and bribery, we identify specific functions and activities where potential risks are higher. These include functions with direct contact with external customers and partners, functions responsible for selecting external service providers and suppliers or managing the companies' or Group's financial assets, and functions that manage the Group's assets and resources.



We actively seek to prevent corruption and bribery through training programmes, the establishment of clear procedures, codes of conduct for employees and reporting procedures for violations. We have also put in place internal control systems, such as audits, compliance reviews, adherence to the four-eyes principle and similar mechanisms.

G1-2 – Management of relationships with suppliers¹¹⁷

Supplier relationships within the Sava Insurance Group are governed by the Procurement Policy of the Sava Insurance Group (the procurement policy) and the General Terms and Conditions of Business Cooperation with the Sava Insurance Group (the general terms and conditions), as well as by individual contracts concluded with suppliers and purchase orders issued to them.

In accordance with the general terms and conditions, payment terms are agreed at the time of quotation negotiation and confirmed for each purchase order. Payment must be made in accordance with the terms and conditions set out in the purchase order. The payment period for an invoice begins on the date the buyer signs the written acceptance document and receives the duly issued invoice together with the required attachments.

At the Group level, the principle applied is that liabilities are settled within the agreed time limits. To prevent potential delays in payments to suppliers, reminder systems in accounting software are used to record received invoices. At Sava Re and its subsidiaries, we generally fulfil our obligations in accordance with the agreed payment terms, ensuring support for suppliers through long-term contracts and regular payments.

We also review the sustainable practices and dimensions of our suppliers. Key suppliers of goods and services operating in competitive markets are sent a sustainability questionnaire every two years or prior to the placement of a new order. We do not include in the collection of responses to the sustainability questionnaire entities that are not providers of goods and services in a competitive market, i.e., state authorities, autonomous local authorities, public service providers, public authority holders, concessionaires (e.g., utility services) and others that provide goods and services to the organisation under public law (e.g., fees and costs of administrative procedures).

When selecting suppliers based on the questionnaire, we assess the following social and environmental criteria:

- regular and timely fulfilment of obligations under employment contracts and other contracts with workers working for them in other forms of employment, in accordance with legal and contractual deadlines;
- provision of a healthy and safe working environment for employees and workers working for them in other forms of employment in accordance with legal requirements;
- implementation of measures to protect employees and other workers working for them in other forms of employment from verbal, physical and sexual harassment and other acts against their dignity;
- compliance with national laws and regulations in their countries of operation, as well as international human rights instruments (particularly those prohibiting child labour, forced labour, undeclared work and discrimination);
- adherence to environmental regulations in all countries in which they operate;
- regular and timely fulfilment of payment and tax obligations.

If a supplier fails to meet the minimum sustainability requirements, the Group companies have the right to withdraw from the procurement process or terminate an existing contract by unilateral declaration and without notice.

G1-3 – Prevention and detection of corruption and bribery¹¹⁸

We have a zero-tolerance policy in the Sava Insurance Group towards all forms of bribery and corruption, which applies to all Group employees, customers and business partners. In accordance with the provisions of the Slovenian Corporate Integrity Guidelines, the Group’s procurement policy and the internal regulations of the Slovenia-based Group members, all contracts establishing legal relations must include an anti-corruption clause, and general terms and conditions of business cooperation, which are communicated to suppliers. Anti-corruption provisions are also part of the Group’s code of ethics.

Sava Re’s rules on the management of conflicts of interest set out procedures and rules for receiving gifts, entertainment and hospitality. This approach helps us to mitigate the risk of unfounded allegations and the spread of distrust regarding the integrity of employees in the performance of their duties.

Group employees have access to reporting mechanisms for corruption and bribery as described in section [ESRS G1-1](#) (including reporting procedures for violations of the code of ethics, whistleblower protection procedures and other similar mechanisms).

¹¹⁷ ESRS G1-2 paragraphs 14, 15 (a) and 15 (b), and MDR-P paragraphs 65 (a), 65 (b), 65 (d) and 65 (e).
¹¹⁸ ESRS G1-3 paragraphs 18 (a), 20, 21 (a), 21 (b) and 21 (c), G1-1 paragraph 10 (g), MDR-P paragraphs 65 (a), 65 (b) and 65 (d), and MDR-A paragraphs 68 (a), 68 (b), 68 (c) and 68 (e).



No cases of corruption were detected within the Group in 2025.

We inform employees of the adopted internal regulations through various channels, including intranet postings and monthly updates on recent developments. Each employee is also briefed on these policies when he or she joins a Group company. The Group has not established a system for providing specific training on the prevention and detection of corruption and bribery.

We inform our customers and business partners of these policies regularly through various means, including our website, contractual agreements and face-to-face consultations. Suppliers are specifically made aware of the anti-corruption clause when signing the contract.

All employees and persons holding office at Sava Re are required to familiarise themselves with the rules on conflict of interest management and sign a conflict of interest avoidance statement upon assuming their position or function. Through this statement, they undertake to avoid situations that could lead to conflicts of interest and affect their impartiality in performing their duties or making decisions, and to immediately disclose in writing any circumstances related to their duties or

functions where a conflict of interest with Sava Re or the Sava Insurance Group is foreseeable. This obligation remains valid throughout the duration of their employment contract or function at Sava Re.

The rules are available to all employees at all times through internal communication channels. We do not hold specific training for members of management and supervisory bodies on the prevention and detection of corruption and bribery.

The rules on conflict of interest management (applicable to Sava Re) prohibit persons subject to the disclosure requirement from accepting gifts or other benefits in connection with the performance of their duties or functions, with the exception of symbolic or promotional gifts of small value (the threshold is defined in the rules). Under no circumstances is the acceptance of a gift permitted if its giving or acceptance constitutes a criminal offence, is prohibited by law or related regulations, involves cash, securities, gift certificates, vouchers, gift tokens or precious metals, or has the appearance of influencing the recipient's impartial performance of duties or functions within the company. Employees

must disclose gifts that exceed the threshold defined in the rules or are otherwise prohibited by completing a gift disclosure form. The rules also include a protocol for handling gifts received, which outlines the procedure for handing over gifts to the company.

G1-4 – Confirmed incident of corruption or bribery¹¹⁹

In 2025, Sava Re and its subsidiaries were neither convicted nor fined for violations of anti-corruption and anti-bribery laws. At Sava Re, we strive to comply with all applicable regulations and ethical standards in the fight against corruption.

As there were no confirmed incidents of corruption or bribery during the reporting period, it was not necessary to implement measures to address violations of anti-corruption and anti-bribery procedures and standards.

G1-5 – Political influence and lobbying activities¹²⁰

In accordance with the adopted code of ethics and the rules on sponsorship, Sava Re and other Group companies do not finance political

parties. Our activities are limited exclusively to professional engagement within industry associations, and we do not participate in political campaigns, political influencing or lobbying. Therefore, the function of overseeing political influence and lobbying activities has not been delegated to members of the administrative, management or supervisory bodies in the Group companies.

G1-6 – Payment practices¹²¹

As payment terms are agreed upon in each procurement process in accordance with the general terms and conditions, there is no need for standard payment terms.

In 2025, there were no proceedings against any Group company for late payments. More than 91% of invoices were paid within 30 days of receipt. The calculation included all 35,330 supplier invoices issued to Sava Re and the three largest Slovenia-based Group companies. The average payment period for invoices in 2025 was 13.3 days.

Sava Re and its subsidiaries are not involved in any pending litigation for late payment.

¹¹⁹ ESRS G1-4 paragraphs 24 (a) and 24 (b), and MDR-A paragraph 62.
¹²⁰ ESRS G1-5 paragraphs 29 (a) and 29 (b), and MDR-A paragraph 62.
¹²¹ ESRS G1-6 paragraphs 33 (a), 33 (b), 33 (c) and 33 (d), and MDR-P paragraphs 65 (a) and 65 (b).



Sector-specific topics

G1 – Operation and robustness of IT systems and information security

Governance¹²²

We have identified the effective operation of the IT system, which enables the execution of our business processes and protects against cybersecurity breaches as one of the Group’s key areas in our industry, closely linked to the large volume of our customers’ data. Activities in this area are coordinated through a single project at the Group level.

The strategic management of IT systems is the responsibility of the IT steering committee (ITSC), which ensures a comprehensive overview of strategy implementation and interim tactical-level decisions through collaboration with the relevant committees responsible for IT architecture and security and the committee responsible for projects and business processes.

The management boards and senior management of the Group companies are responsible for adopting, overseeing and directing the information security strategy in line with the Group’s vision, business goals and EU regulations.

At the operational and implementation level, activities are carried out by the competent IT departments in individual companies.

Strategy and business model¹²³

The Group’s ongoing digital transformation increases the need for continuous monitoring and enhancement of measures to protect customers, employees and company information against cyberattacks. We recognise the growing need for cyber protection, and in recent years we have made significant investments in risk management to ensure digital security for our employees and customers and to strengthen the resilience of our operations. Our two key objectives in optimising the Group’s business processes are: to accelerate and simplify customer service and internal processes, and to automate periodic tasks.

To achieve strategic priorities in specific areas, we are replacing certain business solutions on a large scale, which involves a comprehensive review of processes and the identification of opportunities for improvement. Wherever possible, we strive to standardise services at the Group level when replacing business solutions, thereby reducing costs and simplifying maintenance.

Particular attention is given to IT security and to enhancing IT, process and organisational capabilities in this area. In doing so, we take into

account established best practices and standards (ISO 27001 and NIST), as well as regulatory and legislative requirements (GDPR, DORA and ZVOP-2).

Impacts, risks and opportunities¹²⁴

Due to continuous changes and innovations in IT architecture, the Group operates in a dynamic and evolving environment that requires us to continuously adapt the IT security procedures and business continuity measures. The ability to respond in this way must be ensured regardless of the scale and scope of changes introduced in response to business needs.

While we do not identify a material direct impact on the resilience of IT systems at the industry level, we do identify key risks and opportunities.

We have identified the following risks across all major operating segments:

- the risk of reduced IT system functionality or failure due to a cyberattack and reputational risk,
- the risk of data loss due to an IT system malfunction or failure,

- the risk of security vulnerabilities or deficiencies in IT systems,
- the risk of security vulnerabilities or deficiencies in external service providers,
- the risk of unauthorised disclosure of confidential information,
- the risk associated with the increased use of cloud services and the introduction of new digital solutions.

Our EU-based companies are most exposed to these risks, as our largest operating segments are concentrated there. As risks have implications across the entire value chain, related activities are managed and supervised at the Group level.

We have identified several opportunities in this segment, including developing process support, using advanced technologies, transferring best practices within the Group, educating, training and developing employees, strengthening sales networks and encouraging stakeholders to adopt digitalised products and services. Particular attention will be devoted to improving change management in order to further reduce the risk of business disruption.

¹²² MDR-P paragraph 65 (c).
¹²³ MDR-T paragraphs 80 (a) and 80 (c), and MDR-A paragraphs 67, 68 (a) and 68 (b).
¹²⁴ MDR-A paragraphs 67, 68 (a) and 68 (b).



Financial effects of material risks and opportunities

In 2025, there were no negative financial impacts on the Group’s financial results from these risks. We ensure the seamless operation of IT systems and maintain a high level of cybersecurity by implementing appropriate measures.

Developing and investing in the automation and optimisation of business processes increases efficiency at the Group level and further mitigates operational risks.

The potential financial effects may materialise in the medium term in the event of a cyber incident or other business disruption. As a result, the Group will continue to invest in upgrading IT systems to strengthen security and resilience.

Resilience of strategy and business model

In recent years, we have made significant investments in developing IT systems and enhancing security at the Group level, thereby increasing resilience to potential cyber incidents and other IT system operational issues. This also improves the customer experience.

Policies¹²⁵

Information technology is defined as one of the six key pillars of the Group’s strategic development. We focus on business solutions, data warehousing, processes, infrastructure and security.

Our IT and cybersecurity policies and other internal regulations include Sava Re’s:

- information security policy, which aims to ensure business continuity and minimise business losses by preventing and mitigating the effects of security incidents;
- general security policies, which include provisions on:
 - proper use of all IT resources,
 - management of IT resources,
 - electronic business operations,
 - protection of equipment and IT resources,
- disaster recovery plan, which forms part of the business continuity planning.

These rules apply to all employees and other users of IT resources.

Actions¹²⁶

We are taking a number of continuous actions to implement our strategic priorities and policies in IT systems and cybersecurity:

- We have an IT steering committee (ITSC) in place at the Group level.
- We are focused on establishing and enforcing technical and organisational standards that ensure the consistent and effective use of modern technologies. In 2025, particular emphasis was placed on artificial intelligence and automation.
- We regularly review and update security policies, at least once a year.
- We systematically and continuously raise awareness of key security policies and best practices for the secure use of IT across all Group companies.
- We have technical security controls and proactive safeguards (detection mechanisms and response procedures) in place.

Goals¹²⁷

Our primary objective with regard to the operation and robustness of IT systems, as well as cyber intrusions, is to provide operational IT support to ensure the uninterrupted conduct of core business and to enable a stable, robust and resilient IT environment. This environment will enable rapid and effective recovery and provide maximum protection of personal data for all our stakeholders. Accordingly, we provide appropriate IT infrastructure, security and support for the development and enhancement of business applications. Particular emphasis is placed on optimising business processes to improve the end-customer experience.

We regularly evaluate the effectiveness of the actions implemented against defined targets, and we monitor these actions using established key performance indicators. For security reasons, these indicators are not disclosed.

Our strategic goal for information security is a high level of cyber resilience.

125 MDR-P paragraphs 65 (a) and 65 (b).
126 MDR-A paragraphs 68 (a), 68 (b) and 68 (c).
127 MDR-T paragraph 81 (b) ii.



6 Sustainability performance indicators of the Sava Insurance Group and Sava Re

► Select Sava Insurance Group sustainability performance indicators

Environmental aspect	2025	2022	Index 2025/2022
CO2e emissions per employee (tonnes) – scope 1 and 2 (location-based method)	1.20	1.47	81.6
	2025	2024	Index 2025/2024
Percentage of paperless claims	61.4%	54.9%	111.8
Percentage of ESG-integrated investments as at 31 December	24.8%	23.6%	105.1
Social aspect	2025	2024	Index 2025/2024
Percentage of employees involved in annual performance appraisal interviews	56.6%	55.3%	102.4
Women as a percentage of all employees as at 31 December	60.0%	60.0%	100.0
Employee turnover rate	12.8%	16.2%	79.0
Number of injuries in the workplace	9	8	112.5
Average hours of training per employee	23	20.3	117.3
Heart for the World – corporate volunteering (hours)	7,985	6,574	121.5
Governance aspect	2025	2024	Index 2025/2024
Percentage of women in management positions	40%	32%	125.0
Percentage of women on Group companies’ supervisory boards	24.7%	20%	123.5
Business volume (EUR)	1,133,637,585	1,035,134,973	109.5

We compare CO₂ emissions to 2022, our baseline year for monitoring the strategic decarbonisation target.

The carbon footprint data for 2022 are verified but are not subject to audit as part of this year’s audit process, and may differ from the publicly available data in the annual reports for previous years. The data for 2022 and 2025 cover all locations where Group companies conduct their business operations.

The scope of the auditor’s assurance includes only those indicators disclosed in the report, within the relevant ESRS disclosures, and linked to the defined targets and actions presented therein.

► Select Sava Re sustainability performance indicators

Environmental aspect	2025	2022	Index 2025/2022
CO2e emissions per employee (tonnes) – scope 1 and 2 (location-based method)	0.84	1.31	64.1
Annual electricity consumption per employee (kWh)	1,250	1,485	84.2
Social aspect	2025	2024	Index 2025/2024
Percentage of employees involved in annual performance appraisal interviews	91.2%	90.5%	100.8
Women as a percentage of all employees as at 31 December	64.1%	64.9%	98.8
Employee turnover rate	3.6%	4.2%	85.7
Number of injuries in the workplace	0	2	
Average hours of training per employee	28.8	22	130.9
Governance aspect	2025	2024	Index 2025/2024
Percentage of women in management positions	25%	25%	100.0
Percentage of women on supervisory boards	50%	16.7%	299.9
Percentage of independent members on Sava Re’s supervisory board	100%	100%	100.0

We compare CO₂ emissions to 2022, our baseline year for monitoring the strategic decarbonisation target.

The carbon footprint data for 2022 are verified but are not subject to audit as part of this year’s audit process, and may differ from the publicly available data in the annual reports for previous years.

Indicators presented at the level of Sava Re are not subject to the auditor’s assurance.



7 Appendices to the sustainability report

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Appendix B – List of datapoints in cross-cutting and topical standards that derive from other EU legislation ¹²⁹

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU climate law reference	Material/ not material	Page
ESRS 2 GOV-1 Board’s gender diversity, paragraph 21 (d)	Indicator 13 of table 1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II			42
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II			45
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator 10 of table 3 of Annex I					48
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicator 4 of table 1 of Annex I	Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, table 1: Qualitative information on environmental risk and table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator 9 of table 2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator 14 of table 1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)		153
ESRS E1-1 Undertakings excluded from Paris-aligned benchmarks, paragraph 16 (g)		Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)		Not material	
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator 4 of table 2 of Annex I	Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6			159
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator 5 of table 1 and indicator 5 of table 2 of Annex I				Not material	
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator 5 of table 1 of Annex I					159
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator 6 of table 1 of Annex I				Not material	
ESRS E1-6, Gross scope 1, 2, 3 and total GHG emissions, paragraph 44	Indicators 1 and 2 of table 1 of Annex I	Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Articles 5(1), 6 and 8(1)			160
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicator 3 of table 1 of Annex I	Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)			161
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)		Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Not material	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Not material	
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not material	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator 8 of table 1 of Annex I, indicator 2 of table 2 of Annex I, indicator 1 of table 2 of Annex I, indicator 3 of table 2 of Annex I				Not material	
ESRS E3-1 Water and marine resources, paragraph 9	Indicator 7 of table 2 of Annex I				Not material	
ESRS E3-1 Dedicated policy, paragraph 13	Indicator 8 of table 2 of Annex I				Not material	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator 12 of table 2 of Annex I				Not material	
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator 6.2 of table 2 of Annex I				Not material	
ESRS E3-4 Total water consumption in m³ per net revenue on own operations, paragraph 29	Indicator 6.1 of table 1 of Annex I				Not material	
ESRS 2 – IRO 1 – E4, paragraph 16 (a) i	Indicator 7 of table 1 of Annex I				Not material	
ESRS 2 – IRO 1 – E4, paragraph 16 (b)	Indicator 10 of table 2 of Annex I				Not material	
ESRS 2 – IRO 1 – E4, paragraph 16 (c)	Indicator 14 of table 2 of Annex I				Not material	

129 ESRS 2 IRO-2 paragraph 56.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU climate law reference	Material/ not material	Page
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Indicator 11 of table 2 of Annex I				Not material	
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Indicator 12 of table 2 of Annex I				Not material	
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator 15 of table 2 of Annex I				Not material	
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator 13 of table 2 of Annex I				Not material	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator 9 of table 1 of Annex I				Not material	
ESRS 2 – SBM3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator 13 of table 3 of Annex I				Not material	
ESRS 2 – SBM3 – S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator 12 of table 3 of Annex I				Not material	
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator 9 of table 3 and indicator 11 of table 1 of Annex I					166
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II			166
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Indicator 11 of table 3 of Annex I				Not material	
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator 1 of table 3 of Annex I					166
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator 5 of table 3 of Annex I					167
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and 88 (c)	Indicator 2 of table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II			175
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator 3 of table 3 of Annex I					176
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator 12 of table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II			177
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator 8 of table 3 of Annex I				Not material	
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator 7 of table 3 of Annex I					178
ESRS S1-17 Non-respect of UNGPs on business and human rights and OECD guidelines, paragraph 104 (a)	Indicator 10 of table 1 and indicator 14 of table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)			/
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators 12 and 13 of table 3 of Annex I				Not material	
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator 9 of table 3 and indicator 11 of table 1 of Annex I				Not material	
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicators 11 and 4 of table 3 of Annex I				Not material	
ESRS S2-1 Non-respect of UNGPs on business and human rights and OECD guidelines, paragraph 19	Indicator 10 of table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator 14 of table 3 of Annex I				Not material	
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator 9 of table 3 and indicator 11 of table 1 of Annex I					181
ESRS S3-1 Non-respect of UNGPs on business and human rights, ILO principles and/or OECD guidelines, paragraph 17	Indicator 10 of table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)		Not material	
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator 14 of table 3 of Annex I				Not material	
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator 9 of table 3 and indicator 11 of table 1 of Annex I					187
ESRS S4-1 Non-respect of UNGPs on business and human rights and OECD guidelines, paragraph 17	Indicator 10 of table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818, Article 12(1)			/
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator 14 of table 3 of Annex I					/
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator 15 of table 3 of Annex I					193
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	Indicator 6 of table 3 of Annex I					119
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator 17 of table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II			197
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator 16 of table 3 of Annex I					197



Appendix C – GRI index

GRI 1 used	GRI 1: Foundation 2021			
GRI 1: Foundation 2021	GRI 1-07 Publication of GRI list		Appendix B – GRI index	
GRI 2: General disclosures	The organisation and its reporting practices			
	GRI 2-1	Organisational details	A.2.1, A.2.5, A.2.6, A.2.7	Sava Insurance Group and Sava Re
	GRI 2-2	Entities included in the organisation’s sustainability reporting	A.2.5, A.2.6, A.2.7, B.ESRS 2, C.3	Sava Insurance Group
	GRI 2-3	Reporting period, frequency and contact point	A.2.7, B.ESRS 2	Sava Insurance Group
	GRI 2-4	Restatements of information	B.ESRS 2	Sava Insurance Group
	GRI 2-5	External assurance	B.1, C.1	/
	Activities and workers			
	GRI 2-6	Activities, value chain and other business relationships	A.2.5, A.2.7, A.2.8, B.ESRS 2	Sava Insurance Group
	Governance			
	GRI 2-9	Governance structure and composition	A.2.7, A.5, B.ESRS 2	Sava Insurance Group
	GRI 2-10	Nomination and selection of the highest governance body	A.4	Sava Re
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	A.5.3, B.ESRS 2	Sava Insurance Group
	GRI 2-13	Delegation of responsibility for managing impacts	A.5.3, B.ESRS 2	Sava Insurance Group
	GRI 2-14	Role of the highest governance body in overseeing the management of impacts	A.5.3, B.ESRS 2	Sava Insurance Group
	GRI 2-15	Conflict of interest	ESRS G1-3	Sava Insurance Group
	GRI 2-16	Mechanisms for managing internal and external risks	A.10, B.ESRS 2, C.3.6	Sava Insurance Group and Sava Re
	GRI 2-17	Collective knowledge of the highest governance body	A.5.3, B.ESRS 2	Sava Insurance Group and Sava Re
	GRI 2-18	Evaluation of the performance of the highest governance body	A.5.4, B.ESRS 2	Sava Insurance Group
	GRI 2-19	Remuneration policies	B.ESRS 2 GOV-3	Sava Insurance Group
	GRI 2-20	Process to determine remuneration	A.5.3	Sava Re
	Strategy, policies and practices			
	GRI 2-22	Statement on sustainable development strategy	B.ESRS 2	Sava Insurance Group
	GRI 2-23	Policy commitments	A.5, A.6.1, A.10, B.ESRS 2	Sava Insurance Group
	GRI 2-24	Corporate culture and values	A.6, B.ESRS 2	Sava Insurance Group
	GRI 2-27	Reducing the negative impact of the operations on the environment	B.ESRS 2 in B.ESRS E1	Sava Insurance Group
	GRI 2-28	Membership in associations	B.ESRS G1	Sava Insurance Group and Sava Re
	Approach to stakeholder engagement			
	GRI 2-29	Approach to stakeholder engagement	A.3, B.ESRS 2	Sava Insurance Group
	GRI 2-30	Collective bargaining agreements	B.ESRS S1-8	Sava Insurance Group
GRI 3: Material Topics 2021	Disclosures on material topics			
	GRI 3-3	Management of material topics	A.5, A.10, B.ESRS 2, C.3.5	Sava Insurance Group
	GRI 3-1	Process to determine material topics	B.ESRS 2	Sava Insurance Group
	GRI 3-2	List of material topics	B.ESRS 2	Sava Insurance Group
ECONOMIC IMPACTS				
GRI 201: Economic performance	GRI 3-3	Management of material topics	A.6.4, A.8	Sava Insurance Group
	201-01	Direct economic value generated	A.8.1	Sava Insurance Group
	201-02	Financial implications and other risks and opportunities due to climate change	B.ESRS E1.SBM-3, C.3.6.3.1, C.3.6.4.3	Sava Insurance Group
	201-04	Donations and sponsorships	B.ESRS S3	Sava Insurance Group
GRI 202: Market presence	GRI 3-3	Management of material topics	B.ESRS S1	Sava Insurance Group
	202-01	Creating direct employment opportunities	B.ESRS S1-6	Sava Insurance Group
GRI 203: Indirect economic impacts	GRI 3-3	Management of material topics	B.ESRS S3	Sava Insurance Group
	203-01	Infrastructure investments and services supported	B.ESRS S3	Sava Insurance Group
GRI 205: Prevention of corruption	GRI 3-3	Management of material topics	B.ESRS G1	Sava Insurance Group
	205-01	Operations assessed for risks related to corruption	B.ESRS G1-1	Sava Insurance Group
	205-02	Anti-corruption training	B.ESRS G1-3	
	205-03	Confirmed incidents of corruption and actions taken	B.ESRS G1-4	Sava Insurance Group
ENVIRONMENTAL IMPACTS				
GRI 302: Energy	GRI 3-3	Management of material topics	B.ESRS E1-2, E1-3	Sava Insurance Group
	302-01	Energy consumption within the organisation	B.ESRS E1-5	Sava Insurance Group
GRI 305: Emissions	GRI 3-3	Management of material topics	B.ESRS E1-3	Sava Insurance Group
	305-01	Direct GHG emissions	B.ESRS E1-4, E1-6	Sava Insurance Group
	305-02	Indirect GHG emissions	B.ESRS E1-4, E1-6	Sava Insurance Group
	305-03	Other indirect GHG emissions	B.ESRS E1-4, E1-6	Sava Insurance Group
GRI 308: Supplier environmental assessment	308-01	Suppliers that were screened using environmental criteria	B.ESRS G1-2	Sava Insurance Group

GRI 1 used	GRI 1: Foundation 2021			
SOCIAL IMPACTS				
GRI 2 and GRI 3: Recruitment	GRI 3-3	Management of material topics	B.ESRS S1 SBM-3, S1-1, S1-2	Sava Insurance Group
	401-02	Work-related injuries	B.ESRS S1-14	Sava Insurance Group
	2-7	Recruitment, staffing levels	B.ESRS S1-6	Sava Insurance Group
	2-21	Responsibility for ethical practices	B.ESRS S1-16	Sava Insurance Group
	2-23	Respect for human rights of employees	B.ESRS S1-1	Sava Insurance Group
	2-24	Implementation of organisation’s commitments with and through its relationships with employees; training that the organisation provides on implementing the commitments	B.ESRS S1-4	Sava Insurance Group
	2-29	The organisation’s commitment to provide for, or cooperate in, the remediation of adverse impacts in the employee area	B.ESRS S1-1	Sava Insurance Group
	2-25	The organisation’s approach to identifying and addressing complaints, including grievance mechanisms	B.ESRS S1-1, S1-3, S1-17	Sava Insurance Group
	2-12	Description of the governance bodies’ engagement with employees in the organisation’s due diligence and other processes to identify the organisation’s impacts	B.ESRS S1-2	Sava Insurance Group
	2-26	Mechanisms for raising concerns regarding employees	B.ESRS S1-3	Sava Insurance Group
	2-30	Collective bargaining	B.ESRS S1-8	Sava Insurance Group
	2-27	Collective bargaining agreements	B.ESRS S1-17	Sava Insurance Group
GRI 202	202-1	Adequate wages	B.ESRS S1-10	Sava Insurance Group
GRI 401: Recruitment	GRI 3-3	Management of material topics	B.ESRS S1 SBM-3	Sava Insurance Group
	401-1	Employee turnover	B.ESRS S1-6	
	401-3	Work-life balance	B.ESRS S1-15	
GRI 403: Health and safety at work	GRI 3-3	Management of material topics	B.ESRS S1 SBM-3	Sava Insurance Group
	403-01	Occupational health and safety management system	B.ESRS S1-1	Sava Insurance Group
	403-02	Hazard identification, risk assessment and incident investigation for employees	B.ESRS S1-3	Sava Insurance Group
	403-08	Occupational health and safety programmes for employees	B.ESRS S1-14	Sava Insurance Group
	403-09	The work-related hazards that pose a risk of injury, including measures	B.ESRS S1-4, S1-14	Sava Insurance Group
	403-10	The work-related hazards that pose a risk of ill health, including measures	B.ESRS S1-4, S1-14	Sava Insurance Group
GRI 404: Education and training	GRI 3-3	Management of material topics	B.ESRS 2 SBM-3	Sava Insurance Group
	404-01	Employee training and development	B.ESRS S1-13	Sava Insurance Group
	404-03	Performance and career development reviews	B.ESRS S1-13	Sava Insurance Group
GRI 405: Diversity and equal opportunities	GRI 3-3	Management of material topics	B.ESRS SBM-3	Sava Insurance Group
	405-01	Employee characteristics	B.ESRS S1-6, S1-9	Sava Insurance Group
	405-1	Persons with disabilities	B.ESRS S1-12	Sava Insurance Group
	405-02	Remuneration metrics, ratio of basic salary of women to men	B.ESRS S1-16	Sava Insurance Group
GRI 406	GRI 3-3	Management of material topics	B.ESRS SBM-3	Sava Insurance Group
	406-01	Discrimination	B.ESRS S1-17	Sava Insurance Group
Local communities	GRI 3-3	Management of material topics	B.ESRS S3	Sava Insurance Group
	GRI 2-23	Respect for human rights of community representatives	B.ESRS S3-1	Sava Insurance Group
	GRI 2-25	Processes to remediate negative impacts	B.ESRS S3-1, S3-3, S3-4	Sava Insurance Group
	GRI 2-26	Grievance mechanisms for local communities	B.ESRS S3-3	Sava Insurance Group
	GRI 2-29	Approach to local community engagement	B.ESRS S3-2	Sava Insurance Group
	203-02	Significant indirect economic impacts on local communities	B.ESRS S3-4	Sava Insurance Group
GRI 413: Local communities	413-01	Operations with local community engagement, impact assessments, and development programs	B.ESRS S3 SBM-3	Sava Insurance Group
	413-02	Operations with negative impacts on local communities	B.ESRS S3 SBM-3 (not identified)	Sava Insurance Group
Consumers and end-users	GRI 3-3	Management of material topics	B.ESRS S4	Sava Insurance Group
	2-23	Respect for human rights of customers	B.ESRS S4-1	Sava Insurance Group
	2-29	The organisation’s commitment to provide for, or cooperate in, the remediation of adverse impacts in the customer area	B.ESRS S4-1, S4-2	Sava Insurance Group
	2-25	The organisation’s approach to identifying and addressing customer complaints, including grievance mechanisms	B.ESRS S4-1, S4-3, S4-4	Sava Insurance Group
	2-12	Role of the highest governance body in overseeing and managing sustainability topics in relation to customers	B.ESRS S4-2	Sava Insurance Group
	2-26	Grievance mechanisms	B.ESRS S4-3	Sava Insurance Group
GRI 417: Marketing and labelling	417-01	Requirements for product and service information and labelling	B.ESRS S4-2	Sava Insurance Group
GRI 418: Consumer privacy and data protection	418-01	Complaints concerning customer privacy and personal data protection	B.ESRS S4-3, G1 – Protection of personal data	Sava Insurance Group
GOVERNANCE IMPACTS				
GRI 2 and GRI 3	GRI 3-3	Management of material topics	B.ESRS G1	Sava Insurance Group
	2-9	Organisational structure	B.ESRS G1-5	Sava Insurance Group
	2-16	Corporate governance and responsibility for sustainability	B.ESRS G1-1	Sava Insurance Group
	2-23	Methods and extent of control over the organisation	B.ESRS G1-1	Sava Insurance Group
	2-24	Relations with stakeholders	B.ESRS G1-1	Sava Insurance Group
	2-26	Grievance and feedback mechanisms	B.ESRS G1-1	Sava Insurance Group
	2-27	Compliance with laws and regulations	B.ESRS G1-4	Sava Insurance Group
GRI 204: Procurement practices	204-01	Proportion of spending on local suppliers	B.ESRS G1: proportion not disclosed	Sava Insurance Group
GRI 205: Corruption	205-1	Anti-corruption in the company	B.ESRS G1-3	Sava Insurance Group
	205-2	Anti-corruption procedures	B.ESRS G1-3	Sava Insurance Group
GRI 308: Suppliers’ environmental impacts	308-1	Screening of suppliers for environmental impacts	B.ESRS G1-2	Sava Insurance Group
GRI 401: Suppliers’ social impacts	414-1	Screening of suppliers for social impacts	B.ESRS G1-2	Sava Insurance Group
GRI 415: Contributions to political parties	405-01	Contributions to political parties	B.ESRS G1-5	Sava Insurance Group

FINANCIAL STATEMENTS
WITH NOTES

UPWARD BOUND FORWARD DRIVEN

Business volume of €1,133.6 million and net profit of €114.1 million show that we are building our growth story with steady steps. Upward and forward – with determination and focus.

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STATEMENT OF MANAGEMENT’S RESPONSIBILITY

The management board of Sava Re d.d. hereby approves the financial statements of the Sava Insurance Group and Sava Re for the year ended 31 December 2025, and the accompanying appendices to the financial statements, accounting policies and notes to the financial statements. The management board confirms that the financial statements, including the notes, have been prepared on a going concern basis regarding the operations of the Company and the Group and that they comply with Slovenian law and the International Financial Reporting Standards as adopted by the EU. The financial statements have been prepared using relevant judgements, estimates and assumptions, including actuarial judgements, which apply the methods most suited to the Company and the Group under given circumstances, based on which we can give the below assurances.

The management board members ensure that to the best of their knowledge:

- the financial statements and the accompanying notes have been drawn up in accordance with the reporting principles adopted by the Company and the Group and give a true and fair view of the assets and liabilities, financial position, profit and loss of the Company and the Group;
- the business report includes a fair presentation of the development and results of operations of the Company and the Group, and their financial position, including a description of the significant risks and opportunities that Sava Re and the Sava Insurance Group are exposed to.

Furthermore, the management board is responsible for keeping appropriate records that at all times present, in understandable detail, the financial position of the Company and the Group, for adopting appropriate measures to protect assets, and for preventing and detecting fraud and other irregularities.

The tax authorities may, at any time within five years of the end of the year in which the tax was assessed, review the operations of the Company, which could result in additional tax obligations, default interest or penalties related to corporate income tax or other taxes or levies. The Company’s management board is not aware of any circumstances that may give rise to any such significant liability.

Marko Jazbec
Chairman of the Management Board

Polona Pirš
Member of the Management Board

Peter Skvarča
Member of the Management Board

David Benedek
Member of the Management Board

Ljubljana, 16 March 2026



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Auditor’s report

Deloitte.

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The report below represents the auditor's report that relates solely and exclusively to the official annual report prepared in accordance with ESEF, in the XHTML format.

INDEPENDENT AUDITOR’S REPORT
to the shareholders of Pozavarovalnica Sava, d.d.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the separate financial statements of the company Pozavarovalnica Sava, d.d. (hereinafter ‘the Company’) and consolidated financial statements of the company Pozavarovalnica Sava, d.d. and its subsidiaries (hereinafter ‘the Group’), which comprise the separate and the consolidated statement of financial position as at 31 December 2025, and the separate and consolidated income statement, separate and consolidated statement of other comprehensive income, separate and consolidated statement of changes in equity, separate and consolidated cash flow statement for the year then ended, and notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2025 and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU (hereinafter ‘IFRS’).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing and Regulation (EU) 537/2014 of the European Parliament and of the Council, dated 16 April 2014, on specific requirements regarding statutory audit of public-interest entities (EU Regulation). Our responsibilities under those rules are further described in *the Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities, and other ethical requirements that



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Deloitte revizija d.o.o. - The company is registered with the Ljubljana District Court; registration no. 1647105 - VAT ID SI62560085 - Nominal capital EUR 74,214.30.

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are relevant to our audit of the separate and consolidated financial statements in Slovenia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the year ended 31 December 2025. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of liabilities from insurance contracts and insurance income for the Company and the Group	
Key Audit Matter	How our audit addressed the key audit matter
Accounting policies for description of key assumptions, methodologies and models used in the calculation of liabilities from insurance contracts are presented in Note 3.4 Significant accounting policies, under point 3.4.20 Insurance contracts. For other related disclosures please see 3.7.9 to 3.7.15.	
International Financial Reporting Standard 17 – Insurance Contracts ('IFRS 17'), requires insurance contracts, that meet the scoping criteria of the standard, to be valued using the General Measurement Model (or Building Block Approach - 'BBA'), the Variable Fee Approach ('VFA'), or the Premium Allocation Approach ('PAA') all of which are used by the Company and the Group. The measurement of liabilities from insurance contracts as well as insurance income comprises the present value of expected future cash flows, including financial and non-financial risks, with particular focus on the expected margin (so-called contractual service margin 'CSM'), which will be recognized during the period of contractual coverage.	To address the risks associated with the valuation of liabilities from insurance contracts and insurance income identified as a key audit matter, we designed audit procedures that enabled us to obtain sufficient appropriate audit evidence for our conclusion on that matter. Namely, we performed the following audit procedures with the use of our own information technology ("IT") experts and actuarial experts: <u>Evaluation of internal controls</u> - Gaining an understanding of the control environment and internal controls designed by the Management in the process of calculating liabilities from insurance contracts and insurance income, including the applications and information technology tool used; - Assessing the adequacy of the design and verifying the implementation of the identified internal controls relevant to the process of valuation of liabilities from insurance contracts and insurance income; - Testing the operating effectiveness of identified relevant internal controls on valuation of liabilities from insurance contracts and insurance income.
The company's and the group's insurance liabilities as at 31 December 2025, amount to EUR 280.211.769 (31. 12. 2024: EUR 286.075.675) and EUR 1.930.099.533 (31. 12. 2024: EUR 1.831.367.970), respectively. The Company's and the Group's insurance income for the year ended 31 December 2025 amount to EUR 201.409.636 (31. 12. 2024: EUR 171.664.689) and EUR 893.614.261 (31. 12. 2024: EUR 801.213.638), respectively.	
Valuation of liabilities from insurance contracts and insurance income involves significant management judgment when developing and using input data and assumptions in the actuarial calculation models,	

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dependent on the management's assumptions about past, future, internal and external variables, the change of which can result in a significant impact on the value of these liabilities. There is also a high degree of complexity due to the numerous assumptions and actuarial valuation models applied. Some of the key assumptions include risk adjustment, discount curves, inflation forecasts, cost projection, earned premium income and ultimate loss ratio for inwards reinsurance, assumptions for life and non-life insurance of subsidiaries (mortality, lapse assumptions, claims/expense ratios assumptions), coverage units and CSM recognition pattern.

Given the pervasive complexities related to the requirements of IFRS 17, we consider the valuation of liabilities from insurance contracts and insurance income as a key audit matter for our audit of the separate and consolidated financial statements for the year 2025.

<u>Testing of actuarial models in accordance with IFRS 17</u> - Testing the reliability and accuracy of the IFRS 17 engine used for the valuation of liabilities from insurance contracts and insurance income; - Verification of inputs to the IFRS 17 engine: - Review and simplified recalculation of the projected cash flows for selected products taking into account specific features of insurance products; - Verification of the mathematical calculations, logic, and appropriateness of other model inputs of the IFRS 17 engine.
<u>Assessment of management assumptions in accordance with IFRS 17</u> - Challenging the appropriateness of key technical accounting decisions, judgments, assumptions and elections made in determining the estimate against the requirements of the standard; - Verification of the applied assumptions in the context of the experience of the Company, the Group and the industry and specific features of insurance products.
<u>Testing of disclosures in the separate and consolidated financial statements</u> Evaluating the completeness and accuracy of the disclosures in the notes to the separate and consolidated financial statements with respect to the requirements of IFRS 17.

Other information

Management is responsible for the other information. The other information comprises the information, included in Annual report, other than the separate and consolidated financial statements and our auditor's report thereon. We obtained other information before the date of the auditor's report, except for the report of the supervisory board, which will be available later.

Our opinion on the separate and consolidated financial statements does not cover the other information and we express no assurance thereon.

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In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, assess whether the other information is materially inconsistent with the separate and consolidated financial statements, legal requirements, except those related to sustainability report which was subject of separate limited assurance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work performed we conclude that other information include material misstatement we need to report such circumstances. In relation to this and based on our procedures performed, we report that:

- other information is, in all material respects, consistent with the audited separate and consolidated financial statements;
- other information except sustainability report on which we issued separate limited assurance report dated 16 March 2026, is prepared in compliance with applicable law or regulation; and
- based on our knowledge and understanding of the Company and the Group and their environment obtained in the audit, we did not identify any material misstatement of fact related to the other information.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements of the Company and the Group, management is responsible for assessing their ability to continue as a going concern, disclosing matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s and the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s and the Group’s internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s and the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on the requirements of the Regulation (EU) No 537/2014 of the European Parliament and of the Council (Regulation EU 537/2014)

Confirmation to the Audit Committee



We confirm that our audit opinion on the separate and consolidated financial statements expressed herein is consistent with the additional report to the Audit Committee in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Prohibited Services

We confirm that no services referred to in the Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided and that the audit company fulfilled independence requirements.

Other services performed by the audit company

There are no services, in addition to the statutory audit, which the audit company provided to the Company and its controlled undertakings, and which have not been disclosed in the Annual Report.

Appointment of the Auditor and responsible certified auditor

Deloitte revizija d.o.o. was appointed as the statutory auditor of the Company and the Group on General Shareholders’ Meeting held on 26 May 2025, while the president of the Supervisory Board signed the audit contract on 26 August 2025. The audit contract was signed for 3 years. Our total uninterrupted engagement as statutory auditors has lasted since 15 July 2022.

Engagement partner responsible for the audit on behalf of Deloitte revizija d.o.o. is Barbara Žibret Kralj.

Auditor’s Report on Compliance of Financial Statements in Electronic Form with the Commission Delegated Regulation (EU) No. 2019/815 on European Single Electronic Format (ESEF)

We undertook a reasonable assurance engagement on whether the separate and consolidated financial statements of the Company and the Group for the year ended 31 December, 2025 (hereinafter ‘audited separate and consolidated financial statements’) are prepared taking into consideration the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format, valid for the year 2025 (hereinafter ‘Delegated Regulation’).

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and correct presentation of audited separate and consolidated financial statements in electronic form in accordance with the requirements of the Delegated Regulation and for such internal control as determined necessary by the management, to enable the preparation of separate and consolidated financial statements in electronic form that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the preparation of audited separate and consolidated financial statements in electronic form in accordance with the requirements of the Delegated Regulation.

Auditor’s Responsibility

Our responsibility is to carry out a reasonable assurance engagement and to express the conclusion on whether the audited separate and consolidated financial statements in electronic form are prepared in accordance with the requirements of the Delegated Regulation. We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) – *Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000)* published by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform the engagement to obtain reasonable assurance for providing a conclusion.



We have conducted the engagement in compliance with independence and ethical requirements as provided by the Regulation EU No. 537/2014 and IESBA Code. The code is based on the principles of integrity, objectivity, professional competence and due diligence, confidentiality and professional conduct. We are in compliance with the International Standard on Quality Management (ISQM 1) and accordingly maintain an overall quality management system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and statutory requirements.

Summary of Work Performed

Within the scope of the work performed, we have carried out the following audit procedures:

- we have identified and assessed the risk of material non-compliance of audited separate and consolidated financial statements misstatement with the requirements of the Delegated Regulation;
- we have obtained understanding of the internal control processes considered important for our reasonable assurance engagement in order to design appropriate procedures in given circumstances, however, not with the purpose of expressing an opinion on the effectiveness of internal control;
- we have assessed whether the audited separate and consolidated financial statements satisfy the conditions of Delegated Regulations, valid on the reporting date;
 - we have obtained reasonable assurance that the audited separate and consolidated financial statements of the issuer are presented in the electronic XHTML format;
 - we have obtained reasonable assurance that the values and disclosures in the audited consolidated financial statements in the electronic XHTML format are tagged correctly and in the Inline XBRL technology (iXBRL), so that their machine reading can ensure complete and correct information that is included in the audited consolidated financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, based on the procedures performed and the evidence obtained we believe that the audited separate and consolidated financial statements of the Company and the Group for the year ended 31 December 2025, are in all material respects prepared in accordance with the requirements of the Delegated Regulation.

DELOITTE REVIZIJA d.o.o.

Barbara Žibret Kralj
Certified auditor

For signature please refer to the original Slovenian version.

Ljubljana, 16 March 2026



TRANSLATION ONLY, SLOVENE ORIGINAL PREVAILS

2 Financial statements

The financial statements of the Sava Insurance Group and Sava Re d.d. for 2025

2.1 Statement of financial position

EUR	Note	Sava Insurance Group		Sava Re	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
ASSETS					
Intangible assets and goodwill	3.7.1	Financial statements	65,562,925	6,330,823	6,482,385
Property, plant and equipment	3.7.2	56,597,968	58,730,561	2,602,942	2,550,365
Investment property	3.7.5	22,686,137	24,147,256	7,327,769	7,431,872
Right-of-use assets	3.7.3	10,261,086	10,794,664	420,570	254,940
Investments in subsidiaries	3.7.6	0	0	306,143,605	305,834,606
Investments in associates and joint ventures	3.7.6	29,053,235	25,615,695	22,075,000	19,575,000
– Investments in associates accounted for using equity method		29,053,235	25,615,695	0	0
– Investments in associates measured at cost		0	0	22,075,000	19,575,000
Deferred tax assets	3.7.4	1,211,223	4,429,192	3,437,495	4,155,469
Financial investments measured at	3.7.7	2,561,272,403	2,329,080,204	499,495,635	444,386,051
– Fair value through other comprehensive income		1,515,429,949	1,438,662,572	447,409,775	400,200,967
– Amortised cost		96,720,317	75,722,712	11,108,935	5,677,769
– Fair value through profit or loss		949,122,137	814,694,920	40,976,925	38,507,315
Investment contract assets	3.7.8	217,204,108	201,171,005	0	0
Insurance contract assets	3.7.9	10,999,525	10,842,363	8,909,284	5,670,015
Reinsurance contract assets	3.7.9	69,917,465	77,518,752	54,744,230	65,962,107
Current tax assets	3.7.17	315,608	2,168,191	0	671,315
Trade and other receivables	3.7.17	17,113,087	16,714,805	219,918	360,778
Non-current assets held for sale	3.7.20	25,352	1,225,892	0	0
Cash and cash equivalents	3.7.19	43,695,540	52,349,765	7,082,955	14,724,094
Other assets	3.7.18	7,339,562	5,057,343	1,339,985	994,736
Total assets		3,112,699,115	2,885,408,613	920,130,211	879,053,733
LIABILITIES					
Subordinated liabilities	3.7.30	125,242,015	125,058,474	125,242,015	125,058,474
Deferred tax liabilities	3.7.4	3,458,663	3,445,418	0	0
Insurance contract liabilities	3.7.9	1,930,099,533	1,831,367,970	280,211,769	286,075,675
Reinsurance contract liabilities	3.7.9	6,575,441	3,983,205	4,264,013	2,192,025
Investment contract liabilities	3.7.8	216,974,394	200,954,895	0	0
Provisions	3.7.31	9,008,625	8,582,417	575,143	474,263
Lease liability	3.7.3	10,378,285	11,136,702	429,886	260,617
Other financial liabilities	3.7.32	520,763	431,656	0	0
Current tax liabilities	3.7.33	8,673,399	1,471,324	217,813	0
Other liabilities	3.7.34	59,205,416	50,416,096	10,880,902	6,039,922
Total liabilities		2,370,136,534	2,236,848,157	421,821,541	420,100,976
EQUITY					
Share capital	3.7.21	71,856,376	71,856,376	71,856,376	71,856,376
Capital reserves	3.7.22	42,490,942	42,490,942	54,239,757	54,239,757
Profit reserves	3.7.23	343,990,680	308,021,790	343,832,895	308,076,624
Treasury shares	3.7.24	-24,938,709	-24,938,709	-24,938,709	-24,938,709
Accumulated other comprehensive income	3.7.25	-11,522,648	-25,735,420	-4,110,909	-6,824,097
Retained earnings	3.7.27	244,627,191	217,470,401	21,672,991	30,425,642
Net profit or loss for the period	3.7.26	78,108,928	61,511,032	35,756,269	26,117,164
Foreign currency translation reserve	3.7.28	-3,028,054	-2,965,039	0	0
Equity attributable to owners of the controlling company		741,584,706	647,711,373	498,308,670	458,952,757
Non-controlling interests in equity	3.7.29	977,875	849,083	0	0
Total equity		742,562,581	648,560,456	498,308,670	458,952,757
Total liabilities and equity		3,112,699,115	2,885,408,613	920,130,211	879,053,733

The notes to the financial statements in sections [3.4](#) to [3.9](#) form an integral part of these financial statements and should be read in conjunction with them.

2.2 Income statement

EUR	Note	Sava Insurance Group		Sava Re	
		2025	2024	2025	2024
Insurance revenue	3.7.36	893,614,261	801,213,638	201,409,636	171,664,689
Insurance service expenses	3.7.36	-703,326,035	-662,350,015	-138,261,215	-115,918,533
Insurance service result from insurance contracts issued		190,288,226	138,863,623	63,148,421	55,746,156
Revenue from reinsurance contracts held	3.7.37	24,358,248	23,616,154	17,410,428	14,702,386
Expenses from reinsurance contracts held	3.7.37	-62,414,426	-53,870,334	-44,694,866	-38,193,095
Net result from reinsurance contracts held		-38,056,178	-30,254,180	-27,284,438	-23,490,709
Insurance service result		152,232,048	108,609,443	35,863,983	32,255,447
Interest income	3.7.38	32,325,443	27,602,417	10,003,868	7,680,291
Dividend income	3.7.38	1,146,388	1,053,524	196,857	140,821
Income or expenses from financial investments measured at FVTPL	3.7.38	67,691,950	100,737,461	2,057,744	1,201,805
Gains and losses arising from the derecognition of financial investments measured at FVOCI	3.7.38	-3,505,840	131,649	-1,335,837	45,016
Gains and losses arising from the derecognition of financial investments measured at amortised cost	3.7.38	-36	28,104	0	0
Net impairment losses and reversals of impairment losses on financial investments	3.7.38	-643,006	582,566	-265,599	96,917
Net other investment income or expenses	3.7.38	-6,959,375	6,978,309	-7,982,705	3,102,402
Net investment result		90,055,524	137,114,030	2,674,328	12,267,252
Finance result from insurance contracts	3.7.16	-72,332,738	-118,528,642	-467,436	-11,250,891
Finance result from reinsurance contracts	3.7.16	1,862,817	4,257,920	1,416,501	3,810,171
Net insurance finance income or expenses		-70,469,921	-114,270,722	949,065	-7,440,720
Net insurance and finance result		19,585,603	22,843,308	3,623,393	4,826,532
Asset management revenue	3.7.39	27,533,595	23,660,332	33,514	4,034
Non-attributable operating expenses	3.7.40	-37,108,195	-31,079,973	-19,021,637	-16,182,385
Net impairment losses and reversals of impairment losses on non-financial assets		-93,579	67,847	152	0
Finance costs	3.7.30	-6,019,488	-3,969,473	-5,607,599	-3,577,180
Share of profit or loss of investments accounted for using equity method	3.7.6	937,540	1,781,075	0	0
Net income and expenses from subsidiaries and associates	3.7.41	0	0	60,406,533	39,035,925
Gains or losses on disposal of discontinued operations	3.7.20	11,604	440,673	0	0
Net other operating income and expenses	3.7.42	-13,111,392	-12,550,833	44,187	-38,853
Profit or loss before tax		143,967,736	109,802,399	75,342,526	56,323,520
Income tax expense	3.7.43	-29,915,137	-21,955,857	-3,829,985	-4,089,191
Net profit or loss for the period		114,052,599	87,846,542	71,512,541	52,234,329
Net profit or loss attributable to non-controlling interests		141,160	190,817		
Net profit or loss attributable to owners of the controlling company	3.7.26	113,911,439	87,655,725		
Earnings per share (basic and diluted)	3.7.26	7.35	5.66		

The notes to the financial statements in sections [3.4](#) to [3.9](#) form an integral part of these financial statements and should be read in conjunction with them.



2.3 Statement of other comprehensive income

EUR	Note	Sava Insurance Group		Sava Re	
		2025	2024	2025	2024
PROFIT OR LOSS FOR THE PERIOD, NET OF TAX		114,052,599	87,846,542	71,512,541	52,234,329
OTHER COMPREHENSIVE INCOME, NET OF TAX	3.7.25	14,897,404	2,542,395	2,713,188	2,942,218
a) Items that will not be reclassified subsequently to profit or loss		2,421,034	1,933,742	-17,724	-12,298
Net gains or losses on investments in equity instruments at FVOCI		2,403,046	1,983,179	0	0
Other items that will not be reclassified subsequently to profit or loss	3.7.30	22,685	-47,313	-17,724	-12,298
Tax on items that will not be reclassified subsequently to profit or loss	3.7.41	-4,697	-2,124	0	0
b) Items that may be reclassified subsequently to profit or loss		12,476,370	608,653	2,730,912	2,954,516
Finance income or expenses from insurance contracts	3.7.16	1,833,713	-21,201,880	-503,549	-2,801,470
Finance income or expenses from reinsurance contracts	3.7.16	-678,825	1,623,603	-704,278	1,649,433
Gains or losses on remeasurement of investments at fair value	3.7.7	15,168,462	23,578,124	4,708,996	4,939,878
Tax on items that may be reclassified subsequently to profit or loss	3.7.41	-3,789,383	-3,475,539	-770,257	-833,325
Net gains or losses from translation of financial statements		-57,597	84,345	0	0
COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		128,950,003	90,388,937	74,225,729	55,176,547
Comprehensive income attributable to owners of the controlling company		128,797,468	90,199,818		
Comprehensive income attributable to non-controlling interests		152,535	189,119		

The notes to the financial statements in sections [3.4](#) to [3.9](#) form an integral part of these financial statements and should be read in conjunction with them.

2.4 Cash flow statement

EUR		Note	Sava Insurance Group		Sava Re	
			2025	2024	2025	2024
A.	Cash flows from operating activities					
a)	Items of the income statement		64,222,835	-9,324,780	10,408,688	11,757,228
	Net profit or loss for the period	3.7.26	114,052,599	87,846,542	71,512,541	52,234,329
	Adjustments for:		-49,829,764	-97,171,322	-61,103,853	-40,477,101
	– Depreciation and amortisation expense		11,188,116	10,102,851	1,463,935	809,017
	– Depreciation of right-of-use assets	3.7.3	2,495,666	2,730,145	168,283	108,365
	– Finance expenses		123,767,014	48,603,234	9,670,826	6,332,694
	– Finance income		-216,454,033	-178,971,924	-76,037,403	-52,089,680
	– Gains or losses on the disposal of property, plant and equipment assets		-249,497	283,604	-31,602	-28,489
	– Gains or losses of investments accounted for using equity method	3.7.6	-937,540	-1,781,075	0	0
	– Gains or losses on the disposal of subsidiaries and associates	3.7.6	0	0	65,999	0
	– Gains or losses on disposal of discontinued operations		-11,604	-576,175	0	0
	– Increase or decrease in provisions		381,177	543,619	111,881	134,148
	– Net exchange differences		75,800	-61,458	-345,757	167,653
	– Income tax expense	3.7.43	29,915,137	21,955,857	3,829,985	4,089,191
b)	Changes in operating cash flow items		102,464,270	163,800,654	13,551,748	8,088,261
	Net change in insurance and reinsurance contracts		118,960,781	190,326,951	12,008,586	19,107,825
	Change in other receivables and other assets		-18,364,680	-24,130,787	4,245,862	-61,536
	Change in other liabilities		23,289,460	31,060,755	289,605	18,146
	Corporate income tax paid		-21,421,291	-33,456,265	-2,992,305	-10,976,174
c)	Net cash from/used in operating activities (a + b)		166,687,105	154,475,874	23,960,436	19,845,489
B.	Cash flows from investing activities					
a)	Cash receipts from investing activities		659,052,045	581,457,980	240,267,517	180,264,334
	Interest received classified as investing activities		26,416,151	23,121,365	6,668,543	5,370,837
	Cash receipts from dividends and participation in the profit of others		1,012,232	929,262	60,669,389	39,176,746
	Proceeds from sale of property, plant and equipment assets		421,502	549,048	32,420	68,798
	Proceeds from disposal of investment property		212,037	0	0	0
	Proceeds from disposal of non-current assets held for sale		1,507,845	461,445	0	0
	Proceeds from disposal of financial investments		629,482,278	556,396,860	172,897,165	135,647,953
	– Proceeds from disposal of subsidiaries and other companies	3.7.6	1	0	1	0
	– Proceeds from repayment of loans to subsidiaries		0	0	500,000	850,000
	– Other proceeds from disposal of financial investments		629,482,277	556,396,860	172,397,164	134,797,953
b)	Cash disbursements in investing activities		-791,862,489	-747,597,713	-231,408,614	-216,912,674
	Purchase of intangible assets		-5,365,757	-5,190,147	-855,608	-2,191,569
	Purchase of property, plant and equipment		-1,454,871	-7,235,399	-353,764	-190,119
	Purchase of investment property		-74,719	-3,535	-52,294	0
	Purchase of financial investments		-784,967,142	-735,168,632	-230,146,948	-214,530,986
	– Purchase of subsidiaries or other companies		-2,500,000	-167,813	-2,875,000	-167,813
	– Disbursement for loans to subsidiaries		0	0	0	-850,000
	– Other disbursements to acquire financial investments		-782,467,142	-735,000,819	-227,271,948	-213,513,173
c)	Net cash from/used in investing activities (a + b)		-132,810,444	-166,139,733	8,858,903	-36,648,340
C.	Cash flows from financing activities					
a)	Cash receipts from financing activities		1,989,101	51,435,970	0	49,313,661
	Proceeds from borrowing		1,989,101	51,435,970	0	49,313,661
b)	Cash disbursements in financing activities		-44,519,987	-37,982,310	-40,460,478	-30,046,765
	Interest paid		-5,835,947	-3,204,617	-5,424,057	-2,819,902
	Repayments of loans and borrowings		-1,896,975	-2,431,103	0	0
	Repayments of lease liabilities		-1,737,249	-5,022,110	-166,605	-105,895
	Dividends and other profit participations paid	3.7.27	-35,049,816	-27,324,480	-34,869,816	-27,120,968
c)	Net cash from/used in financing activities (a + b)		-42,530,886	13,453,660	-40,460,478	19,266,896
D.	Closing balance of cash and cash equivalents		43,695,540	52,349,765	7,082,955	14,724,094
x)	Increase or decrease in cash and cash equivalents for the period (Ac + Bc + Cc)		-8,654,225	1,789,801	-7,641,139	2,464,045
y)	Opening balance of cash and cash equivalents	3.7.19	52,349,765	50,559,964	14,724,094	12,260,049

The notes to the financial statements in sections 3.4 to 3.9 form an integral part of these financial statements and should be read in conjunction with them.

2.5 Statement of changes in equity for 2025

Sava Insurance Group			Profit reserves				Accumulated other comprehensive income	Retained earnings	Net profit or loss for the period	Foreign currency translation reserve	Equity attributable to owners of the controlling company	Non-controlling interests in equity	Total
EUR	Share capital	Capital reserves	Legal reserves and reserves provided for in the articles of association	Capital redemption reserve	Treasury shares	Other profit reserves							
Closing balance in previous financial year	71,856,376	42,490,942	12,210,226	24,938,709	-24,938,709	270,872,855	-25,735,420	217,470,401	61,511,032	-2,965,039	647,711,373	849,083	648,560,456
Equity (start of period)	71,856,376	42,490,942	12,210,226	24,938,709	-24,938,709	270,872,855	-25,735,420	217,470,401	61,511,032	-2,965,039	647,711,373	849,083	648,560,456
Comprehensive income for the period, net of tax	0	0	0	0	0	0	14,212,772	736,339	113,911,439	-63,082	128,797,468	152,535	128,950,003
Net profit or loss for the period	0	0	0	0	0	0	0	0	113,911,439	0	113,911,439	141,160	114,052,599
Other comprehensive income	0	0	0	0	0	0	14,212,772	736,339	0	-63,082	14,886,029	11,375	14,897,404
Subscription (or contribution) of new equity	0	0	0	0	0	0	0	0	0	0	0	101,939	101,939
Dividends paid	0	0	0	0	0	0	0	-34,865,830	0	0	-34,865,830	-183,987	-35,049,817
Allocation of net profit to profit reserve	0	0	61,354	0	0	35,907,536	0	-166,379	-35,802,511	0	0	0	0
Transfer of profit	0	0	0	0	0	0	0	61,511,032	-61,511,032	0	0	0	0
Other	0	0	0	0	0	0	0	-58,372	0	67	-58,305	58,305	0
Equity (end of period)	71,856,376	42,490,942	12,271,580	24,938,709	-24,938,709	306,780,391	-11,522,648	244,627,191	78,108,928	-3,028,054	741,584,706	977,875	742,562,581

Sava Re			Profit reserves				Accumulated other comprehensive income	Retained earnings	Net profit or loss for the period	Total
EUR	Share capital	Capital reserves	Legal reserves and reserves provided for in the articles of association	Capital redemption reserve	Treasury shares	Other profit reserves				
Closing balance in previous financial year	71,856,376	54,239,757	14,986,525	24,938,709	-24,938,709	268,151,390	-6,824,097	30,425,642	26,117,164	458,952,757
Equity (start of period)	71,856,376	54,239,757	14,986,525	24,938,709	-24,938,709	268,151,390	-6,824,097	30,425,642	26,117,164	458,952,757
Comprehensive income for the period, net of tax	0	0	0	0	0	0	2,713,188	0	71,512,541	74,225,729
Net profit or loss for the period	0	0	0	0	0	0	0	0	71,512,541	71,512,541
Other comprehensive income	0	0	0	0	0	0	2,713,188	0	0	2,713,188
Dividends paid	0	0	0	0	0	0	0	-34,869,816	0	-34,869,816
Allocation of net profit to profit reserve	0	0	0	0	0	35,756,271	0	0	-35,756,271	0
Transfer of profit	0	0	0	0	0	0	0	26,117,165	-26,117,165	0
Equity (end of period)	71,856,376	54,239,757	14,986,525	24,938,709	-24,938,709	303,907,661	-4,110,909	21,672,991	35,756,269	498,308,670

The notes to the financial statements in sections [3.4](#) to [3.9](#) form an integral part of these financial statements and should be read in conjunction with them.

2.6 Statement of changes in equity for 2024

Sava Insurance Group			Profit reserves				Accumulated other comprehensive income	Retained earnings	Net profit or loss for the period	Foreign currency translation reserve	Equity attributable to owners of the controlling company	Non-controlling interests in equity	Total
EUR	Share capital	Capital reserves	Legal reserves and reserves provided for in the articles of association	Capital redemption reserve	Treasury shares	Other profit reserves							
Closing balance in previous financial year	71,856,376	42,702,320	12,176,144	24,938,709	-24,938,709	244,578,813	-28,195,652	205,041,879	39,702,056	-3,049,094	584,812,842	850,771	585,663,613
Equity (start of period)	71,856,376	42,702,320	12,176,144	24,938,709	-24,938,709	244,578,813	-28,195,652	205,041,879	39,702,056	-3,049,094	584,812,842	850,771	585,663,613
Comprehensive income for the period, net of tax	0	0	0	0	0	0	2,460,038	0	87,655,725	84,055	90,199,818	189,119	90,388,937
Net profit or loss for the period	0	0	0	0	0	0	0	0	87,655,725	0	87,655,725	190,817	87,846,542
Other comprehensive income	0	0	0	0	0	0	2,460,038	0	0	84,055	2,544,093	-1,698	2,542,395
Dividends paid	0	0	0	0	0	0	0	-27,171,948	0	0	-27,171,948	-152,532	-27,324,480
Allocation of net profit to profit reserve	0	0	34,082	0	0	26,294,042	0	-183,431	-26,144,693	0	0	0	0
Settlement of previous years' losses	0	-83,363	0	0	0	0	0	83,363	0	0	0	0	0
Transfer of profit	0	0	0	0	0	0	0	39,702,056	-39,702,056	0	0	0	0
Acquisition of non-controlling interests	0	-128,015	0	0	0	0	0	-1,518	0	0	-129,533	-38,275	-167,808
Other	0	0	0	0	0	0	194	0	0	0	194	0	194
Equity (end of period)	71,856,376	42,490,942	12,210,226	24,938,709	-24,938,709	270,872,855	-25,735,420	217,470,401	61,511,032	-2,965,039	647,711,373	849,083	648,560,456

Sava Re			Profit reserves				Accumulated other comprehensive income	Retained earnings	Net profit or loss for the period	Total
EUR	Share capital	Capital reserves	Legal reserves and reserves provided for in the articles of association	Capital redemption reserve	Treasury shares	Other profit reserves				
Closing balance in previous financial year	71,856,376	54,239,757	14,986,525	24,938,709	-24,938,709	242,034,225	-9,766,315	32,809,209	24,737,401	430,897,178
Equity (start of period)	71,856,376	54,239,757	14,986,525	24,938,709	-24,938,709	242,034,225	-9,766,315	32,809,209	24,737,401	430,897,178
Comprehensive income for the period, net of tax	0	0	0	0	0	0	2,942,218	0	52,234,329	55,176,547
Net profit or loss for the period	0	0	0	0	0	0	0	0	52,234,329	52,234,329
Other comprehensive income	0	0	0	0	0	0	2,942,218	0	0	2,942,218
Dividends paid	0	0	0	0	0	0	0	-27,120,968	0	-27,120,968
Allocation of net profit to profit reserve	0	0	0	0	0	26,117,165	0	0	-26,117,165	0
Transfer of profit	0	0	0	0	0	0	0	24,737,401	-24,737,401	0
Equity (end of period)	71,856,376	54,239,757	14,986,525	24,938,709	-24,938,709	268,151,390	-6,824,097	30,425,642	26,117,164	458,952,757

The notes to the financial statements in sections [3.4](#) to [3.9](#) form an integral part of these financial statements and should be read in conjunction with them.



3 Notes to the financial statements

3.1 Basic details

Reporting company

Sava Re d.d. (hereinafter also the Company) is the parent of the Sava Insurance Group (hereinafter also the Group). The Company was established under the Foundations of the Life and Non-Life Insurance System Act, and it was entered in the company register kept by the Ljubljana Basic Court, Ljubljana Unit (now Ljubljana District Court), on 10 December 1990. Its legal predecessor, Pozavarovalna Skupnost Sava, was established in 1977.

The Group transacts reinsurance business (13.8% of the business volume), non-life insurance business (63.7% of the business volume), life insurance business (18.9% of the business volume), pension business and asset management (2.7% of the business volume) and other non-insurance business (0.9% of the business volume)¹³⁰.

The number of staff employed by the Group on the last day of 2025 was 2,805.6 (31 December 2024: 2,892.9 employees), calculated on a full-time equivalent basis. The number of full-time employees according to the different criteria is presented in section [B.ESRS S1 – “Own workforce”](#).

As at 31 December 2025, the Company employed 161.0 employees (31 December 2024: 148.3 employees), calculated on a full-time equivalent basis. The number of full-time employees according to the different criteria is presented in section [B.ESRS S1 – “Own workforce”](#).

The bodies of the Company are the general meeting, the supervisory board and the management board.

The Company’s largest shareholders are Slovenian Sovereign Holding (Slovenski državni holding) and the Republic of Slovenia (which is the founder and sole shareholder of Slovenian Sovereign Holding), which together hold 31.6% of the shares. InterCapital Securities Ltd. holds 19.1% of the shares in a fiduciary account. The largest ultimate beneficial owner of the shares registered in the aforementioned fiduciary account is Croatia Osiguranje d.d. According to information as at 24 April 2025, it holds a total of 3,278,049 POSR shares.

The table “Ten largest shareholders and holders of qualified holdings pursuant to the Takeovers Act as at 31 December 2025” (section [A.3 “Shareholders and share trading”](#)) is followed by an additional note on the share of voting rights in Sava Re (section [A.3 “Shareholders and share trading”](#)).

It is the responsibility of the Company’s management board to prepare the annual report and authorise it for issue to the supervisory board. The audited annual report is then approved by the Company’s supervisory board. If the annual report is not approved by the supervisory board, or if the management and supervisory boards leave the decision about its approval (authorisation for issue) to the general meeting of shareholders, the general meeting also decides on the approval (authorisation for issue) of the annual report.

The general meeting has the power to amend the annual report after it has been approved by the Company’s management board; however, it must be re-audited by the external auditor within two weeks after its approval by the general meeting.

Business address of the controlling company	Dunajska cesta 56, Ljubljana, Slovenia
Name of reporting entity	Pozavarovalnica Sava, d.d. (Sava Reinsurance Company d.d., Sava Re d.d.)
Legal form of entity	delniška družba (public limited company)
Domicile of entity	Slovenia
Address of entity’s registered office	Slovenia
Country of incorporation	Slovenia
Principal place of business	Slovenia
Description of nature of entity’s operations and principal activities	reinsurance
Name of parent entity	Pozavarovalnica Sava, d.d. (Sava Reinsurance Company d.d., Sava Re d.d.)
Name of ultimate parent of group	Pozavarovalnica Sava, d.d. (Sava Reinsurance Company d.d., Sava Re d.d.)
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period	no change in 2025
Description of nature of financial statements	financial statements of the Sava Insurance Group and Sava Re d.d. for 2025
Date of end of reporting period	31 December 2025
Reporting period	1 January 2025 – 31 December 2025
Description of presentation currency	euro
Level of rounding used in financial statements	rounded to the nearest whole number

3.2 Business combinations and overview of Group companies

Changes in 2025

Vita S Holding established a new company, PZU Vita S, in North Macedonia, with 100% ownership. The date of first-time inclusion of the company in the financial statements is 31 March 2025.

On 9 May 2025, Sava Re signed an agreement to sell a 5% stake in Vita S Holding. After the transaction, Sava Re’s stake in the company decreased to 75%.

Asistim was removed from the court register on 19 March 2025, with its assets and liabilities being transferred to ZS Svetovanje. As from the strike off, the company has not been included in the consolidated financial statements. The exclusion of the company had no impact on the consolidated financial statements.

Changes in 2024

On 22 February 2024, Sava Re signed a contract to acquire a 2.5% stake in TBS Team 24. Upon completion of the transaction on 27 February 2024, Sava Re held a 90% stake in the company.





► Subsidiaries as at 31 December 2025

EUR	Activity	Country of incorporation	Assets	Liabilities	Equity as at 31 December 2025	Profit or loss for 2025	Total income	% voting rights
Zavarovalnica Sava	insurance	Slovenia	1,189,887,693	867,370,261	322,517,432	68,876,604	726,591,672	100.00%
Sava Neživotno Osiguranje (SRB)	insurance	Serbia	55,694,259	40,599,220	15,095,038	3,912,483	56,826,418	100.00%
Illyria	insurance	Kosovo	35,149,050	22,076,635	13,072,415	1,592,097	22,395,034	100.00%
Sava Osiguruvanje (MKD)	insurance	North Macedonia	29,271,077	19,232,072	10,039,005	1,010,108	26,085,109	93.86%
Sava Osiguranje (MNE)	insurance	Montenegro	37,704,435	23,046,052	14,658,383	3,412,852	25,656,311	100.00%
Illyria Life	insurance	Kosovo	20,050,719	12,415,106	7,635,612	866,642	3,702,781	100.00%
Sava Životno Osiguranje (SRB)	insurance	Serbia	22,565,807	12,339,889	10,225,918	1,781,408	6,824,485	100.00%
Sava Car (MNE)	technical testing and analysis	Montenegro	1,592,017	919,314	672,704	114,835	1,131,047	100.00%
ZM Svetovanje	insurance agency	Slovenia	175,250	102,443	72,807	37,369	765,631	100.00%
Sava Agent	insurance agency	Montenegro	2,126,996	1,713,510	413,487	175,174	992,955	100.00%
Sava Station	technical testing and analysis	North Macedonia	621,345	222,102	399,243	42,363	233,716	93.86%
Sava Pokojninska	pension fund	Slovenia	257,349,681	247,923,112	9,426,570	859,639	3,843,257	100.00%
TBS Team 24	provision of assistance services	Slovenia	6,848,063	4,554,128	2,293,936	2,236,859	29,234,220	90.00%
Sava Penzisko Društvo	pension fund management	North Macedonia	16,604,962	1,886,237	14,718,724	3,162,303	7,666,268	100.00%
Sava Infond	fund management activities	Slovenia	14,754,560	2,523,089	12,231,471	6,359,277	20,118,096	100.00%
Vita	insurance	Slovenia	929,417,989	854,469,425	74,948,564	10,260,412	178,749,891	100.00%
Sava Car (SRB)	technical testing and analysis	Serbia	43,777	25,773	18,004	-25,032	267,672	100.00%
ASP (SRB)	computer programming	Serbia	367,750	22,344	345,406	73,959	961,703	100.00%
Vita S Holding (MKD)	non-specialised wholesale trade	North Macedonia	2,927,185	1,598,647	1,328,538	-283,850	247,072	75.00%
PZU Vita S (MKD)	specialist medical practice activities	North Macedonia	2,225,637	2,346,727	-121,090	-251,247	420,366	75.00%

An overview of associated companies is provided in section [3.7.6 “Investments in subsidiaries and associates”](#).



► Subsidiaries as at 31 December 2024

EUR	Activity	Country of incorporation	Assets	Liabilities	Equity as at 31 December 2024	Profit or loss for 2024	Total income	% voting rights
Zavarovalnica Sava	insurance	Slovenia	1,147,983,808	864,324,223	283,659,584	47,834,593	639,537,037	100.00%
Sava Neživotno Osiguranje (SRB)	insurance	Serbia	44,406,416	32,228,162	12,178,254	394,228	50,688,171	100.00%
Illyria	insurance	Kosovo	30,645,967	18,814,240	11,831,727	1,431,733	20,471,397	100.00%
Sava Osiguruvanje (MKD)	insurance	North Macedonia	27,625,593	18,659,424	8,966,169	512,067	25,775,105	93.86%
Sava Osiguranje (MNE)	insurance	Montenegro	34,525,822	21,380,329	13,145,494	2,474,402	23,174,997	100.00%
Illyria Life	insurance	Kosovo	19,902,527	12,382,167	7,520,360	1,197,426	3,714,670	100.00%
Sava Životno Osiguranje (SRB)	insurance	Serbia	19,133,633	11,169,327	7,964,305	761,160	6,515,847	100.00%
Sava Car (MNE)	technical testing and analysis	Montenegro	1,552,538	907,324	645,214	88,632	1,012,338	100.00%
ZM Svetovanje	insurance agency	Slovenia	139,242	106,412	32,830	-69,130	827,980	100.00%
Asistim (former Ornatus KC)	call centre	Slovenia	145,264	66,820	78,444	20,170	745,297	100.00%
Sava Agent	insurance agency	Montenegro	2,202,907	1,918,771	284,136	141,139	901,834	100.00%
Sava Station	technical testing and analysis	North Macedonia	457,942	35,018	422,924	80,576	224,968	93.86%
Sava Pokojninska	pension fund	Slovenia	238,774,531	230,481,254	8,293,277	550,560	3,563,770	100.00%
TBS Team 24	provision of assistance services	Slovenia	6,334,973	4,481,878	1,853,095	1,838,853	28,381,610	90.00%
Sava Penzisko Društvo	pension fund management	North Macedonia	14,421,455	960,524	13,460,931	2,709,618	6,866,496	100.00%
Sava Infond	fund management activities	Slovenia	14,142,574	2,570,289	11,572,285	5,151,090	16,917,984	100.00%
Vita	insurance	Slovenia	832,034,472	761,333,067	70,701,405	8,434,451	37,304,913	100.00%
Sava Car (SRB)	technical testing and analysis	Serbia	51,035	7,891	43,144	6,682	227,588	100.00%
ASP (SRB)	computer programming	Serbia	291,233	9,982	281,252	60,499	882,824	100.00%
Vita S Holding (MKD)	non-specialised wholesale trade	North Macedonia	2,373,649	1,207,554	1,166,096	-141,582	0	80.00%



► Overview of companies with non-controlling interests

	Sava Osiguranje		Sava Station		TBS Team 24		S Vita Holding		PZU Vita S	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Non-controlling interest as % of equity	6.14%	6.14%	6.14%	6.14%	10.00%	12.50%	25.00%	20.00%	25.00%	–
Non-controlling interest voting rights	0.915%	0.915%	0.915%	0.915%	10.00%	12.50%	25.00%	20.00%	25.00%	–
Statement of profit or loss and other comprehensive income										
Income	26,085,109	25,775,105	233,716	224,968	29,234,220	28,381,610	247,072	–	420,366	–
Net profit for the year	1,010,108	512,067	42,363	80,576	2,236,859	1,838,853	-283,850	-141,582	-251,247	–
– Of non-controlling interest	61,988	31,424	2,600	4,945	223,686	183,885	-70,963	-28,316	-62,812	–
Other comprehensive income	108,019	96,694	325	254	3,982	0	0	0	0	–
– Of non-controlling interest	6,629	5,934	20	16	398	0	0	0	0	–
Total comprehensive income	1,118,127	608,761	42,688	80,830	2,240,841	1,838,853	-283,850	-141,582	-251,247	–
– Of non-controlling interest	68,617	37,358	2,620	4,960	224,084	183,885	-70,963	-28,316	-62,812	–
Dividends to non-controlling interests	0	13,060	3,987	0	180,000	37,919	0	0	0	–
Statement of financial position										
Assets	29,271,077	27,625,593	621,345	457,942	6,848,063	6,334,973	2,927,185	2,373,649	2,225,637	–
Liabilities	19,232,072	18,659,424	222,102	35,018	4,554,128	4,481,878	1,598,647	1,207,554	2,346,727	–
Equity	10,039,005	8,966,169	399,243	422,924	2,293,936	1,853,095	1,328,538	1,166,096	-121,090	–

3.3 Consolidation principles

The parent company prepared both separate and consolidated financial statements as at 31 December 2025.

The consolidated financial statements of the Sava Insurance Group include Sava Re as the parent company and all companies directly or indirectly controlled by Sava Re. It controls a company if and only if it has all the following elements:

- power over the company (directs the relevant activities that significantly affect the company's returns),
- exposure, or rights, to variable returns from its involvement with the company, and
- the ability to use its power over the company to affect the amount of its returns.

The Group's consolidated financial statements also include associate companies in which the members of the Sava Insurance Group (parent and subsidiaries) hold, directly or indirectly, between 20% and 50% of all voting rights. Significant influence may also exist where less than 20% of the voting rights are held, provided such influence can be demonstrated.

All subsidiaries in the Sava Insurance Group are fully consolidated. The Group does not apply the exemption to exclude any of its companies from full consolidation. Interests in associates and joint ventures are accounted for in the consolidated financial statements using the equity method.

The financial year of the Group is the same as the calendar year.

Subsidiaries are fully consolidated as of the date of obtaining control and are deconsolidated as of the date that such control is lost.

Subsidiaries that manage pension funds (with the exception of Slovenia-based Sava Pokojninska Družba) and management companies that manage fund assets are consolidated without the fund assets themselves, as these assets are legally separate from the assets of the company managing them. Accordingly, these funds are not included in the consolidated financial statements.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Subsequently, goodwill is measured at cost less any impairment losses. The non-controlling interest is measured at the current proportionate share of the equity interests in the acquiree's recognised net assets.

When acquiring a non-controlling interest in a subsidiary (when the Group already holds a controlling interest), the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The Group recognises any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid directly in equity, and attributes it to the owners of the parent. The difference between cost and the carrying amount of the non-controlling interest is accounted for in equity under capital reserves.

Profits earned and losses made by subsidiaries are included in the Group's income statement. Intra-Group transactions (receivables and liabilities, expenses and income between the consolidated companies) have been eliminated.

All Group companies apply uniform accounting policies. If the accounting policies of a subsidiary differ from the accounting policies applied by the Group, appropriate adjustments are made to the financial statements of such subsidiary prior to the compilation of the consolidated financial statements to ensure compliance with the accounting policies of the Group.

3.4 Significant accounting policies

Significant accounting policies applied in the preparation of the consolidated and separate financial statements are set out below. In 2025, the Group applied the same accounting policies as in 2024.

Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the European Union. They have also been prepared in accordance with applicable Slovenian legislation (the Companies Act – ZGD-1). The Sava Insurance Group Financial Control Rules lay down accounting policies that must be followed by subsidiaries when reporting for consolidation purposes. The “Rules on accounting and accounting policies of Sava Re d.d.” set down in detail the accounting policies of the Company.

Interested parties can obtain information on the financial condition and results of operations of the Sava Insurance Group by consulting the annual report. Annual reports are available on Sava Re’s website and at its registered office.

In selecting and applying accounting policies and in preparing the financial statements, the Company’s management board seeks to ensure that the accounting information presented is understandable, relevant, reliable and comparable.

The Company’s management board approved the audited financial statements on 16 March 2026.

3.4.1 Measurement basis

The financial statements have been prepared on a going concern basis, which we demonstrate through capital adequacy and liquidity.

The Group and the Company maintain a robust and resilient solvency ratio, which remains well above regulatory requirements even under a range of adverse scenarios. This resilience has been confirmed through the Group’s own risk

and solvency assessment (ORSA). Further information on capital adequacy is provided in section [3.6.2 “Capital adequacy and capital management in the Sava Insurance Group and Sava Re”](#).

Both the Group and the Company are managing liquidity risk well, and we do not expect a significant increase in liquidity risk over the next 12 months. For the Company, the going concern assumption continues to apply, based on the expected cash flow from the core business and the composition of the investment portfolio, which can provide sufficient liquidity for a prolonged period of stress.

The financial statements have been prepared on the historic cost basis, except for financial assets – including policyholder assets – which are measured at either fair value or amortised cost.



3.4.2 Presentation currency, translation of transactions and items

The financial statements are presented in euros (EUR) without cents. For ease of presentation, some figures in the notes to the financial statements are rounded to million euro. The euro is the functional and presentation currency of Sava Re. The financial statements of the subsidiaries that have a functional currency different from the presentation currency are translated into euros as described below. Rounding of values may result in insignificant differences in the table totals.

All balances as at 31 December 2025 whose original value is in a foreign currency have been translated into euro at the rates of the European Central Bank (ECB) reference rate list published by the Bank of Slovenia as at 31 December 2025. Amounts in the income statements have been translated using the average exchange rate. Balances as at 31 December 2024 and 31 December 2025 have been translated at the applicable daily or monthly ECB exchange rate for each currency. If the Bank of Slovenia does not publish the exchange rate for a particular currency, the exchange rate published on Bloomberg is used. Foreign exchange differences

arising on settlement of transactions and on translation of monetary assets and liabilities are recognised in the income statement. Exchange rate differences associated with non-monetary items, such as equity securities carried at fair value through profit or loss, are also recognised in the income statement, while exchange rate differences associated with equity securities classified as available for sale are recognised in other comprehensive income. Since equity items in the statement of financial position as at 31 December 2025 are translated using the exchange rates of the ECB on that day and since interim movements are translated using the average exchange rates of the ECB, any differences arising therefrom are disclosed in the equity item foreign currency translation reserve.

In the consolidated financial statements, exchange rate differences resulting from the translation of a net investment in a foreign subsidiary are recognised in the equity item translation reserve.

In measuring insurance contracts under IFRS 17, an individual group of insurance contracts that generates cash flows in a foreign currency, including the contractual service margin, is treated as a monetary item. The Company and the Group have endorsed the single currency denomination

approach, which means that a single currency is determined for the calculation of the contractual service margin based on the prevailing currency of cash flows. The dominant or principal currency for a contract may be determined in the underwriting process or may be determined on the basis of the prevailing cash flows of the contracts included in a group of contracts, for example, portfolios of contracts from specific foreign markets.

3.4.3 Use of major accounting estimates and sources of uncertainty

Assumptions and other sources of uncertainty relate to estimates that require management to make complex, subjective and comprehensive judgements. The most important areas that involve significant management judgement are presented below.

- The source of uncertainty and significant risk in measuring insurance and reinsurance contracts is discussed in section [3.4.20.7 “Measurement of \(re\)insurance contracts issued”](#):
 - Estimates of future cash flows are derived using deterministic forecasting models.
 - The adjustment of the expected cash flows for the time value of money and the financial risks associated with those cash flows is

calculated using current discount rates determined using a bottom-up approach.

- The Group and the Company use deterministic and stochastic models to calculate value at risk and tail value at risk, when calculating risk adjustments for non-financial risk.
- The need for impairment of goodwill is assessed using the accounting policy under section [3.4.6 “Goodwill”](#) and note [3.7.1](#).
- The method for determining the need for impairment of investments in subsidiaries and associates is set out in accounting policy [3.4.12 “Investments in subsidiaries and associates”](#) and in note [3.7.6](#).
- Financial investments, investment contract assets and assets held for the benefit of policyholders who bear the investment risk: The classification, recognition, measurement and derecognition, impairment of investments and fair value measurement are based on the accounting policy set out in section [3.4.13 “Financial investments”](#). Movement in investments and their classification are shown in note [3.7.7](#), whereas the related income and expenses are shown in note [3.7.38](#).

Other areas of management judgement:

- The determination of the fair value of land and buildings for the purpose of impairment testing is disclosed in section [3.4.7](#).
- The determination of the fair value of investment property for the purpose of impairment testing is disclosed in section [3.4.11](#), and the fair value of investment property is disclosed in note [3.7.35](#).
- Intangible assets are tested for impairment at least annually. If there is any indication of impairment, the recoverable amount of the intangible asset is reviewed.
- Deferred tax assets and liabilities are recognised when temporary differences arise between the carrying amounts of assets or liabilities in the financial statements and their respective tax bases. For details, see section [3.4.10](#); deferred tax assets and liabilities are presented in note [3.7.4](#).
- Receivables are impaired in line with the accounting policy set out in section [3.4.15](#) “[Receivables](#)”.
- The actuarial assumptions used in the calculation of employee benefits for severance pay upon retirement and jubilee benefits are described in section [3.4.21](#) “[Other provisions](#)”, and the sensitivity analysis of the assumptions used is presented in note [3.7.31](#) “[Other provisions](#)”.
- The valuation of non-current assets held for sale is set out in section [3.4.9](#).

3.4.4 Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash flow statement has been prepared as the sum of all cash flows of all Group companies less any intra-Group cash flows. Cash flows from operating activities are derived from the 2025 statement of financial position and income statement, with appropriate adjustments for items that do not constitute cash flows. Cash flows from financing and investing activities are shown based on actual receipts and disbursements. Items relating to changes in net current assets are shown net.

3.4.5 Intangible assets

Intangible assets, except goodwill, are stated at cost, including any expenses directly attributable to preparing them for their intended use, less accumulated amortisation and any impairment losses. Amortisation is calculated for each item separately, on a straight-line basis. Intangible assets are first amortised upon their availability for use.

Intangible assets include computer software and software-related licences (which typically have a useful life of between 5 and 7 years). In case of recognition of a specific intangible asset (such as a customer list or contractual customer relationships), the useful life is determined for each such asset separately.

Intangible assets are tested for impairment at least annually. If there is any indication of impairment, the recoverable amount of the intangible asset is reviewed. The recoverable amount is the net value in use estimated using future cash flows. Value in use is determined based on management’s assessment.

If the recoverable amount exceeds or is equal to the carrying amount, the asset is not impaired. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.





3.4.6 Goodwill

Goodwill arises on the acquisition of subsidiaries. In acquisitions, goodwill relates to the excess of the cost of the business combination over the acquirer’s interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired company. If the excess is negative (a gain on a bargain purchase), it is recognised directly in the income statement. The recoverable amount of the cash-generating unit so calculated is compared against its carrying amount, including goodwill belonging to such unit. The recoverable amount of an asset or cash-generating unit is the higher of: its fair value less costs of disposal and value in use. Goodwill is not amortised.

Method of calculating value in use

Value in use for each cash-generating unit is calculated using the discounted cash flow method (DCF method). The starting point for the calculation is the detailed business plans of each acquired company representing a cash-generating unit and the estimate of the long-term results achievable. Value in use is determined by reference to free cash flows discounted at an appropriate discount rate.

The discount rate is determined as the cost of equity (COE), using the capital asset pricing model (CAPM). It is based on the interest rate on risk-free securities, equity risk premium, and insurance business prospects applying the beta factor. Added are a country risk premium and a size premium.

The elements of the discount rate have been taken from the following sources:

- The risk-free rate of return is based on the yield to maturity of 30-year German government bonds (source: Bloomberg).
- The equity risk premium has been taken from the publication of KPMG “Equity market risk premium,” Research Summary, December 2025.
- Tax rates included in the discount rate calculation are the applicable tax rates in individual countries where companies operate.
- Beta for individual industries has been calculated with reference to comparable companies of the same industry of MSCI Small Cap Europe (source: Bloomberg).
- The country risk premiums have been calculated as the difference between the yield to maturity of German long-term government bonds and a comparable local bond issued (source: Bloomberg).
- Size premium: CRSP deciles study, KROLL, December 2024.

The bases for the testing of value in use are prepared in several phases: In phase one, the Company prepares five-year projections of performance results for each company as part of the regular planning process unified Group-wide. These strategic plans are approved by the parent company and confirmed by the relevant governance body. For insurance, pension and mutual fund management companies, it is additionally assessed whether the capital required for an insurance company to operate under local regulations would be fully engaged.

Premium growth and profitability was planned for foreign insurance companies in five-year projections in view of the low insurance penetration rates. Insurance penetration is expected to increase markedly due to the expected convergence of their countries’ macroeconomic indicators towards levels common in western European countries. Western Balkan markets, which have a relatively low penetration rate, are expected to see a faster growth in gross premiums than in expected GDP.

The profitability of pension companies is expected to grow, driven by increased contributions to pension funds as the result of demographic trends and at relatively fixed operating costs.

To estimate the residual value used in the calculation of the estimated value of equity, the calculation considers normalised cash flow in the last year of the forecast made using the Gordon growth model. The valuations used a long-term growth rate (g) of the risk-free rate of return (3.5%) to estimate the residual value beyond the projection period.

A cash-generating unit consists of an individual company. Movement in goodwill is discussed in detail in section [3.7.1](#).

Goodwill of associate companies is included in their respective carrying amount. Any impairment losses on their goodwill are treated as impairment losses on investments in associate companies.

Section [3.7.1](#) sets out the main assumptions for cash flow projections with a calculation of value in use.



3.4.7 Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost, including cost directly attributable to the acquisition of the asset. Subsequently, the cost model is applied: assets are carried at cost, less accumulated depreciation and any impairment losses.

Items of property, plant and equipment are first depreciated upon their availability for use. Depreciation is calculated for each item separately, on a straight-line basis. Depreciation rates are determined so as to allow the cost of property, plant and equipment assets to be allocated over their estimated useful lives.

An assessment is made annually to determine whether there is any indication of impairment. If any such indication exists, an estimate of the recoverable amount of the asset is made. The recoverable amount is the higher of the value in use and fair value less costs to sell. If the recoverable amount exceeds or is equal to the carrying amount,

the asset is not impaired. Value in use is assessed in terms of a cash-generating unit, with a company as a whole constituting a cash-generating unit.

Gains and losses on the disposal of items of property, plant and equipment, calculated as the difference between sales proceeds and carrying amounts, are included in profit or loss. The costs of routine property, plant and equipment maintenance and repairs are recognised in profit or loss as incurred.

The cost of major repairs and replacement of part of an item of property, plant and equipment is recognised in the carrying amount of the asset, if it is probable that future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. Replaced parts are derecognised.

Investments in property, plant and equipment assets that increase future economic benefits are recognised in their carrying amount.

3.4.8 Right-of-use assets and lease liability

At inception of a contract, an assessment is made whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

At the commencement date of the lease, an asset acquired under a lease is recognised as a right-of-use asset and a lease liability. Short-term leases (of up to 12 months) and low-value leases (the cost of an asset is less than EUR 5000) are exempt from recognition as right-of-use assets and lease liabilities. Short-term and low-value leases are treated by the Group companies as lease expenses, which are recognised in the income statement and classified within operating activities in the cash flow statement.

► Depreciation rates of property, plant and equipment assets

Depreciation group	Rate
Land	0.0%
Buildings	1.3%–2.0%
Transportation means	15.5%–20.0%
Computer equipment	33.33%
Office and other furniture	10.0%–12.5%
Other equipment	6.7%–20.0%



Right-of-use assets are measured applying a cost model. On initial recognition at the commencement date of the lease, the cost of a right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, any initial direct costs incurred by the lessee, and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset. On subsequent measurement, the initial cost of a right-of-use asset is reduced by any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use assets are depreciated on a straight-line basis over the lease term. If, by the end of the lease term, the lease transfers the ownership of the underlying asset to the lessee, or if the value of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee depreciates the right-of-use asset from the commencement date until the end of the useful life of the underlying asset. Otherwise, the lessee depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee uses the lessee's incremental borrowing rate. After initial recognition, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made. Right-of-use assets and lease liability are recognised net of taxes.

The lessee's incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate is determined based on the yield to maturity of unsecured bonds given the credit rating of Sava Re and the maturity profile (1–30 years). To this is added a country risk premium as the difference between the credit rating of each country and that of Sava Re, which already includes the country risk of Slovenia.

The lease term is the non-cancellable period for which a lessee has the right to use an underlying

asset. The lease term includes periods covered by an option to extend the lease, if the lessee is reasonably certain to exercise that option, and periods covered by an option to terminate the lease, if the lessee is reasonably certain not to exercise that option.

For leases of indefinite duration and leases with an extension option, the lease term is either contractually fixed or estimated based on the Group's past experience and strategic priorities.

Right-of-use assets and lease liability are presented as two separate line items in the statement of financial position. In the income statement, the depreciation charge is a component of operating expenses or expenses, whereas interest expense is a component of finance costs. In the statement of cash flows, cash payments for the principal portion of the lease liability are classified within financing activities, and cash payments for the interest portion within operating activities.

A lease modification is deemed a separate lease only if it involves the addition of the right to use one or more underlying assets at a price that would apply if the additional asset were leased on a stand-alone basis. The existing liability is remeasured by taking into account the new level of the consideration for the lease, when the new asset is added, the total consideration

is spread evenly over all the related underlying assets, taking into account the new lease term, and remeasuring the lease liability using the new discount rate in effect at the time of the modification.

On the other side, an adjustment is made to the right-of-use asset based on the difference between the remeasured liability and the liability before the modification. If the carrying amount of the latter is zero and there is a further reduction in the measurement of the lease liability, any remaining amount of the remeasurement is recognised in profit or loss.

3.4.9 Non-current assets held for sale

A non-current asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, its sale must be highly probable, and it must be available for immediate sale in its present condition. There must be a management commitment to sell the asset, and the sale should be completed within one year. Such assets are measured at the lower of the assets' carrying amount or fair value less costs to sell. Non-current assets are tested for impairment at least annually. If there is any indication of impairment, the recoverable amount of the non-current asset is reviewed.

3.4.10 Deferred tax assets and liabilities

Deferred tax assets and liabilities are amounts of income taxes expected to be recoverable or payable, respectively, in future periods depending on taxable temporary differences. Temporary differences are differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Deferred tax assets and liabilities are established from:

- temporary non-deductible impairment losses on investments in portfolio securities,
- established allowances for receivables,
- unused tax losses,
- provisions for employees and actuarial gains/ losses resulting from their calculation,
- revaluation of investments to fair value,
- the effect of changes in interest rates on the calculation of insurance and reinsurance liabilities.

Deferred tax liabilities are created for fair value adjustments and on initial recognition of intangible assets (customer lists or contractual relationships with customers) on acquisition of a new company. For Group companies that have not yet adopted IFRS 17 and IFRS 9 by 31 December 2025, deferred tax liabilities have been recognised.

Deferred tax assets and liabilities of a Group company are offset only if they relate to income taxes levied by the same taxation authority and when the company has a legally enforceable right to set off current tax assets against current tax liabilities. In the consolidated financial statements, deferred tax assets and liabilities are offset depending on the jurisdiction.

A deferred tax asset is recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

3.4.11 Investment property

Investment property comprises assets not used directly for carrying out business activities but held to earn rent or to realise capital gains at disposal. Investment property is accounted for using the cost model and straight-line depreciation. Investment property is depreciated at the rate of 1.3–2.0%. The basis for calculating the depreciation rate is the estimated useful life. All leases where the Group companies act as lessors are cancellable operating leases. Lease payments (rentals) received are recognised as income on a straight-line basis over the lease term. A cash-generating unit consists of an individual property. An assessment is made annually as

to whether there is an indication of impairment of investment property. If any such indication exists, an estimate of the recoverable amount of the asset is made. The recoverable amount is the higher of the value in use and the net selling price less costs to sell. If the recoverable amount exceeds or is equal to the carrying amount, the asset is not impaired.

3.4.12 Investments in subsidiaries and associates

Investments in subsidiaries are measured at cost, less any impairment losses. Subsidiaries are entities in which the Company holds more than 50% of voting rights and which the Company controls, i.e. has the power to control their financial and operating policies so as to obtain benefits from their activities. Subsidiaries are included in the consolidated financial statements using the full consolidation method.

Associates are entities in which the Company holds between 20% and 50% of voting rights or over which the Company has significant influence. In Sava Re’s separate financial statements, associates are measured at cost less impairment losses, and, in the consolidated financial statements, they are accounted for using the equity method.

Impairment

Impairment testing in Group companies and associates is carried out at least on an annual basis. Pursuant to IAS 36, the controlling company, when reviewing whether there are indications that an asset may be impaired, considers external (changes in market or legal environment, interest rates, elements of the discount rate, capitalisation) as well as internal sources of information (business volume, manner of use of asset, actual versus budgeted performance results, decline in expected cash flows and such like).

If impairment is necessary, an impairment test is carried out for each individual investment by calculating the recoverable amount of the cash-generating unit based on the value in use. Cash flow projections used in these calculations are based on the business plans approved by the management for the period until and including 2030. The discount rate used is based on market rates adjusted to reflect company-specific risks. The recoverable amount of each cash-generating unit so calculated was compared to its carrying amount.

Main assumptions for cash flow projections with calculations of value in use

Discounted cash flow projections are based on the Group companies’ business plans covering a 5-year period (business plans for individual companies for the period 2026–2030).

Growth in premiums earned by insurance companies reflects the growth expected in their insurance markets, as well as the characteristics of their portfolios (a small share of non-motor business). All markets in which these insurance companies operate have low insurance penetration (measured as the ratio of gross premiums written to GDP). However, insurance penetration is expected to increase due to the expected convergence of their countries’ macroeconomic indicators towards EU levels. Social inflation is also expected to rise, i.e. claims made against insurance companies are expected to become more frequent and higher. Costs are expected to lag slightly behind premiums owing to expected business process optimisation in subsidiaries. Business process optimisation will thus contribute to the growth in net profits.

Growth in pension companies’ revenues is due to increased contributions to pension funds as a result of demographic trends, at relatively fixed operating costs, which may lead to greater profitability.

The discount rate is determined as the cost of equity (COE), using the capital asset pricing model (CAPM). It is based on the risk-free interest rate and equity premium, as well as prospects for the relevant business. Added are a country risk premium and a size premium.

Assessments as to whether there is any indication of impairment of investments in subsidiaries are made using the same model as for goodwill. For more information on the assumptions, see section [3.4.6 “Goodwill”](#).

3.4.13 Financial investments

Financial investments and financial liabilities are classified, recognised and measured in accordance with IFRS 9 “Financial Instruments”, as further described as follows.

3.4.13.1 Classification

In accordance with IFRS 9, the Group and the Company classify financial assets on the basis of both their business models for managing the financial assets and the contractual cash flow characteristics of their financial asset. On initial recognition, a financial asset is classified into one of the following measurement categories:

- at amortised cost (AC),
- at fair value through other comprehensive income (FVOCI), and
- at fair value through profit or loss (FVTPL).

The business model for managing financial assets reflects the management of a group of financial assets to achieve certain objectives. The management of such a group of financial assets is based on:

- the nature of the company’s liabilities supported by any investment portfolio;
- how the performance of a business model and the financial assets held within that business model are evaluated and reported to the key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated.

The business model is determined based on a consideration of the main factors mentioned above that influence the purpose of achieving the asset management objectives.

The following business models are defined:

- a business model whose objective is to hold assets in order to collect contractual cash flows (the hold-to-collect model),
- a business model whose objective is to both collect contractual cash flows and sell financial assets (the hold-to-collect-and-sell model),
- other business models.

For the purpose of classifying financial assets in terms of their contractual cash flow characteristics (the SPPI test), the principal amount represents the fair value of the financial asset at initial recognition. For the purpose of classifying financial assets in terms of their contractual cash flow characteristics (the SPPI test), interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

A financial asset is measured **at amortised cost (AC)** if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



A financial asset is measured **at fair value through other comprehensive income (FVOCI)** if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured **at fair value through profit or loss (FVTPL)** if:

- it is a debt instrument and does not fall into one of the above measurement categories (AC/FVOCI),
- it is an equity instrument and is not designated for measurement at fair value through other comprehensive income (FVOCI option),
- it eliminates or significantly reduces an “accounting mismatch”,
- it is a derivative.

Assets measured at amortised cost in accordance with IFRS 9 are deposits with a maturity of more than three months, loans and debt securities classified as hold to collect at the date of transition to IFRS 9 that the Group and the Company will hold to maturity.

The Group and the Company classify debt instruments into the hold to collect and sell business model. The classification of an investment in this business model is subject to the SPPI test, which confirms that the contractual cash flows are solely payments of principal and interest.

It follows from the above that the Group and the Company have the majority of their debt securities classified as financial assets measured at fair value through other comprehensive income (FVOCI).

Under IFRS 9, equity instruments are classified as at fair value through profit or loss, but the option to measure at fair value through other comprehensive income (FVOCI) exists for shares and participations in accordance with the standard. The Group companies have equity instruments classified mainly in the fair value through profit or loss (FVTPL) group.

Other types of investments, such as units in collective investment undertakings, ETFs, alternative funds, etc. are classified as measured at fair value through profit or loss (FVTPL) under IFRS 9.

Classification of financial liabilities

The Group and the Company classify financial liabilities as subsequently measured at amortised cost. The Group and the Company do not have any financial liabilities that are irrevocably designated as at fair value through profit or loss at initial recognition as this results in more relevant information because it eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the related gains and losses on different bases.

3.4.13.2 Recognition, measurement and derecognition

Initial recognition

The Group and the Company recognise a financial asset or a financial liability in their statements of financial position when, and only when, the Group and the Company become party to the contractual provisions of the financial instrument. When the Group and the Company first recognise a financial asset, it is classified and measured in accordance with the Group’s and the Company’s accounting policies.

A regular way purchase or sale of a financial asset is recognised and derecognised using trade date accounting.

Except for trade receivables, at initial recognition, the Group and the Company measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

After initial recognition, the Group and the Company measure a financial asset at:

- amortised cost,
- fair value through other comprehensive income, or
- fair value through profit or loss.

The Group and the Company apply the impairment requirements of the standard to financial assets that are measured at amortised cost and financial assets that are measured at fair value through other comprehensive income.

After initial recognition, the Group and the Company measure a financial liability at:

- amortised cost, or
- fair value through profit or loss.



Amortised cost measurement

Financial assets measured at amortised cost are measured using the effective interest method. They are stated at the principal amount outstanding, plus any unpaid interest and fees, less any impairment. Interest income is calculated using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for:

- a. purchased or originated credit-impaired financial assets. For those financial assets, the Group and the Company apply the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition,
- b. financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For these financial assets, the Group and the Company apply the effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.

The effective interest rate is determined when the investments are purchased. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the

expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with the accounting policies, the Group and the Company recalculate the gross carrying amount of the financial asset and recognise a modification gain or loss in profit or loss.

The Group and the Company directly reduce the gross carrying amount of a financial asset when they have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

Derecognition

The Group and the Company derecognise a financial asset when, and only when, the contractual rights to the cash flows from the financial asset expire, or the financial asset is transferred, and the transfer qualifies for derecognition in accordance with the Group’s

and the Company’s accounting policies. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

The Group and the Company remove a financial liability (or part of a financial liability) from their statements of financial position when, and only when, it is extinguished, i.e. the contractual obligation is discharged, cancelled or expires. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3.4.13.3 Impairment of financial investments
General approach

The Group and the Company apply the expected credit loss concept under IFRS 9, which is based on the recognition and measurement of an allowance for expected credit losses for financial assets measured at amortised cost or fair value through other comprehensive income (bonds,

deposits, loans granted). In the case of a financial asset measured at fair value through other comprehensive income, an allowance for expected credit losses is recognised in other comprehensive income and does not result in a reduction in the carrying amount of the financial asset in the statement of financial position.

The Group and the Company determine the expected credit loss by recognising and measuring a loss allowance for expected credit losses, which is calculated based on the classification into one of three stages:

Stage 1: for assets for which credit risk has not increased significantly since initial recognition, expected 12-month credit losses are calculated.

Stage 2: for assets for which credit risk has increased significantly since initial recognition, lifetime expected credit losses are calculated.

Stage 3: for assets that are credit-impaired or in default, where the lifetime expected credit loss is calculated and considers the appropriate probability of default as well as expected cash flows stemming from proceeds from sale, etc., but at the net carrying amount (the gross carrying amount less any impairment loss).

At each investment valuation, the Group and the Company perform a classification into stages based on the information obtained on the change in the credit risk of each issuer. In order to assess significant increases in credit risk, the Group and the Company regularly monitor and analyse any changes in external credit ratings obtained from external credit assessment institutions (ECAIs). The first measure of increased credit risk since initial recognition used by the Group and the company is a three-notch downgrade or reclassification of the investment from investment grade to speculative grade. An additional assessment of increased credit risk is also carried out if the payment of obligations related to an individual financial instrument is delayed by more than 30 days.

In addition, the Group and the Company use an internal model to assess external credit ratings or use internal credit ratings to identify increased credit risk, monitor the zero-volatility spread (Z-spread) of investments and other available qualitative information when an external credit rating is not available.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. For assets for

which credit risk has increased significantly since initial recognition, lifetime expected credit losses are calculated.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

Expected credit losses are determined based on historical data on recoverability, expected macroeconomic trends and certain other factors that indicate the expected solvency of a debtor. The main input parameters for determining credit losses are the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The expected credit loss is the product of the expected probability of default, the expected loss given default and the expected exposure at the time of default.

The Company and the Group obtain the PD parameter from Moody’s rating reports, where long-term averages of default rates and transition matrices from initial to final rating over a given period can be obtained. The reports are separate for corporate and government bonds, and the data is updated once a year. The underlying data have been adjusted based on expectations for the economic situation, thus achieving the forward-looking approach required by the standard.

The standard provides no guidance on how to determine the loss given default (LGD) or the recovery rate (RR), which is why the Group and the Company follow established practice and use data provided by credit rating agencies annually calculated based on historical data. Such reports contain a section on corporate and one on government bonds. Due to ease of access and the comprehensive presentation of default rates in reports, the Group’s and the Company’s methodology has focused on the credit rating agency Moody’s, while comparative information can also be obtained from the reports prepared by S&P Global Ratings.

Definition of default

When assessing counterparty default risk, the Group and the Company consider criteria such as at least one credit rating agency determining that the issuer or a specific issue of financial instruments is in default (excluding technical default, i.e. a delay of a purely technical nature), or a delay in the payment of the contractual principal or interest exceeding 90 days.

Write-off

The Group and the Company write off an asset if there is no reasonable expectation that the financial asset will be recovered, in whole or in part. A write-off is treated as a derecognition event.

3.4.13.4 Gains and losses

Any gain or loss arising from a change in the fair value of financial assets at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Dividends are recognised in profit or loss only when:

- the entity’s right to receive payment of the dividend is established,
- it is probable that the economic benefits associated with the dividend will flow to the entity, and
- the amount of the dividend can be measured reliably.

At initial recognition, the Group and the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised in other comprehensive income. If an entity makes this election, it recognises in profit or loss dividends from that investment.

A gain or loss on a financial asset that is measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the financial asset is derecognised, reclassified, through the amortisation process or in order to recognise impairment gains or losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When a financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Interest calculated using the effective interest method is recognised in profit or loss.

3.4.13.5 Determination of fair values

The Group and the Company measure all financial instruments at fair value, except for deposits, shares not quoted in any regulated market that do not represent a significant portion of the investment portfolio, loans (assuming that their carrying amount is a reasonable approximation of fair value) and financial instruments measured at amortised cost. The fair value of investment property, land and buildings used in business operations and the fair value of financial instruments measured at amortised cost are set out in note [3.7.35](#).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either (i) in the principal market for the asset or liability, or (ii) in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or most advantageous market must be accessible to the Group and the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Valuation techniques are used that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

On the valuation date, the fair value of a financial investment is established by determining the price in the principal market based on:

- For stock exchanges: the quoted closing price on the valuation date or on the last trading day of the stock exchange on which the investment is listed.
- For OTC debt markets: the quoted CBBT closing bid price or, if this is not available, the Bloomberg BVAL bid price, which may not be more than 15 days old.
- For OTC equity markets: the Bloomberg price.
- The price calculated based on an internal valuation model or yield curve valuation.

For valuation purposes, the Group and the Company use the closing price on the stock exchange or the published CBBT bid price for debt investments (in accordance with Bloomberg's methodology) as the unadjusted quoted price, while the BVAL bid price calculated on the basis of the internal valuation model or a yield curve valuation does not represent an unadjusted quoted price.

The BVAL bid price (in accordance with Bloomberg's defined methodology) represents a price that is not quoted but calculated based on directly and indirectly observable market inputs. When calculating the price using a valuation model, the Group and the Company first use directly and indirectly observable market inputs. If these are not available, the Group and the Company determine the price of a financial investment using a model with unobservable inputs, as defined in IFRS 13.86 to IFRS 13.90.

To assess the quality of the BVAL rate, the Company uses the BVAL Score, the number of direct observations and the proportion and age of quotes.



Assets and liabilities measured or disclosed at fair value in the financial statements are measured and presented in accordance with the IFRS 13 fair-value hierarchy that categorises the inputs of valuation techniques used to measure fair value into three levels.

Assets and liabilities are classified based primarily on the availability of market information, which is determined by the relative levels of trading identical or similar instruments in the market, with a focus on information that represents actual market activity or binding quotations of brokers or dealers.

Investments measured or disclosed at fair value are presented in accordance with the levels of fair value, which categorises the inputs used to measure fair value into the following three levels of the fair value hierarchy:

- Level 1: financial investments for which fair value is determined based on quoted prices (unadjusted) in active markets for identical financial assets that the Company can access at the measurement date. This level includes the prices of debt investments with CBBT prices

and those BVAL prices that are composed exclusively of direct observations with at least 90% binding quotes and where at least 3 binding quotes must not be more than one day old.

- Level 2: financial investments whose fair value is determined using data that are directly or indirectly observable other than quoted prices included within level 1. Level 2 data in accordance with IFRS 13.82 thus include:
 - quoted prices for similar financial investments in active markets,
 - quoted prices for identical or similar financial investments in markets that are not active,
 - inputs other than quoted prices that are observable for financial investments,
 - market-corroborated inputs.

This level includes BVAL prices of debt investments that consist of at least 90% direct observations, where market inputs are used for a directly or indirectly identical or similar asset, and where at least 3 quotes must be no more than 15 days old.

- Level 3: financial investments for which observable market data is not available. Fair value is thus determined based on valuation techniques using inputs that are not directly or indirectly observable in the market. The Company classifies securities valued using an internal model that does not take into account level 2 inputs into this level. This level includes BVAL prices of debt investments that do not meet the criteria for level 1 or level 2 and for which the inputs for the model-based valuation are not readily and objectively determinable and available to the company. The Group and the Company classify their investments in alternative funds (such as real-estate funds, infrastructure funds, private debt funds and private equity funds) into Level 3. There are no market prices available for such investments; therefore, valuation based on available market data is not possible.

In accordance with IFRS 13.97 and accounting policies, the Group and the Company categorise within the fair value hierarchy also those financial

investments that are not measured at fair value in the statement of financial position but for which the fair value is disclosed.

The policy for determining when transfers between levels of the fair value hierarchy are deemed to have occurred is disclosed and is fully complied with. The policy on the timing of recognising transfers is the same for transfers into the levels and out of the levels. Examples of policies include: (a) the date of the event or change in circumstances that caused the transfer; (b) the beginning of the reporting period; (c) the end of the reporting period. The Group and the Company review the classification of investments into the three levels of the fair value hierarchy on a half-yearly basis. To this end, they apply the rules for determining the fair value set out under note [3.7.35](#). If the conditions for classification change, financial investments are reclassified into the relevant level.

The following table shows the classification of financial investments according to the inputs used and market activity.



► **Determination of fair values**

Asset class / principal market	Level 1	Level 2	Level 3
Debt securities			
OTC market	• Debt securities measured based on the CBBT price in an active market. • Debt securities valued at the BVAL price if no CBBT price exists and which have a BVAL price composed exclusively of direct observations, with at least 90% of firm quotes, with at least 3 firm quotes no more than one day old.	• Debt securities measured based on the CBBT price in an inactive market. • Debt securities valued at the BVAL price if no CBBT price is available and where the BVAL price consists of at least 90% direct observations, with at least 3 quotes no more than 15 days old. • Debt securities measured using an internal model based on level 2 inputs.	• Debt securities measured using an internal model that does not consider level 2 inputs. • Debt securities measured using BVAL prices, if no CBBT price is available and the BVAL price does not meet the criteria for level 1 or 2 and for which the inputs for the model-based valuation are not readily and objectively determinable and available to the company.
Stock exchange	• Debt securities measured based on stock exchange prices in an active market.	• Debt securities measured based on stock exchange prices in an inactive market. • Debt securities measured using an internal model based on level 2 inputs.	• Debt securities measured using an internal model that does not consider level 2 inputs.
Quoted portfolio shares			
Stock exchange	• Shares measured based on prices in an active market.	• Debt securities measured based on stock exchange prices in an inactive market. • Debt securities measured using an internal model based on level 2 inputs.	• Shares are measured using an internal model that does not consider level 2 inputs.
Mutual funds			
	• Mutual funds measured at the quoted unit value on the measurement date.		
Alternative funds			
			• The fair value is determined based on the valuation of individual projects for which discounted cash flow methods are used.
Deposits with a maturity of more than 3 months and loans			
			• Measured at amortised cost.

3.4.14 Investment contract assets and liabilities

Contracts of homogeneous groups are classified as investment contracts if they bear significant financial risk and are accounted for in accordance with IFRS 9. Investment contract assets and liabilities only include the investment contract assets and liabilities of the company Sava Pokojninska, which manages pension funds. Investment contract assets comprise the assets supporting the liability funds “My Life-Cycle Funds” for the transaction of voluntary supplementary pension business. Valuation is described in section [3.4.13 “Financial investments”](#). Classification and valuation of assets is presented in detail in note [3.7.8](#). Investment contract liabilities are liabilities arising out of pension insurance business under group and individual plans for voluntary supplementary pension insurance, for which the administrator maintains personal accounts for pension plan members. These are liabilities relating to the voluntary supplementary pension life liability fund for premiums paid, guaranteed returns and additional liabilities to cover the difference between the actual return and the guaranteed return. Investment contract liabilities are presented in note [3.7.8](#).

Sava Pokojninska initially recognises investment property assets in respect of pension fund business under investment contract assets using the cost model, plus any transaction costs. The following measurements are made using the fair value model due to regulatory requirements and the fact that these are pension fund assets. An assessment is made annually as to whether there is an indication of impairment of investment property. If such indications exist, the process of assessing the value is initiated. At least every three years, appraisals are carried out by certified real estate appraisers licensed by the Slovenian Institute of Auditors. The amounts of investment property in investment contract assets are not adjusted for consolidation purposes.

3.4.15 Receivables

3.4.15.1 Recognition of receivables

Initial recognition of receivables is based on invoices or other credible documents (e.g. interest statement). Receivables comprise receivables from accrued interest receivable, prepayments receivable and other receivables that can be allocated to individual debtors. In the statement of financial position, receivables are stated at amortised cost. Depending on the significance

of each type of receivable in the companies' financial statements, an allowance is recognised for expected credit losses based on the debtor's expected future solvency in accordance with IFRS 9. Impairment is recognised using a simplified approach where the loss allowance is measured as an amount equal to the lifetime expected credit losses. The Group companies do not recognise impairment losses on current receivables and on receivables that are regularly paid by the debtor.

The Group companies have pledged no receivables as security.

3.4.15.2 Receivables write-offs

Write-offs of receivables require appropriate supporting documents, such as a court decision, bankruptcy order or other document evidencing that the company has lost its legal title, or in cases where it is evident that collection is not meaningful due to excessive costs of the proceedings.

3.4.16 Other assets

Other assets consist of capitalised short-term accruals and deferrals, namely short-term deferred costs.

3.4.17 Cash and cash equivalents

The statement of financial position and cash flow item "cash and cash equivalents" comprises:

- cash, including cash in hand, cash in bank accounts of commercial banks and other financial institutions, and overnight deposits, and
- cash equivalents, including demand deposits and deposits with an original maturity of up to three months.

3.4.18 Equity

Equity consists of:

- share capital, i.e. the par value of paid-up ordinary shares expressed in euros;
- capital reserves comprise amounts paid up in excess of the par value of shares;
- profit reserves comprise reserves provided for in the articles of association, legal reserves, the capital redemption reserve and other profit reserves;
- treasury shares acquired in line with a share repurchase programme published on the Company's website (at www.sava-re.si/en-si/investor-relations/our-share/);
- accumulated other comprehensive income – revaluation of financial investments, changes in interest rates used to calculate insurance and reinsurance contract liabilities, and actuarial gains and losses on provisions for employees;

- retained earnings;
- net profit or loss for the year;
- foreign currency translation reserve;
- non-controlling interest.

Reserves provided for by the articles of association are used for:

- covering net losses that cannot be covered (in full) out of retained earnings and other profit reserves, or when these two sources of funds are insufficient to cover the net loss in full (an instrument of additional protection of tied-up capital);
- increasing share capital;
- regulating the dividend policy.

Pursuant to the Companies Act, the Company's management board has the power to allocate up to half of the net profit to other reserves.

3.4.19 Subordinated liabilities

Subordinated liabilities of the Group and the Company represent a long-term liability of the Group and the Company in the form of two subordinated bond issues to be used for general corporate purposes of the Sava Insurance Group and to optimise its capital structure and are valued at amortised cost. Details are set out in note [3.7.30](#).



3.4.20 Insurance contracts

3.4.20.1 Description of products

The Group issues the following types of insurance contracts:

- Non-participating life insurance contracts measured using the general approach, which include:
 - fixed and decreasing term life insurance contracts purchased with a single premium or instalments and
 - endowment policies.
- Direct participating life insurance contracts comprising:
 - life insurance contracts linked to units of mutual funds or internal funds, in some cases with an interest-rate guarantee, measured using the variable fee approach; and
 - hybrid life insurance contracts, part of which is linked to units of mutual funds, measured using the variable fee approach, and part of which is an endowment insurance contract with an interest-rate guarantee, which in some cases is valued separately using the general approach.

- Life insurance contracts with indirect or discretionary participation features, which include:
 - Endowment life insurance contracts or whole life insurance contracts with guaranteed sums assured and participation features. The cash flows of these insurance contracts depend on the performance of the life insurance portfolio and/or the returns on the underlying items, where the underlying items are not specified in the insurance contract. The Group measures these contracts using the modified general approach.
- Investment contracts with discretionary participation features
 - These contracts entitle the policyholder to additional amounts based on the performance of the underlying items. These amounts are at the discretion of the Group and are expected to represent a significant proportion of the distributions. Such contracts are measured using the modified general approach.
- Immediate annuities in accordance with ZPIZ-2, which include:
 - annuities with a guaranteed interest rate and, in some cases, a guaranteed annuity payout period, measured using the modified general approach.

- Non-life insurance contracts, which include:
 - motor, property, miscellaneous financial loss, liability, marine and aircraft, goods in transit, credit, suretyship, accident and supplementary health insurance, with multi-year accident, credit, suretyship, construction and erection insurance contracts mainly measured using the general approach and all other contracts measured using the premium allocation approach.
- Reinsurance contracts issued, including:
 - quota share, surplus, excess of loss and stop loss reinsurance covers. Reinsurance contracts issued are primarily measured using the general approach, and partly the premium allocation approach.

The Group and the Company also have reinsurance contracts that transfer the assumed risks to reinsurers with the aim of reducing risk. These include quota share, surplus, excess of loss and stop loss reinsurance covers. These contracts are primarily measured using the general approach for reinsurance contracts and partly also using the premium allocation approach.

3.4.20.2 Classification of insurance contracts

The Group and the Company apply IFRS 17 to:

- insurance contracts issued, including reinsurance contracts issued,
- reinsurance contracts held by the Group and the Company, and
- investment contracts with discretionary participation features.

All references in IFRS 17 to insurance contracts issued also apply to reinsurance contracts issued, to insurance contracts acquired by the Group and the Company in a transfer of insurance contracts or a business combination, and to reinsurance contracts held by the Group and the Company (unless it is specifically stated that a particular section applies only to (re)insurance contracts issued).

A contract is deemed an insurance contract if the issuer accepts significant insurance risk from another party by agreeing to compensate the other party if it is adversely affected by a specified uncertain future event (an insured event).

A contract that transfers significant insurance risk from the Group or the Company to a reinsurance company is a reinsurance contract held by the Group or the Company.



In the following, the Company’s and the Group’s inward reinsurance contracts are referred to as insurance contracts and the outward reinsurance contracts are referred to as reinsurance contracts. They are presented in the same way in the financial statements.

The Group also issues insurance contracts with direct participation features for which, at the inception of cover:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- The Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in the fair value of the underlying items.

An investment contract with discretionary participation features is a financial instrument that provides a particular investor with the contractual right to receive, as a supplement to an amount not subject to the discretion of a Group company, additional amounts:

- that are expected to be a significant portion of the total contractual benefits;
- the timing or amount of which are contractually at the discretion of the issuer; and

- that are contractually based on:
 - the returns on a specified pool of contracts or a specified type of contract;
 - realised and/or unrealised investment returns on a specified pool of assets held by a Group company; or
 - the profit or loss of the Group company issuing the contract.

Insurance risk is significant if, and only if, the insured event could cause the issuer having to pay additional amounts that are significant in any single scenario, excluding scenarios that have no commercial substance (i.e., no discernible effect on the economics of the transaction), even if the insured event is extremely unlikely or if the expected (i.e., probability-weighted) present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

Underwriting risk is considered significant to the Group and the Company if the Group and the Company bear at least 5% of the additional payouts in the event of an insured event.

The assessment of whether the above conditions and criteria are met for an insurance contract, an insurance contract with direct participation features or an investment contract with discretionary participation features is made on a contract by contract basis at the time the

contract is concluded. In doing so, the Group and the Company take into account all their substantive rights and obligations under the contract.

3.4.20.3 Combination of contracts and distinct elements of a contract

A set or series of insurance contracts with the same or a related counterparty may achieve, or be designed to achieve, a common commercial effect. In order to report the substance of such contracts, it may be necessary to treat the set or series of contracts as a whole. For example, if the rights or obligations in one contract do nothing other than entirely negate the rights or obligations in another contract entered into at the same time with the same counterparty, the combined effect is that no rights or obligations exist. The Group and the Company have identified some contracts that should be measured together.

An insurance contract may contain, in addition to the insurance component, one or more components that would be within the scope of another standard if they were separate contracts. These components include:

- an investment component,
- a service component,
- embedded derivatives.

The Group and the Company separate the above components from a host insurance contract if they are distinct from the contract, applying the relevant other IFRSs to the measurement of the separate component.

The Group and the Company have not identified any identifiable derivatives, investment components or service components.

An investment component exists if an insurance contract requires the Group or the Company to repay an amount to a policyholder in all circumstances, regardless of whether an insured event occurs.

An investment component is distinct from a host insurance contract if, and only if, both of the following conditions are met:

- the investment component and the insurance component are not highly interrelated;
- a contract with similar terms and conditions is or could be sold separately in the same market or jurisdiction by the Group or the Company issuing the insurance contract or by third parties. In making this determination, the Company and the Group take into account all information reasonably available in making this determination.



An investment component and an insurance component are highly interrelated if, and only if:

- the company is unable to measure one component without considering the other. If the value of one component varies with the value of the other, the Group and the Company apply IFRS 17 to account for the combined investment and insurance component; or
- the policyholder is unable to benefit from one component unless the other is also present. If the lapse or maturity of one component in a contract causes the lapse or maturity of the other, the Company applies IFRS 17 to account for the combined investment component and insurance component.

The Group and the Company issue contracts with an investment component. Examples include certain life insurance policies that pay a surrender value, annuities with a guaranteed payout period and reinsurance contracts with a sliding-scale or profit commission. The investment and insurance components of such contracts are closely related because the Group and the Company cannot measure the insurance contract without considering the investment component and vice versa. Therefore, the investment component is not distinct.

The service component refers to the transfer of goods or services that are not insurance-related and, as such, are not dependent on the occurrence of an insured peril (occurrence of a claim). A service component is distinct if the policyholder can benefit from the good or service either on its own or together with other resources readily available (sold separately or already owned by the policyholder).

A good or service other than an insurance contract service that is promised to the policyholder is not distinct if:

- the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance components in the contract; and
- the entity provides a significant service in integrating the good or service with the insurance components.

The Group issues contracts that include derivatives, but these instruments are closely related to the host insurance contract and are therefore measured using IFRS 17. Examples of such derivatives include:

- life insurance contracts with a guaranteed minimum return in the event of the insured's death, which include an option for payment of a guaranteed amount to the policyholder in the event of the insured's death. As the payment of the guaranteed amount is contingent on an insured event (death) and represents a loss to the contract holder, the guarantee itself meets the definition of an insurance contract. The payment of the guaranteed amount is therefore not distinct, and the entire contract is measured using IFRS 17;
- savings-linked life insurance contracts which include a surrender option, where the policyholder is paid a fixed surrender value set at the time the contract is made. This option is closely related to the host insurance contract because the insurance cover ceases on surrender, and therefore the contract as a whole is measured using IFRS 17;
- some direct participation contracts contain an option where the surrender value varies with changes in the underlying items, but the value of the option is closely related to the value of the insurance contract and therefore the whole contract is measured using IFRS 17.

The Group and the Company also consider whether a single insurance contract should be split into multiple insurance components to be treated as separate contracts to reflect the substance of the transaction.

In determining whether the components of an insurance contract should be recognised and measured separately, the Group and the Company consider whether there is interdependence between the different risks covered, whether the components of an insurance contract extinguish independently of each other and whether the components can be priced and sold separately.

When the Group and the Company enter into one legal contract with different insurance components that operate independently of each other, the insurance components are recognised and measured separately using IFRS 17. The Group has identified non-life insurance contracts where the insurance components are distinguishable by homogeneous risk groups if they meet the conditions for distinguishing the components of insurance contracts. The Group has also identified life insurance contracts where the insurance components may be separated according to different insurance and economic risks if the insurance contract as a whole does not present the economic impact in a credible way.

3.4.20.4 Level of aggregation of insurance contracts

Portfolios of insurance contracts comprise contracts subject to similar risks and managed together. Contracts within the same product line, as defined for management purposes, are expected to be subject to similar risks and are therefore grouped together in a single portfolio. Where contracts are issued by different Group companies, they are managed separately by each company and are therefore grouped into different portfolios. If the Group and the Company consider that the legal form of insurance contracts does not reflect their economic substance, homogeneous groups of risks arising from those insurance contracts are considered in the construction of portfolios.

Individual portfolios are divided into groups of insurance contracts according to their profitability and the year in which the contract was written. Contracts issued more than one year apart should not be included in the same group of insurance contracts.

Portfolios are categorised by profitability as:

- a group of contracts that are onerous upon initial recognition (unprofitable);
- a group of contracts that, on initial recognition, are highly unlikely to become onerous subsequently, if any; and
- a group of the remaining contracts, if any.

The determination of whether a contract or group of contracts is onerous is based on expectations at the date of initial recognition. The Group determines the appropriate level at which reasonable and supportable information is available to assess whether contracts are onerous at initial recognition and whether it is probable that contracts that are not onerous at initial recognition will become onerous subsequently. In the absence of such information, the Group assesses each contract individually.

Insurance contracts are classified into groups of insurance contracts on initial recognition and are not subsequently reassessed.

Reinsurance contracts are divided into segments in the same way as insurance contracts, except that a reinsurance contract cannot be unprofitable (in which case there is a net gain or net loss on initial recognition). In identifying groups of reinsurance contracts, the Group and the Company apply the rule that each reinsurance contract issued or held is a separate portfolio because of the different characteristics of the individual reinsurance contracts.

For contracts that are measured using the premium allocation approach (PAA), the Group and the Company determine that the contracts are not onerous unless facts and circumstances indicate otherwise. If the facts and circumstances

indicate that certain contracts are onerous on initial recognition, the Group performs a quantitative assessment. If the assessment indicates that such contracts are onerous, the Group classifies such contracts as onerous and increases the liability for remaining coverage by the amount of the identified loss, which is recognised immediately in profit or loss.

All IFRS 17 measurements are made at the level of groups of insurance contracts.

3.4.20.5 Initial recognition Insurance contracts

The Group recognises a group of insurance contracts it issues from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due; and
- for a group of onerous contracts, when the group becomes onerous.

A group of insurance contracts is recognised upon recognition of the first contract that is part of the group. An insurance contract is included in a group of insurance contracts based on portfolio, annual cohort and profitability when it meets the recognition criteria in paragraph 1 of this section.

Reinsurance contracts

Reinsurance contracts held by the Group and the Company are recognised on the earlier of the following dates:

- the beginning of the coverage period of a group of reinsurance contracts held by the Group or the Company; and
- the date on which the underlying group of onerous insurance contracts is recognised if, on or before that date, a related reinsurance contract from the group of reinsurance contracts held has been entered into.

Notwithstanding the above provision, the recognition is delayed for a reinsurance contract that provides proportionate coverage until the date on which any underlying insurance contract is initially recognised if that date is later than the beginning of the coverage period of the reinsurance contract.

Insurance and reinsurance contracts acquired in a transfer of contracts or a business combination are recognised on the date of the transaction.



3.4.20.6 Contract boundary

A group of insurance contracts is measured by including all future cash flows that are within the boundary of the insurance contracts in the group.

In determining which cash flows are within the contractual boundary, the Group and the Company consider the substantive rights and obligations arising under the insurance contracts, laws and regulations.

Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group or the Company can compel the policyholder to pay the premiums or in which the Group or the Company have a substantive obligation to provide services to the policyholder under the insurance contract.

Cash flows are within the boundary of a reinsurance contract if the contract holder can require the reinsurer to provide cover and other services or if there is a material obligation on the contract holder to pay a reinsurance premium to the reinsurer.

Liabilities or assets that are outside the boundary of recognised insurance contracts and relate to future contracts are shown separately in the statement of financial position.

In estimating the expected future cash flows, the Group and the Company use their judgement about the future behaviour of policyholders in exercising the options available to them, including the potential for surrender values to be paid.

The Group and the Company assess the contractual boundary at initial recognition and at each subsequent reporting date to incorporate the effect of changes in circumstances on the substantive rights and obligations.

3.4.20.7 Measurement of (re)insurance contracts issued

All IFRS 17 measurements are made at the level of groups of insurance contracts.

The basic method of measuring insurance and reinsurance contracts under IFRS 17 is the general measurement model or building block approach (BBA). The standard also permits the use of a simplified measurement approach in some cases called the premium allocation approach (PAA). The standard requires the mandatory use of the variable fee approach (VFA) in the case of a group of insurance contracts with direct participation features and when the application criteria specified in the standard are met. Reinsurance contracts cannot be valued using the variable fee approach. The Group companies use all of

the above approaches to value insurance and reinsurance contracts. The Company uses the general measurement model and, to a lesser extent, the premium allocation approach.

A description of the different measurement approaches is given in the following.

3.4.20.7.1 Measurement of insurance and reinsurance contracts issued using the BBA and VFA approaches

3.4.20.7.1.1 Initial measurement by BBA and VFA

On initial recognition, a group of insurance contracts is measured as the sum of:

- fulfilment cash flows, which comprise:
 - estimates of future cash flows,
 - an adjustment to reflect the time value of money and the financial risks related to the future cash flows, to the extent that the financial risks are not included in the estimates of the future cash flows,
 - a risk adjustment for non-financial risk (RA),
- the contractual service margin (CSM).

Estimates of future cash flows

Estimates of expected cash flows represent an explicit, unbiased and probability-weighted estimate of future cash flows adjusted for the time value of money and associated financial risks. They include cash flows attributable to the fulfilment of existing insurance contracts and also expectations about the future behaviour of the insured persons.

Estimates of future cash flows reflect conditions existing at the measurement date, including assumptions at that date about the future.

Estimates of future cash flows are primarily determined using deterministic forecasting models, with stochastic techniques used additionally to model future cash flows for certain groups of contracts. The estimates of future cash flows are used to determine the expected value, or probability-weighted mean of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date. Potential impacts related to sustainability and climate change are also appropriately considered when estimating future cash flows.

Cash flows within the insurance contract boundary are those that relate directly to the fulfilment of the contract, including cash flows for which the entity has discretion over the amount or timing.

Cash flows within the contract boundary of an insurance contract include:

- premiums and any additional cash flows arising from those premiums,
- claims incurred but not yet settled, whether reported or not, including expected recoveries (subrogation recoveries) and bonuses and commissions paid by the Group or the Company (e.g., no-claim bonuses, sliding-scale commissions and profit commissions),
- payments to (or on behalf of) a policyholder arising from derivatives, such as options and guarantees embedded in the contract, to the extent that such options and guarantees are not separated from the insurance contract,
- directly attributable costs, including:
 - an allocation of insurance acquisition cash flows attributable to the portfolio,
 - policy administration and maintenance costs,
 - claim handling costs,
 - an allocation of fixed and variable overheads,
 - other costs directly chargeable to the policyholder,
- transaction-based taxes that arise directly from existing insurance contracts.

For contracts with investment activities or direct participation contracts, cash flows also include:

- payments to (or on behalf of) a policyholder that vary depending on returns on underlying items,
- costs incurred for:
 - performing investment activity, to the extent the Group performs that activity to enhance benefits from insurance coverage for policyholders,
 - providing investment-return service to policyholders of insurance contracts without direct participation features,
 - providing investment-related service to policyholders of insurance contracts with direct participation features.

Cash flows within the contract boundary include both fixed and variable administrative expenses that are directly attributable to the fulfilment of insurance contracts. Expenses that cannot be directly allocated to an insurance policy are allocated to groups of insurance contracts using methods that are systematic, rational and consistently applied to all expenses that have similar characteristics. Expenses that are not attributable to or not strictly necessary for the fulfilment of insurance contracts are directly recognised in the income statement outside the insurance service result when incurred.

Adjustment to reflect the time value of money and financial risks – discount rates

Estimates of expected cash flows are adjusted for the time value of money and the financial risk associated with those cash flows, using a risk-free interest rate curve plus a liquidity premium to discount future cash flows.

Appropriate discount rates are calculated using the bottom-up approach. A risk-free interest rate in the form of a swap curve plus a liquidity premium is used as the discount rate in estimating future cash flows. The liquidity premium is determined on the basis of yield data for AAA-rated covered bonds and a multiple of the liquidity premium. The multiple of the liquidity premium is determined by taking into account the characteristics of the groups of insurance contracts. Cash flows that vary based on the returns on the contractually defined set of assets are discounted using risk-neutral measurement techniques. Discount interest rates are set at each balance sheet date.

The Company and the Group have chosen to disaggregate finance income and expenses from insurance and reinsurance contracts between the income statement and the statement of other comprehensive income.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation the Group and the Company require for bearing the uncertainty related to the amount and timing of the cash flows that arise from non-financial risk as they fulfil the contractual agreements. The risks covered by the risk adjustment for non-financial risk are insurance risk (including climate change risk) and other non-financial risks such as lapse risk and expense risk.

The risk adjustment for non-financial risk is thus the compensation that the Group and the Company would require to make them indifferent between:

- fulfilling a liability that has a range of possible outcomes and arises from non-financial risk, and
- fulfilling a liability that will generate fixed cash flows with the same expected present value as the insurance contracts.

The Group and the Company assess the risk adjustment for non-financial risk using the confidence level technique (VaR and TVaR) to determine the maximum possible loss at a given confidence interval. The Group and the Company take into account a confidence interval of 75% to 85% for VaR and 40% for TVaR.

Changes in the risk adjustment for non-financial risk are fully reflected in the income statement.

Contractual service margin (CSM)

The contractual service margin (CSM) represents the unearned profit arising from insurance contracts that the Group and the Company will recognise as they provide insurance services under these contracts in the future. The contractual service margin is recognised when the net present value of future cash flows is positive (inflows are expected to exceed outflows) and is determined as the excess of cash inflows over cash outflows, less an adjustment for non-financial risk. A contractual service margin is established to prevent the recognition of a profit before it is realised and is released over the life of the insurance contract.

In the case of a transfer of insurance contracts or a business combination, the calculation uses the consideration received or paid at the acquisition date as a proxy for the premiums received.

Loss component

For identified future losses arising out of insurance contracts, when the net present value of future cash flows is negative (more outflows than inflows are expected), the loss is recognised in the current period. For onerous (non-profitable) groups of contracts, the loss component is shown in the liability for remaining coverage, while the loss is shown immediately in the income statement.

3.4.20.7.1.2 Subsequent measurement

The carrying amount of a group of insurance contracts at the end of each reporting period is the sum of:

- the liability for remaining coverage comprising:
 - the fulfilment cash flows relating to future services allocated to a group of insurance contracts at that date;
 - the contractual service margin of a group of insurance contracts at that date; and
- the liability for incurred claims, which includes fulfilment cash flows in respect of past services allocated to a group of insurance contracts at that date.

When calculating assets and liabilities under insurance contracts on the balance sheet date, the company uses current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in these components affect the following items:

Change in assumptions	Impact
Changes related to future service	Change in CSM
Changes related to current or past service	Change in the insurance service result for the financial year
Effects of the time value of money, financial risk and changes therein on estimated future cash flows	Change in finance income or expense and change in other comprehensive income

After initial recognition, the contractual service margin for each group of insurance contracts is remeasured on the balance sheet date.

Insurance contracts without direct participation features measured using the BBA

For insurance contracts without direct participation features, the carrying amount of the contractual service margin of a group of contracts on measurement at the reporting date equals the carrying amount at the start of the reporting period adjusted for:

- the effect of any new contracts added to the group,
- interest accreted on the carrying amount of the contractual service margin during the reporting period,
- the changes in the fulfilment cash flows relating to future service, except to the extent that:
 - such increases in the fulfilment cash flows exceed the carrying amount of the contractual service margin, resulting in a loss, or
 - such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage,

- the effect of any currency exchange differences on the contractual service margin, and
- the amount recognised as insurance revenue due to the transfer of insurance contract services during the period, determined by the allocation of the contractual service margin remaining at the end of the reporting period.

The changes in fulfilment cash flows relating to future service consist of:

- adjustments arising from premiums received in the period relating to future service, and related cash flows, such as insurance acquisition cash flows and premium-based taxes, measured at the discount rates at which the group of contracts is recognised,
- changes in estimates of the present value of the future cash flows in the liability for remaining coverage (experience and assumptions), measured at specified discount rates at the time the contract is recognised,
- differences between the investment component expected to become payable during the period and the investment component that actually becomes payable in the period,



- differences between the policyholder loan expected to become repayable in the period and the policyholder loan that actually becomes repayable during the period, and
- changes in the risk adjustment for non-financial risk that relate to future service.

The amount of the contractual service margin for a group of insurance contracts is recognised in profit or loss in each period to reflect the insurance contract services provided under the group of insurance contracts during that period. The amount is determined by:

- identifying the coverage units in the group. The number of coverage units in a group is the quantity of insurance contract services provided by the contracts in the group, determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage period,
- allocating the contractual service margin at the end of the period (before recognising any amounts in profit or loss to reflect the insurance contract services provided in the period) equally to each coverage unit provided in the current period and expected to be provided in the future,
- recognising in profit or loss the amount allocated to coverage units provided during the period.

The present value of changes in fulfilment cash flows for the purpose of calculating the contractual service margin is measured using locked-in discount rates at the time of recognition. In some cases, these discount rates are averaged when contracts are recognised over successive reporting periods.

Insurance contracts with direct participation features measured using the VFA

Insurance contracts with direct participation features are insurance contracts that, in addition to providing insurance cover, also provide the policyholder with investment services provided by the Group.

For insurance contracts with direct participation features, the carrying amount of the contractual service margin of a group of contracts at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted by the amounts set out below:

- the effect of any new contracts added to the group,
- the change in the amount of the entity's share of the fair value of the underlying items, except to the extent that:
 - the decrease in the amount of the entity's share of the fair value of the underlying items exceeds the carrying amount of the contractual service margin, giving rise to a loss, or

- the increase in the amount of the entity's share of the fair value of the underlying items reverses the amount referred to in the previous paragraph,
- the changes in the fulfilment cash flows relating to future service, except to the extent that:
 - such increases in the fulfilment cash flows exceed the carrying amount of the contractual service margin, resulting in a loss, or
 - such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage,
- the effect of any currency exchange differences arising on the contractual service margin, and
- the amount recognised as insurance revenue because of the transfer of insurance contract services in the period.

3.4.20.7.2 Measurement of insurance contracts using the premium allocation approach (PAA)

The majority of non-life business is measured using the premium allocation approach when the coverage period of a group of contracts is less than 12 months or the simplification is expected to be a reasonable approximation of the valuation results under the building block approach.

The criterion in the preceding paragraph is not met if, at the inception of a group of contracts,

significant variability is expected in the fulfilment cash flows that would affect the measurement of the liability for remaining coverage during the period until a claim is incurred.

Upon initial recognition, the carrying amount of the liability for remaining coverage is:

- the premiums, if any, received at initial recognition,
- minus any insurance acquisition cash flows at that date, unless the entity elects to recognise the payments as an expense, and
- plus or minus any amount arising from the derecognition of assets or liabilities at that date.

The carrying amount of the liability at the end of each subsequent reporting period is the carrying amount at the beginning of the reporting period:

- plus the premiums received during the period,
- minus insurance acquisition cash flows, unless the entity elects to recognise the payments as an expense,
- plus any amounts relating to the amortisation of insurance acquisition cash flows recognised as an expense in the reporting period, unless the entity chooses to recognise these payments as an expense, and
- minus the amount recognised as insurance revenue for providing coverage during that period.



If, at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, to the extent that the fulfilment cash flows exceed the carrying amount, the Group and the Company recognise a loss in profit or loss and increase the liability for remaining coverage.

If the PAA is used, the Group and the Company make no adjustments for the time value of money and the effect of financial risk, as the period between the premium due date and the provision of insurance services is expected to be no more than one year.

Neither the Group nor the Company applies the simplification in Article 59 of IFRS 17. In the case of the PAA method, this simplification allows the Company to recognise cash flows relating to insurance acquisition costs as expenses as and when they arise. In line with the recognition of insurance revenue, the Group and the Company allocate acquisition costs over the coverage period of insurance contracts.

3.4.20.7.3 Measurement of the liability for incurred claims

Liability for incurred claims represents the expected cash flows for claims and related costs that have already been incurred and have not yet been paid. The liability for incurred claims includes claims incurred but not yet reported (IBNR) and claims reported but not yet resolved or settled (RBNS). Even when the liability for remaining coverage is measured using the PAA, the liabilities for claims incurred are valued using the general measurement approach (BBA) and the future cash flows are adjusted for the time value of money and the effect of financial risk.

3.4.20.8 Measurement of reinsurance contracts held by the Group and the Company

The valuation methods for reinsurance contracts held by the Group and the Company (referred to in this section as reinsurance contracts) are the same as for insurance contracts, using consistent assumptions in the valuation of insurance and reinsurance contracts covering those insurance contracts, to the extent possible. In this case, the future cash flows in the valuation of reinsurance contracts are increased by a cash flow representing the effect of the reinsurer default risk, including the effects of collateral and litigation losses.

The risk adjustment for non-financial risk for reinsurance contracts represents the amount of risk being transferred from the insurer to the reinsurer.

In the valuation of reinsurance contracts, the unearned profit represented by the contractual service margin is replaced by the net gain or loss on the purchase of reinsurance. The net gain or loss on the initial recognition of reinsurance contracts is measured at:

- the fulfilment cash flows,
- the amount derecognised at that date of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts,
- any cash flows arising from reinsurance contracts in a group of reinsurance contracts at that date,
- income recognised in the income statement as a result of the recognition of the reinsurance loss-recovery (LR) component of the asset for remaining coverage which mitigates the creation of a loss component for the liability for remaining coverage on the gross part.

If the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contracts, the Group and the Company recognise this cost immediately as an expense in profit or loss.

The contractual service margin at the end of each reporting period for a group of reinsurance contracts is determined as the contractual service margin at the beginning of the reporting period, adjusted for:

- the effect of any new reinsurance contracts added to the group of reinsurance contracts,
- accrued interest on the amount of the CSM,
- income recognised in the income statement as a result of the recognition of the reinsurance loss-recovery (LR) component of the asset for remaining coverage,
- any reversals of the loss-recovery component to the extent that those reversals are not part of the change in fulfilment cash flows of a group of reinsurance contracts,
- changes in fulfilment cash flows for the remaining coverage, unless the change relates to a change in cash flows that do not change the CSM of the insurance contracts or, in the case of the PAA on direct business, affect the creation of a loss component of the liability for remaining coverage,
- the effect of foreign exchange differences on the CSM,
- the amount recognised in profit or loss because of services received in the period and determined by the allocation of the contractual service margin remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period of the group of reinsurance contracts.

Changes in fulfilment cash flows resulting from changes in the reinsurer’s default risk are unrelated to future service and consequently do not adjust the CSM.

The Group and the Company adjust the contractual service margin of a group of reinsurance contracts and, consequently, recognise revenue when they recognise an onerous group of insurance contracts underlying the reinsurance contracts or when they add onerous insurance contracts underlying the reinsurance contracts to the group (this is the so-called loss-recovery component of an asset for remaining coverage of a group of reinsurance contracts). This adjustment is made only if the reinsurance contract has already been written at the time of recognition of the loss component of the liability for remaining coverage under onerous insurance contracts.

The amount of this adjustment is equal to the product of the recognised loss on the gross business and the share of the claims covered by that reinsurance contract on the insurance contracts from which that loss arises.

The Group and the Company establish (or adjust) a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts depicting the recovery of losses recognised in accordance with the above paragraphs. The loss-recovery component determines the amounts that are recognised in

profit or loss as reversals of recoveries of losses from reinsurance contracts and are consequently excluded from the premiums paid to the reinsurer.

The loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts. The carrying amount of the loss-recovery component must not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts.

The PAA may also be used to measure reinsurance contracts if:

- the Company reasonably expects that such simplification would result in a measurement of the liability for remaining coverage for the group of reinsurance contracts that is not materially different from the measurement under the BBA; or
- the coverage period of each contract in the group of reinsurance contracts is one year or less.

The criterion in the first bullet point above is not met if, at the inception of a group of reinsurance contracts, the Group and the Company expect significant variability in the fulfilment cash flows that would affect the measurement of the liability for remaining coverage during the period before a claim is incurred.

If the PAA is used, the carrying amount of the asset is adjusted for the remaining coverage in the event that a loss recovery component is created.

3.4.20.9 Presentation of insurance and reinsurance contracts

Insurance revenue comprises the provision of services, during the reporting period, arising from a group of insurance contracts, specifically for an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for the services provided. Insurance service expenses represent incurred claims, expenses and other expenses related to insurance services incurred in the reporting period. Neither insurance revenue nor insurance service expenses include an investment component.

The total amount of insurance revenue for each group of insurance contracts is equal to the premiums paid, adjusted for a financing effect and excluding any investment components.

The allocation of insurance revenue by period is determined by the amount of insurance services provided during the reporting period, which includes:

- the expected insurance service expenses for each reporting period, net of any adjustment for non-financial risk and amounts allocated to the loss component of the liability for remaining coverage;

- the risk adjustment for non-financial risk, excluding any amounts allocated to the loss component of the liability for remaining coverage;
- the contractual service margin;
- amounts related to income tax that are specifically chargeable to the policyholder;
- amounts related to policy acquisition costs.

When the Group and the Company provide insurance services during a period, they reduce the liability for the remaining coverage and recognise insurance revenue during the period. The reduction in the liability for remaining coverage does not include changes that are not related to the provision of insurance services, such as:

- changes resulting from cash inflows from premiums received,
- changes that relate to investment components in the period,
- amounts relating to transaction-based taxes collected on behalf of third parties,
- finance income or expenses from insurance contracts,
- acquisition costs,
- derecognition of liabilities transferred to a third party,
- changes in the loss component of the liability for remaining coverage.



Consequently, insurance revenue for the period can also be analysed as the sum total of the changes in the liability for remaining coverage during the period that relates to services for which the Group and the Company expect to receive consideration. Those changes are:

- insurance service expenses incurred during the period (measured at the amounts expected at the beginning of the period), excluding:
 - amounts allocated to the loss component of the liability for remaining coverage,
 - repayments of investment components,
 - amounts relating to transaction-based taxes collected on behalf of third parties (such as premium taxes, value-added taxes and goods and services taxes),
 - policy acquisition expenses, and
 - the amount related to the risk adjustment for non-financial risk,
- the change in the risk adjustment for non-financial risk, excluding:
 - changes included in finance income or expenses from insurance contracts,
 - changes that adjust the contractual service margin because they relate to future service, and
 - amounts allocated to the loss component of the liability for remaining coverage,

- the amount of the contractual service margin recognised in profit or loss,
- other amounts, if any, for example, experience adjustments for premium receipts other than those that relate to future service.

Insurance revenue related to insurance acquisition cash flows is determined by allocating the portion of the premiums that relate to recovering those cash flows to each reporting period in a systematic way on the basis of the passage of time. The same amount is recognised as insurance service expenses.

If the simplified premium allocation approach (PAA) is used to measure liabilities for future coverage, the insurance revenue is the amount of the expected premiums, excluding any investment component relating to the reporting period. Premiums are allocated by period evenly over the duration of the cover or, in the case of unevenly spread risk, over the expected period of incurrence of the insurance service expense (decrease in the amount of insurance cover for credit insurance, increase in the amount of insurance cover for construction and erection insurance and reinsurance contracts).

Finance income or expenses from insurance and reinsurance contracts comprise:

- the effect of the time value of money and its changes, and
- the effect of financial risk and changes in financial risk.

For all its groups of insurance contracts without direct participation features, the companies allocate finance income and expense between profit or loss and the statement of other comprehensive income (OCI). The companies include in profit or loss an amount determined by a systematic allocation of the expected total finance income or expenses from insurance contracts over the duration of the group of insurance contracts. A systematic allocation is an allocation of the total expected finance income or expenses of a group of insurance contracts over the duration of the group that:

- is based on characteristics of the contracts, without reference to factors that do not affect the cash flows expected to arise under the contracts,
- results in the amounts recognised in other comprehensive income over the duration of the group of contracts totalling zero. The cumulative amount recognised in other

comprehensive income at any date is the difference between the carrying amount of the group of contracts and the amount that the group would be measured at when applying the systematic allocation.

For groups of insurance contracts without direct participation features for which changes in assumptions that relate to financial risk do not have a substantial effect on the amounts paid to the policyholder, the systematic allocation is determined using the discount rates at the date of initial recognition of the group of insurance contracts, or at the date of loss in the case of the PAA approach.



For groups of insurance contracts without direct participation features for which changes in assumptions that relate to financial risk have a substantial effect on the amounts paid to the policyholders:

- a systematic allocation for the finance income or expenses arising from the estimates of future cash flows is determined by using a rate that allocates the remaining diluted expected financial income or expense over the remaining term of the group of contracts at constant rates;
- a systematic allocation for the finance income or expenses arising from the risk adjustment for non-financial risk, is determined using an allocation consistent with that used for the allocation for the finance income or expenses arising from the future cash flows;
- a systematic allocation for the finance income or expenses arising from the contractual service margin is determined:
 - for insurance contracts without direct participation features, using discount rates determined at the date of initial recognition of the group of insurance contracts; and
 - for insurance contracts with direct participation features, using an allocation consistent with that used for the allocation for the finance income or expenses arising from the future cash flows.

For groups of insurance contracts with direct participation features for which the company holds the underlying items, the company disaggregates insurance finance income or expenses between the statement of profit or loss and other comprehensive income for the period to include in profit or loss an amount that eliminates accounting mismatches with income or expenses included in profit or loss on the underlying items held (the financial expenses or income from insurance contracts included in profit or loss exactly matches the income or expense included in profit or loss for the underlying items, resulting in the net of the separately presented items being nil). The company includes in other comprehensive income the difference between the finance income or expenses from insurance contracts measured on the basis set out above and the total insurance finance income or expenses for the period.

3.4.21 Other provisions

Other provisions comprise employee benefits, which include retirement severance payments and long-service bonus. Provisions for employee benefits are the net present value of the Group’s future liabilities proportionate to the years of service in the Group (the projected unit credit method). Pursuant to IAS 19 “Employee benefits” actuarial gains and losses arising on re-measurement of net liabilities for severance pay upon retirement are recognised in other comprehensive income.

These provisions are calculated based on personal data of employees: date of birth, date of commencement of employment in the Group, anticipated retirement and salary. For each Group company, the amounts of severance pay upon retirement and jubilee benefits are in accordance with local legislations, employment contracts and other applicable regulations. Expected pay-outs also include tax liabilities where payments exceed statutory non-taxable amounts.

The probability of an employee staying with the Group includes both the probability of death and the probability of termination of employment relationship. Assumptions relating to future increases in salaries, severance pay upon retirement and jubilee benefits, as well as those relating to employee turnover, depend on developments in individual markets and individual Group companies. The same term structure of risk-free interest rates is used for discounting as that in the capital adequacy calculation under Solvency II.

3.4.22 Other financial liabilities

Other financial liabilities mainly include unpaid dividends payable from previous years and current interest and loan liabilities.

3.4.23 Current tax liabilities

Current tax liabilities are recognised at the amount of the current tax liability for the financial year not yet paid.

3.4.24 Other liabilities

Liabilities are initially recognised at amounts recorded in the relevant documents. Subsequently, they are increased or decreased in line with documents, and reduced through payments.

Other liabilities include amounts due to employees and suppliers and other current liabilities (accrued expenses).

3.4.25 Investment income and expenses

The Company discloses investment income and expenses by type of income and expense:

- income from dividends and participating interests,
- interest income and expenses,
- income or expenses from financial investments measured at FVTPL,
- gains and losses arising from the derecognition of financial investments,
- exchange differences arising on financial investments,
- income and expenses from expected credit losses, and
- other finance income and expenses (including income and expenses from investment property).

3.4.26 Other operating income and expenses

Other operating income includes income from:

- foreign exchange gains, excluding foreign exchange gains on (re)insurance contracts and investment transactions,
- the sale of fixed assets,
- the sale of green cards (international motor insurance certificates),
- claims settled on behalf of other Group companies,
- sales by non-insurance companies (including asset management, such as entry and exit fee income),
- other services.

This income is recognised in the income statement at the time services are completed or invoices issued.

Revenue is measured based on the consideration to which the Group and Company are expected to be entitled under their contracts with customers. Amounts collected on behalf of third parties are excluded.

Revenue is recognised when the customer has taken control of the goods or has received the benefits from the services rendered. Sales revenue does not include any charges paid upon

purchase or sale. It is included in “other income” in the income statement and relates either to the pensions and asset management or the “other” operating segments. This revenue is not multi-year in nature. It is recognised on an accrual basis in the financial year in which the business event occurs and is presented in note [3.7.42](#).

Other operating expenses include:

- allowances for other receivables,
- impairment losses on property, plant and equipment and intangible assets,
- non-attributable expenses, and
- other expenses.

Other expenses are recognised in the income statement at the time the service is rendered.

3.4.27 Income tax expense

Income tax expense for the year comprises current and deferred tax. Current income tax is presented in the income statement, except for the portion relating to the items presented in equity; deferred tax for these items is also presented in equity. Current tax is payable on the taxable profit for the year using the tax rates enacted by the date of the statement of financial position, as well as on any adjustments to tax liabilities of prior periods. Deferred tax is recognised using the statement of financial position method, providing

for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The deferred tax amount is based on the expected manner of recovery or settlement of the carrying amount of assets and liabilities, using the tax rates effective on the date of the statement of financial position. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Group income tax expense has been determined in accordance with the requirements of each member’s local legislation.



3.4.28 Information about reportable operating segments

Operating segments as disclosed and monitored were determined based on the different activities carried out in the Group. Segments were formed through the aggregation of operations of companies that generate revenue and expenses, including revenue and expenses arising from intra-Group transactions, based on similar services provided by companies (features of insurance products, market networks, and the circumstances in which companies operate).

The operating segments comprise reinsurance (reinsurance business), non-life (non-life insurance business, broken down into EU and non-EU), life (life insurance business, broken down into EU and non-EU), pensions and asset management (pension insurance business in Slovenia and North Macedonia, and fund management) and the “other” segment (organisation of assistance in connection with motor, homeowners and health insurance, and software development). In the following, more detail is provided on how the companies are included in operating segments.

The performance of these segments is monitored using a variety of indicators, with IFRS net profit being a common performance indicator for all segments. The management board monitors performance by segment to the level of insurance and reinsurance service results, net investment

income and aggregated business results, amounts of assets, equity and insurance and reinsurance contract liabilities on a quarterly basis.

The operations of the Sava Insurance Group are organised into the following operating segments: reinsurance, non-life (insurance), life (insurance), pensions and asset management, and the “other” segment. The non-life and life segments are further subdivided geographically into EU and non-EU.

The following companies are included in the individual operating segments:

- reinsurance: Sava Re (non-Group business);
- non-life, EU: Zavarovalnica Sava (the Slovenian and Croatian part of the non-life insurance business) and Zavarovalnica Vita (non-life insurance business);
- non-life, non-EU: Sava Neživotno Osiguranje (SRB), Illyria (RKS), Sava Osiguranje (MNE), Sava Osiguruvanje (MKD), Sava Car (MNE), Sava Agent (MNE), Sava Station (MKD) and Sava Car (SRB);
- life, EU: Zavarovalnica Sava (the Slovenian and Croatian part of life insurance business), Zavarovalnica Vita (life insurance business), ZS Svetovanje (SVN) and Asistim (SVN) until March 2025;
- life, non-EU: Sava Životno Osiguranje (SRB) and Illyria Life (RKS);
- pensions and asset management: Sava Pokojninska (SVN), Sava Penzisko Društvo (MKD) and Sava Infond (SVN);

- other: TBS Team 24 (SVN), ASP (SRB), Vita S Holding (MKD), PZU Vita S (MKD) and DCB (SVN) under the equity method. This operating segment also includes expenses on subordinate debt.

The following reallocations were made in the consolidated income statement:

- The effects of reinsurance (retrocessions) relating to business with subsidiaries (Sava Re, as the parent company, reinsures the major part of the subsidiaries’ business) are transferred from the reinsurance segment to other operating segments. In the segment reporting information, income and expenses from reinsurance ceded are allocated to the segments from which they originate. The same applies to finance expenses and recoveries from reinsurance contracts.
- Operating expenses of the reinsurance segment are reduced by the portion of expenses attributable to the administration of the Sava Insurance Group. Sava Re operates as a virtual holding company; hence, a part of its expenses relates to the administration of the Group. Such expenses relating to the reinsurance segment are allocated to other segments based on each subsidiary’s revenue. Operating expenses associated with the Group reinsurance business are also reallocated to other segments. In this way, 80.1% of operating expenses were allocated to the segments in

2025 (2024: 75.7%). In addition, operating expenses of TBS Team 24 (SVN) relating to companies doing business in the EU or non-EU non-life segments were reallocated from the “other” segment to these two segments.

- Investment income and expenses are reallocated from the reinsurance segment to the non-life insurance and life insurance segments using the key for the allocation of liabilities for incurred claims and liabilities for remaining coverage.
- Subordinated debt expenses are shown under the “other” segment.

The following reclassifications were made in the consolidated statement of financial position:

- Goodwill was attributed to the segment where it arose.
- The balance of financial investments is transferred from the reinsurance segment to the non-life and life segments using the key for the allocation of liabilities for incurred claims and liabilities for remaining coverage.
- Reinsurance contract assets and liabilities have been reallocated to other segments in the same way as described in the first paragraph (point) of the description of reallocations in the income statement.
- Subordinated liabilities are shown in the “other” segment.



► Statement of financial position items by operating segment as at 31 December 2025

EUR	Non-life, EU	Non-life, non-EU	Life, EU	Life, non-EU	Reinsurance	Pensions and asset management	Other	Total
ASSETS								
Intangible assets and goodwill	14,074,941	9,922,940	3,839,912	256,201	6,330,824	26,871,415	3,710,583	65,006,816
Property, plant and equipment	36,053,819	10,920,999	4,631,448	982,976	2,602,942	927,634	478,151	56,597,968
Investment property	10,118,147	5,210,005	30,216	0	7,327,769	0	0	22,686,137
Right-of-use assets	3,799,438	3,212,889	797,398	248,664	380,227	7,574	1,814,896	10,261,086
Investments in associates and joint ventures	0	0	0	0	0	0	29,053,235	29,053,235
Deferred tax assets	1,545,768	0	-3,449,388	0	3,572,797	-457,953	0	1,211,223
Financial investments	718,760,788	114,390,302	1,291,509,828	38,593,242	334,996,119	63,022,124	0	2,561,272,403
Investment contract assets	0	0	0	0	0	217,204,108	0	217,204,108
Insurance contract assets	2,823,794	23,656	129,651	516,690	7,505,734	0	0	10,999,525
Reinsurance contract assets	47,766,152	9,201,878	189,732	44,526	12,715,177	0	0	69,917,465
Current tax assets	0	313,925	0	1,683	0	0	0	315,608
Trade and other receivables	3,570,240	7,568,455	1,415,571	411,398	123,525	2,273,761	1,750,140	17,113,089
Non-current assets held for sale	0	25,352	0	0	0	0	0	25,352
Cash and cash equivalents	14,646,070	5,464,255	12,047,023	1,148,275	4,767,749	2,359,803	3,262,365	43,695,540
Other assets	1,621,445	1,158,428	417,161	218,114	1,339,985	1,185,966	1,398,463	7,339,562
Total assets	854,780,602	167,413,083	1,311,558,551	42,421,767	381,662,848	313,394,432	41,467,831	3,112,699,115
LIABILITIES								
Subordinated liabilities	0	0	0	0	0	0	125,242,015	125,242,015
Deferred tax liabilities	40,106	569,504	334,636	705,095	0	1,643,544	165,778	3,458,663
Insurance contract liabilities	487,810,589	84,728,419	1,139,541,897	22,022,345	166,207,053	29,789,231	0	1,930,099,533
Reinsurance contract liabilities	1,057,876	2,073,570	788,053	0	2,655,943	0	0	6,575,441
Investment contract liabilities	0	0	0	0	0	216,974,394	0	216,974,394
Provisions	6,108,378	449,184	1,392,649	33,102	575,143	357,129	93,041	9,008,625
Lease liability	3,991,691	3,368,204	821,576	255,436	387,575	7,801	1,546,001	10,378,285
Other financial liabilities	7,162	513,242	0	359	-3	0	0	520,763
Current tax liabilities	5,913,504	1,055,598	775,491	9,244	217,813	547,995	153,753	8,673,399
Other liabilities	25,831,625	9,995,903	4,061,630	1,576,461	10,869,125	2,577,196	4,293,474	59,205,415
Total liabilities	530,760,932	102,753,624	1,147,715,932	24,602,043	180,912,651	251,897,289	131,494,063	2,370,136,534
Total equity								742,562,581
Total liabilities and equity								3,112,699,115



► Statement of financial position items by operating segment as at 31 December 2024

EUR	Non-life, EU	Non-life, non-EU	Life, EU	Life, non-EU	Reinsurance	Pensions and asset management	Other	Total
ASSETS								
Intangible assets and goodwill	13,351,199	9,670,001	4,210,978	209,139	6,482,386	27,731,796	3,907,428	65,562,925
Property, plant and equipment	36,735,677	11,094,370	4,850,185	1,058,168	2,550,365	877,089	1,564,707	58,730,561
Investment property	11,168,035	5,515,791	31,558	0	7,431,872	0	0	24,147,256
Right-of-use assets	4,554,639	3,638,723	1,031,429	213,523	204,768	1,151,582	0	10,794,664
Investments in associates and joint ventures	0	0	0	0	0	0	25,615,695	25,615,695
Deferred tax assets	3,761,244	0	-2,748,165	0	4,018,394	-602,281	0	4,429,192
Financial investments	630,295,606	102,268,899	1,192,202,055	35,164,660	309,292,893	59,856,090	0	2,329,080,204
Investment contract assets	0	0	0	0	0	201,171,005	0	201,171,005
Insurance contract assets	3,235,064	7,603	2,109,892	406,701	5,083,103	0	0	10,842,363
Reinsurance contract assets	57,833,926	5,540,858	263,935	0	13,880,033	0	0	77,518,752
Current tax assets	136,843	186,523	1,171,826	1,683	671,315	0	0	2,168,191
Trade and other receivables	3,645,458	6,541,448	831,491	622,469	245,648	1,720,463	3,107,828	16,714,805
Non-current assets held for sale	400,000	68,892	757,000	0	0	0	0	1,225,892
Cash and cash equivalents	18,211,265	5,756,901	11,553,212	1,138,412	10,302,262	2,107,796	3,279,918	52,349,765
Other assets	1,439,578	647,296	447,201	42,470	994,736	974,886	511,177	5,057,343
Total assets	784,768,533	150,937,304	1,216,712,596	38,857,225	361,157,776	294,988,426	37,986,752	2,885,408,613
LIABILITIES								
Subordinated liabilities	0	0	0	0	0	0	125,058,474	125,058,474
Deferred tax liabilities	-6,526	651,432	194,871	678,346	0	1,725,931	201,365	3,445,418
Insurance contract liabilities	487,071,711	75,723,627	1,049,626,652	21,092,392	170,061,985	27,791,602	0	1,831,367,970
Reinsurance contract liabilities	-1,407,458	1,491,924	-29,544	22,557	3,905,726	0	0	3,983,205
Investment contract liabilities	0	0	0	0	0	200,954,895	0	200,954,895
Provisions	5,899,082	378,983	1,214,865	25,736	474,263	508,557	80,930	8,582,417
Lease liability	4,722,144	3,774,424	1,048,557	218,191	208,372	1,165,014	0	11,136,702
Other financial liabilities	7,157	422,556	0	1,941	1	1	0	431,656
Current tax liabilities	0	679,602	0	63,866	0	593,705	134,151	1,471,324
Other liabilities	24,256,743	7,612,310	3,517,485	1,247,144	6,027,362	2,421,749	5,333,303	50,416,096
Total liabilities	520,542,853	90,734,860	1,055,572,885	23,350,174	180,677,711	235,161,453	130,808,222	2,236,848,157
Total equity								648,560,456
Total liabilities and equity								2,885,408,613



► Income statement items by operating segment for 2025

EUR	Non-life, EU	Non-life, non-EU	Life, EU	Life, non-EU	Reinsurance	Pensions and asset management	Other	Total
Insurance revenue	574,428,950	116,001,680	73,698,659	8,696,655	120,157,092	631,224	0	893,614,261
Insurance service expenses, including non-attributable expenses	-484,558,583	-102,506,094	-56,159,133	-7,265,835	-86,332,830	-190,952	0	-737,013,426
Claims incurred	-316,592,958	-56,077,140	-16,712,103	-2,855,541	-71,169,514	-119,168	0	-463,526,422
Operating expenses, including non-attributable expenses	-166,736,310	-46,523,466	-39,092,771	-4,255,795	-15,243,868	-125,527	0	-271,977,739
Onerous contracts	-1,229,315	94,512	-354,260	-154,499	80,552	53,744	0	-1,509,265
Result before reinsurance	89,870,367	13,495,586	17,539,526	1,430,820	33,824,262	440,273	0	156,600,834
Reinsurance result	-21,341,545	-6,254,754	-881,951	3,489	-9,581,418	0	0	-38,056,178
a) Insurance result	68,528,822	7,240,832	16,657,576	1,434,309	24,242,845	440,273	0	118,544,656
Investment result	13,867,751	4,684,878	7,389,433	1,325,785	6,801,963	1,743,351	937,540	36,750,700
Net insurance finance result	-4,224,052	-1,147,673	-2,017,319	-603,763	-6,512,915	-841,899	0	-15,347,622
Expenses from financial liabilities	-119,661	-169,482	-26,599	-10,184	-10,186	-269	-5,683,107	-6,019,488
Net foreign exchange gains/losses	-284,821	-17,064	-2,591	91	-577,789	295	0	-881,879
b) Finance result	9,239,215	3,350,659	5,342,924	711,928	-298,927	901,478	-4,745,567	14,501,711
c) Non-insurance revenue	0	0	0	126	0	27,533,470	9,325,986	36,859,582
d) Non-insurance expenses	-2,329,677	-2,059,935	-708,951	0	0	-17,929,730	-9,768,889	-32,797,183
e) Other net income/expenses	3,725,497	3,448,904	142,583	-279,526	-677,899	129,131	370,280	6,858,970
Profit or loss before tax (a + b + c + d + e)	79,163,857	11,980,460	21,434,132	1,866,837	23,266,019	11,074,620	-4,818,190	143,967,736
Income tax expense								-29,915,137
Net profit or loss for the period								114,052,599



► Income statement items by operating segment for 2024

EUR	Non-life, EU	Non-life, non-EU	Life, EU	Life, non-EU	Reinsurance	Pensions and asset management	Other	Total
Insurance revenue	522,286,220	104,136,059	66,401,607	8,510,017	99,346,893	532,842	0	801,213,638
Insurance service expenses, including non-attributable expenses	-471,010,487	-98,878,236	-49,549,644	-7,140,717	-63,686,002	-406,141	0	-690,671,227
Claims incurred	-323,385,553	-58,222,741	-15,023,444	-2,740,303	-49,131,794	-103,362	0	-448,607,197
Operating expenses, including non-attributable expenses	-149,982,078	-40,521,053	-33,821,538	-4,432,960	-14,380,779	-120,073	0	-243,258,481
Onerous contracts	2,357,143	-134,443	-704,662	32,546	-173,430	-182,706	0	1,194,450
Result before reinsurance	51,275,732	5,257,823	16,851,963	1,369,301	35,660,891	126,700	0	110,542,410
Reinsurance result	-14,233,019	-3,675,270	-332,338	-27,750	-11,985,804	0	0	-30,254,180
a) Insurance result	37,042,713	1,582,553	16,519,626	1,341,550	23,675,087	126,700	0	80,288,230
Investment result	13,058,379	4,219,341	8,322,111	1,317,203	8,081,958	1,689,313	1,781,075	38,469,381
Net insurance finance result	-2,629,639	-589,584	-3,340,332	-625,600	-5,626,381	-769,842	0	-13,581,379
Expenses from financial liabilities	-120,212	-190,402	-38,911	-9,419	-3,795	-29,378	-3,577,356	-3,969,473
Net foreign exchange gains/losses	157,874	-20,003	-754	-9,508	-739,802	253	0	-611,940
b) Finance result	10,466,402	3,419,352	4,942,113	672,676	1,711,982	890,345	-1,796,282	20,306,589
c) Non-insurance revenue	0	0	0	0	0	23,660,332	7,699,599	31,359,931
d) Non-insurance expenses	-2,205,954	-1,587,602	-1,528,941	0	0	-15,746,872	-7,532,504	-28,601,873
e) Other net income/expenses	2,914,263	2,700,924	710,417	403,987	-374,151	87,172	6,911	6,449,524
Profit or loss before tax (a + b + c + d + e)	48,217,424	6,115,227	20,643,215	2,418,213	25,012,918	9,017,678	-1,622,276	109,802,399
Income tax expense								-21,955,857
Net profit or loss for the period								87,846,542



► Inter-segment business – inter-segment consolidation eliminations

EUR	Reinsurance		Non-life insurance		Life insurance		Pensions and asset management		Other	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance service result from insurance contracts issued	-25,718,003	-15,758,570	102,980	105,477	-216,687	-763,347	0	0	0	0
Net result from reinsurance contracts held	0	0	27,229,132	17,823,788	641,678	417,897	0	0	0	0
Net investment income/expenses	-101,938	-120,961	-447,201	-397,853	0	0	0	0	0	0
Net insurance finance income or expenses	2,494,011	3,302,066	-2,636,510	-3,514,843	1,099,118	969,884	0	0	0	0
Other operating income and expenses	-62,266,747	-39,583,189	1,409,433	2,244,123	-131,620	-786,339	248,016	131,568	-1,800,241	-1,792,232

► Cost of intangible and property, plant and equipment assets by operating segment

EUR	Reinsurance		Non-life insurance		Life insurance		Pensions		Other		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Investments in intangible assets	868,952	2,203,290	3,518,310	2,530,756	397,756	416,107	359,435	180,434	1,357,564	3,096	6,502,016	5,333,684
Investments in property, plant and equipment	353,764	190,119	2,160,216	2,292,384	219,373	314,330	277,225	623,707	476,355	1,579,352	3,486,933	4,999,892

3.5 Standards and interpretations issued but not yet effective, and new standards and interpretations

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group and the Company have applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) and adopted by the EU. These amendments are mandatorily effective for the reporting period that begins on or after 1 January 2025. The adoption of these amendments to existing standards has not resulted in any material changes to the financial statements of the Group and the Company.

Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability” issued by the IASB on 15 August 2023. Amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

New and revised IFRS Accounting Standards in issue and adopted by the EU but not yet effective

Revised IFRS Accounting Standards that have been issued by the IASB and adopted by the EU but are not yet effective:

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” issued by the IASB on 30 May 2024 (effective date: 1 January 2026). These amendments clarify the classification of financial assets with environmental, social and governance (ESG) and similar features. The amendments also clarify the date on which a financial asset or financial liability is derecognised and introduce additional disclosure requirements regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity” issued by the IASB on 18 December 2024 (effective date: 1 January 2026). The own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent. The hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics

as a hedging instrument to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met and to measure the hedged item using the same volume assumptions as those used for the hedging instrument. Amendments to IFRS 7 and IFRS 19 introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 – Annual Improvements to IFRS Accounting Standards – Volume 11 issued by the IASB on 18 July 2024 (effective date: 1 January 2026). These amendments include clarifications, simplifications, corrections and changes in the following areas: (a) hedge accounting by a first-time adopter (IFRS 1); (b) gain or loss on derecognition (IFRS 7); (c) disclosure of deferred difference between fair value and transaction price (IFRS 7); (d) introduction and credit risk disclosures (IFRS 7); (e) lessee derecognition of lease liabilities (IFRS 9); (f) transaction price (IFRS 9); (g) determination of a “de facto agent” (IFRS 10); (h) cost method (IAS 7).

IFRS 18 “Presentation and Disclosure in Financial Statements”, issued by the IASB on 9 April 2024 and effective from 1 January 2027, will replace IAS 1 “Presentation of Financial Statements”. The new standard introduces three sets of requirements designed to improve the way companies report their financial performance, providing investors with a better basis for analysis and comparison. The main changes in the new standard compared to IAS 1 include: (a) the introduction of the categories (operating, investing, financing, income tax and discontinued operations) and subtotals in the income statement; (b) requirements to improve aggregation and disaggregation; and (c) disclosures about performance measures set by management in the notes to the financial statements.



New standards and amendments to the existing standards issued by the IASB but not yet adopted by the EU

Currently, IFRSs as adopted by the EU do not significantly differ from IFRSs adopted by the International Accounting Standards Board (IASB) except for the following new standards and amendments to the existing standards, which were not adopted by the EU at the date of approval of these financial statements:

Standard	Title	EU adoption status
IFRS 19 with further amendments	Subsidiaries without Public Accountability: notes (IASB effective date: 1 January 2027)	not yet adopted by the EU
IFRS 14	Regulatory Deferral Accounts (IASB effective date: 1 January 2016)	The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard.
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments (effective date deferred by the IASB indefinitely but earlier application permitted)	endorsement process postponed indefinitely until the research project on the equity method has been concluded

The Group and the Company expect that the adoption of the above accounting standards and amendments to existing standards will have a material impact on the financial statements of the Group and the Company in future periods, particularly the amendments to IFRS 18. The Group has set up a working group to examine the impact of the amendments to IFRS 18.





3.6 Risk management

The main risk categories that the Group is exposed to are:

- insolvency risk,
- underwriting risks (non-life, life and health underwriting risks),
- financial risks (market risks, liquidity risks, credit risks and risk of failure to realise interest-rate guarantees),
- operational risk,
- strategic risks,
- other material risks.

The table shows a summary of risks in 2025.

The following is an overview of risks in terms of the potential volatility of business results and the resulting impact on the financial statements of the Group and the Company. Sensitivity analyses are included for each risk group, showing the impact on profit or loss and accumulated other comprehensive income (AOCI).

The potential impact of an extreme internal or external risk materialising and its impact on the Group’s and the Company’s solvency position will be addressed in the Solvency and Financial Condition Report of the Sava Insurance Group for 2025, which will be posted on the Sava Re website on 20 May 2026, and in the Solvency and Financial Condition Report of Sava Re d.d. for 2025, which will be posted on the Company’s website on 3 April 2026.

► Risk profile of Sava Insurance Group and Sava Re

Risks	Summary of risks in 2025	Risk described in section
Insolvency risk	The Group and Sava Re ensure an adequate level of excess capital. The Group’s capital adequacy, in accordance with the Solvency II standard formula, was significantly above regulatory requirements in 2025, and the Group was also well capitalised in line with its internal metrics. Throughout 2025, Sava Re’s capital adequacy remained robust, and during the year it was assessed as being above the target capitalisation level (as defined in the risk strategy) and significantly above regulatory requirements.	3.6.2
Underwriting risks	In terms of capital requirements, the Group’s most significant risks include non-life, life and health underwriting risks. These risks are managed appropriately and remain at similar levels to last year. In 2025, there were no natural catastrophes that had a material impact on the Group’s or the Company’s operations. In the non-life business, premium risk and reserving risk increased, as did catastrophe risk. Sava Re is mainly exposed to non-life underwriting risks; the risks remained unchanged compared to 2024.	3.6.3
Financial risks	The Group and the Company ensure the appropriate management of financial risks. We actively monitor and manage the exposure to these risks and the appropriate diversification of the investment portfolio. We also ensure the management of assets and liabilities. Financial risks did not increase further in 2025 compared to 2024. We adapt our investment policy to market conditions, and we aim to maintain a sufficient level of highly liquid investments.	3.6.1.1 3.6.4
Operational risks	Operational risks are actively managed through the enhancement of the internal control environment and continuous process improvements. The risks are at a level similar to the last year. We carefully manage key operational risks such as cyber and ICT risk, process execution risk and the risk of legal non-compliance. We also place an important emphasis on the risks related to data protection and data security.	3.6.1.4 3.6.5
Strategic risks	Strategic risks constitute an important risk category for the Group and the Company. In addition to the uncertain geopolitical environment and macroeconomic risks, we also identify other key strategic risks. The risks were at a level similar to the previous year. We strive to limit the risks sufficiently and to respond and adapt effectively to changes in the environment.	3.6.1.1 3.6.6
Other material risks	These include emerging risks and sustainability risks (including climate-related risks). Identifying and monitoring emerging risks enables the Group and the Company to detect changes in a timely manner and respond accordingly. Appropriate monitoring and management of sustainability and climate-related risks is also of significant importance to the Group and the Company in the long term. Within the scope of emerging risks, we also address those associated with artificial intelligence. Compared with the previous year, other material risks remained at a comparable level.	3.6.1.2 3.6.7

3.6.1 Key challenges and associated risks

3.6.1.1 Geopolitical uncertainty and the macroeconomic environment

In 2025, geopolitical risks remained high due to ongoing interstate conflicts and uncertainty in international relations. The war in Ukraine continued, while mounting tensions between major powers put further pressure on the European economy and security. Political divisions within the EU hindered the coordination of joint measures, and European economies were further affected by trade protectionism.

Despite these circumstances, the year was favourable in terms of returns. Conditions in the bond markets remained stable, and European corporations maintained strong credit ratings. Banks also remained well capitalised, with no liquidity pressures observed.

The annual inflation rate in the euro area countries was 2.0% in December 2025 ¹³¹. The ECB forecasts inflation of 1.9% for 2026 ¹³². Year-on-year GDP growth in the euro area was 1.4% ¹³¹ in the third quarter of 2025. GDP growth of 1.2% is forecast for 2026. In 2026, GDP growth is estimated to be 1.2% ¹³³.

Towards the end of last year, the European Central Bank (ECB) kept its key interest rate unchanged at 2.15%. No major changes in monetary policy are expected for 2026. In December, the US Federal Reserve (Fed) lowered its key interest rate by 25 basis points (bps), bringing the year-end rate to 3.75%. Currently, the market does not anticipate further rate cuts until the second half of 2026 ¹³⁴.

In 2025, equity indices delivered favourable returns, with the development of artificial intelligence significantly contributing to the performance of the S&P 500 and NASDAQ indices.

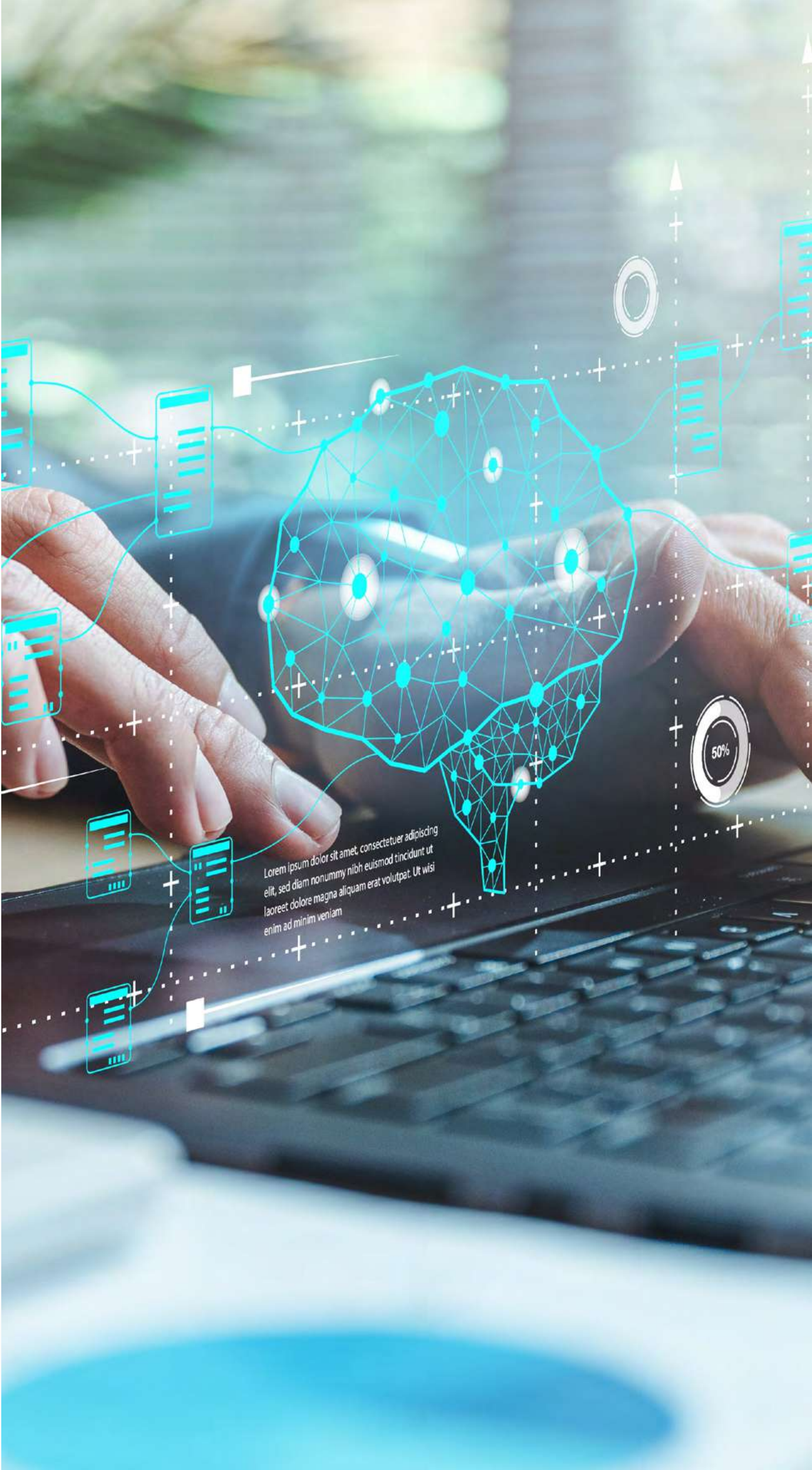
The Group believes that risks related to the macroeconomic or geopolitical situation will continue to increase somewhat in the future, and the Group and the Company monitor such risks in order to take timely action. Risks have also been considered in the context of scenarios in the Own Risk and Solvency Assessment (ORSA).

3.6.1.2 Artificial Intelligence

In 2025, the Sava Insurance Group continued to systematically implement artificial intelligence (AI) across key areas of its operations. While recognising the importance of, and opportunities arising from, the use of new technologies, the Group is also aware that the use of AI represents a significant challenge and entails certain risks.

To this end, a dedicated project was defined, running until 2027, which represents one of the Group's key development pillars for the coming years. The insurance industry is undergoing a period of rapid technological change. Through this project initiative, the Sava Insurance Group is entering a strategic phase of introducing advanced AI solutions into its operations, thereby adopting a coordinated, controlled approach to laying the foundations for the successful implementation of AI technologies. All Group companies are involved in the project.

In addition, to ensure better governance and use of AI, the Group has adopted a policy and guidelines on the use of AI, and organised AI-related training sessions for employees at the Group level.



¹³¹ Source: Eurostat, 2026, ec.europa.eu/eurostat/statistics-explained/index.php?title=Inflation_in_the_euro_area.

¹³² Source: ECB, 2026, www.ecb.europa.eu/press/projections/html/ecb.projections202512_eurosystemstaff~12ead61977.en.html.

¹³³ Source: summarised based on OECD. Economic Outlook. December 2025: www.oecd.org/content/dam/oecd/en/publications/reports/2025/12/oecd-economic-outlook-volume-2025-issue-2_413f7d0a/9f653ca1-en.pdf.

¹³⁴ Source: Bloomberg, WIRP as at 5 January 2026.

3.6.1.3 Climate change and transition to sustainable business

Climate change is a significant sustainability risk for the Group and Company, as it has a direct and indirect impact on our business activities, and monitoring and managing this risk is crucial for the Group's long-term performance.

The Group monitors the risks from the physical impacts of climate change (physical risks) and the risks from the transition to a low-carbon and climate-resilient economy (transition risks). The most significant risks for the Group arise from insurance (physical risks related to natural catastrophes) and investment portfolios (risks related to potential transition effects on the investment portfolio). Climate risk was also analysed (qualitatively and quantitatively) in ORSA. For more information on climate risks and impacts, see section [B.ESRS E1 "Climate Change" – SBM3 "Material impacts, risks and opportunities and their interaction with strategy and business model"](#).

The Group recognises that the transition to sustainable business involves many challenges and risks. We have established a system for monitoring and reporting sustainable development and social responsibility risks. There is also a strong focus on effective and meaningful implementation of sustainability legislation.

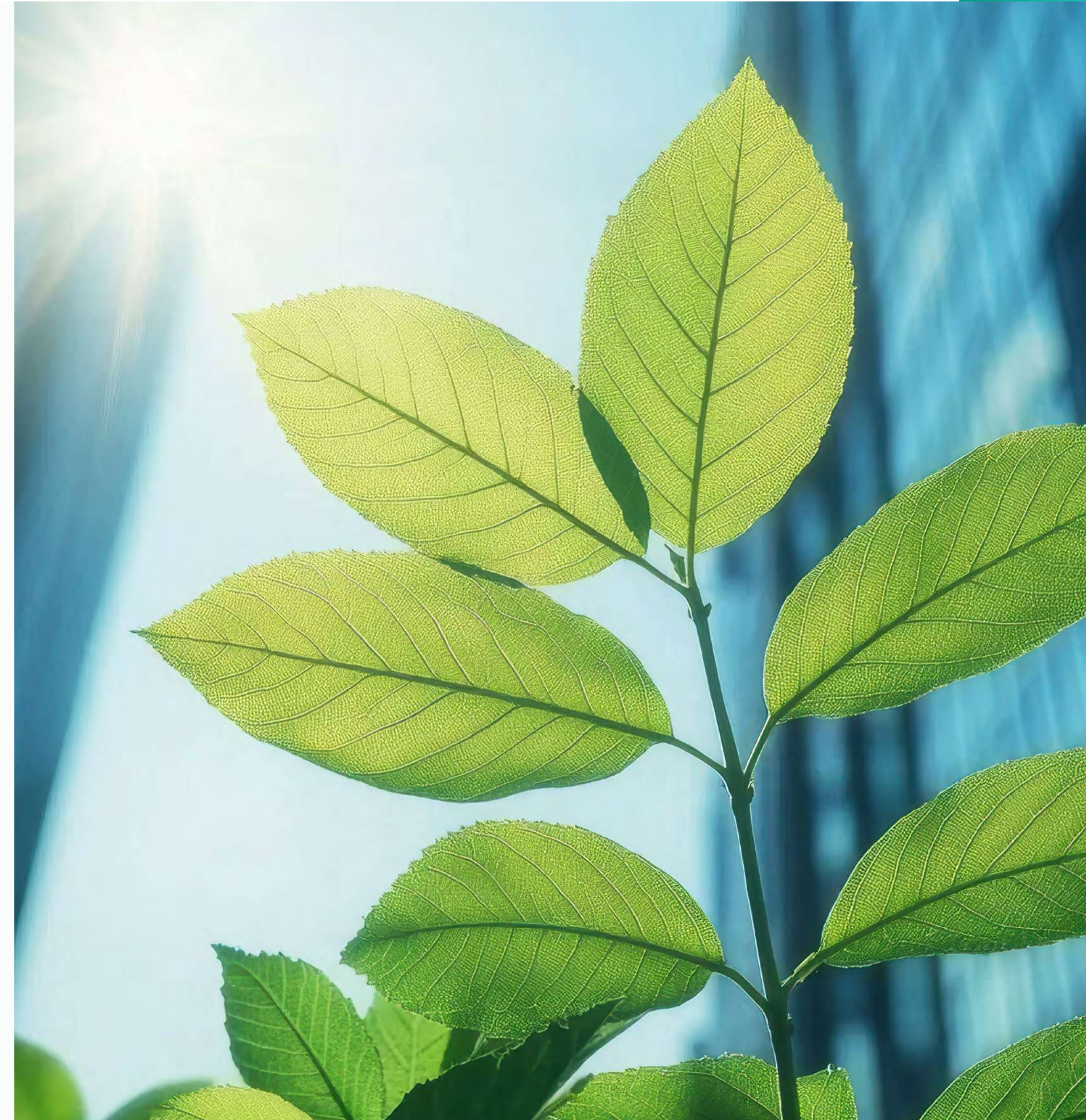
3.6.1.4 Cyber and ICT risks

In 2025, the level of cyber extortion remained high worldwide. The increasing digitalisation of tools and their strong interconnectivity further increases technological dependency and may pose a greater threat to security. The use of artificial intelligence may also be problematic, as it can significantly increase the scale, speed and effectiveness of cyberattacks¹³⁵. The realisation of cyber risks can lead to a complete disruption of operations and high financial losses while also affecting the Group's reputation. We are therefore planning and implementing additional activities at the Group level in addition to the risk prevention measures already in place in this area. Security threats and incidents are also regularly monitored through the Security Operations Centre (SOC).

In 2025, the new DORA Regulation¹³⁶ also entered into force, addressing the digital operational resilience of Group companies and setting requirements for the security of the network and information systems of financial entities.

Group companies also monitor these risks within the risk register, where cyber risks are tracked alongside other ICT risks. The Group also addressed cyber risks in ORSA by incorporating a cyber scenario.

The Group will continue to pay particular attention to both cyber and ICT risks in future periods and address them appropriately.



135 Source: summarised based on Howden Re. Cyber Threat Report 2025: www.howdenre.com/news-insights/howden-re-launches-its-h2-2025-cyber-threat-report-analysis-cyber-threat-trends-shaping-risk.
136 Digital Operational Resilience Act.



3.6.2 Capital adequacy and capital management in the Sava Insurance Group and Sava Re

At the Group and Company level, the standard formula is used to calculate the capital requirements in accordance with the Solvency II legislation. The solvency capital requirement (SCR) is fully calculated once a year, whereas the eligible own funds supporting the Group’s solvency requirements are assessed quarterly, and the solvency position is assessed during the year. The solvency position for an individual quarter is therefore presented as the solvency ratio range. The following is the unaudited estimate of the Group’s solvency position (range), whereas for Sava Re the audited solvency position as at 31 December 2025 is presented.

The Group’s estimated solvency position as at 31 December 2025 shows that the Group is well capitalised, with an expected solvency ratio of between 215% and 221% (31 December 2024: 208%). The Group’s eligible own funds to cover the solvency capital requirement

(SCR) amounted to EUR 769.0 million as at 31 December 2024 and are estimated to have been higher at year-end, mainly due to the strong performance in 2025. The Group’s solvency capital requirement was EUR 370.2 million as at 31 December 2024 and is estimated to have increased in 2025, mainly due to an increase in market risk, with an additional impact stemming from methodological changes.

The estimates therefore indicate that the Group’s solvency position as at 31 December 2025 was in compliance with both internal metrics and regulatory requirements.

At the Group level, in addition to ensuring regulatory capital adequacy, it is important to manage capital in such a way that it meets the requirements of credit rating agencies for “A” ratings, and that the Group remains solvent and is able to meet its obligations even if stress scenarios materialise. To this end, the risk strategy of the Sava Insurance Group for 2023–2027, which defines the Group’s risk appetite, defines the levels of required solvency ratios, as shown below.

► Solvency ratio levels of the Group in line with internal rules defined by the risk strategy

Overcapitalisation _____ > 250%		Additional engagement or return of capital
Acceptable overcapitalisation _____ 210%–250%		Seeking ways to restructure capital use
Optimal capitalisation _____ 170%–210%		No action required
Suboptimal capitalisation _____ 150%–170%		Potential capital restructuring
Warning capital level _____ 100%–150%		Measures to safeguard Group solvency



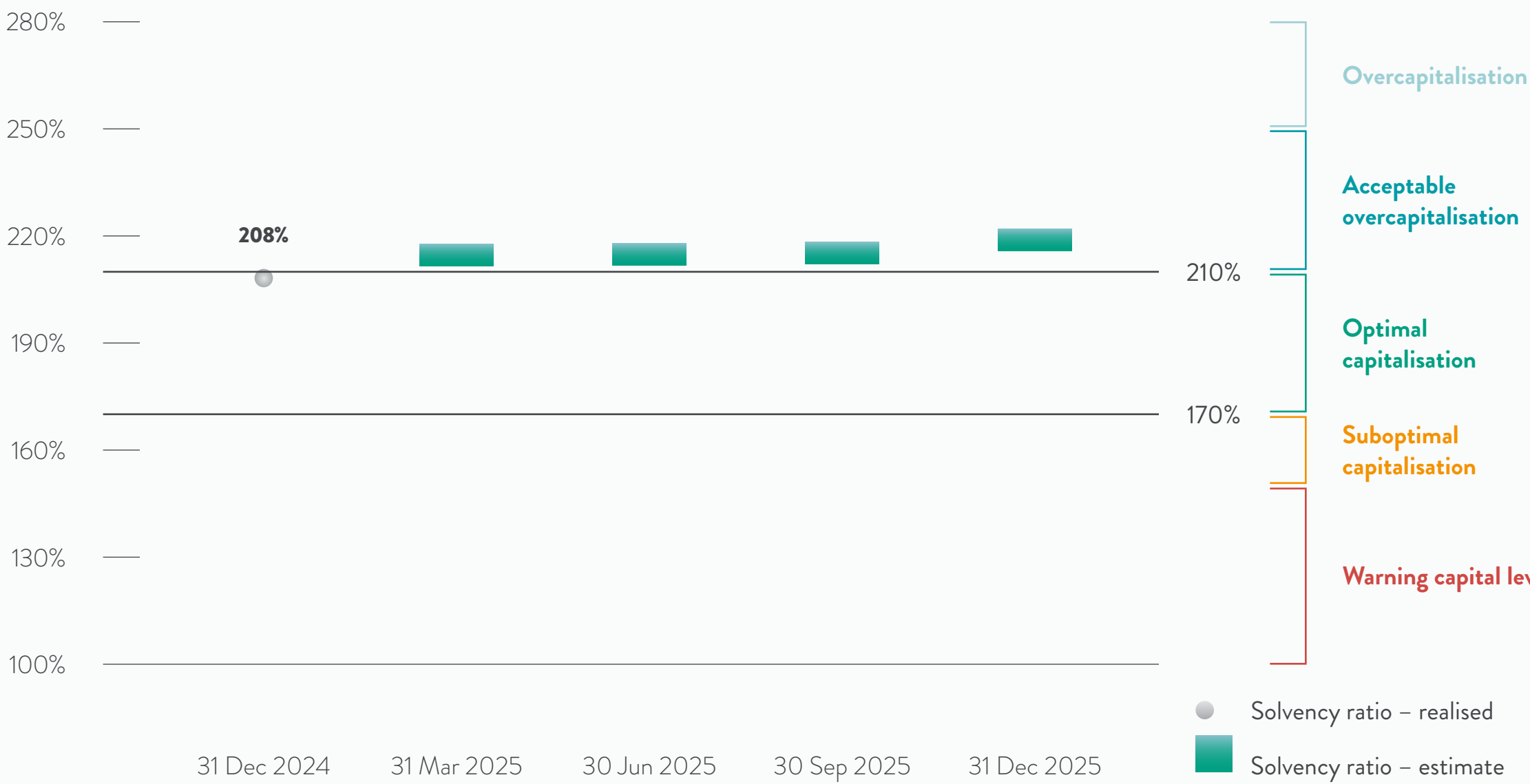
The Company’s solvency position as at 31 December 2025 shows that it is well capitalised, with a solvency ratio of 308% (31 December 2024: 294%). The amount of own funds eligible to cover the solvency capital requirement (SCR) as at 31 December 2025 was EUR 853.6 million (31 December 2024: EUR 759.5 million). The increase is mainly due to the strong operating performance in 2025 and the increase in the value of participations. The Company’s solvency capital requirement as at 31 December 2025 was EUR 277.0 million (31 December 2024: EUR 258.0 million) and increased mainly due to an increase in market risk.

Throughout 2025, the Company’s capital adequacy was consistently assessed to have been above the target capitalisation level defined in the risk strategy (more than 200%) and significantly above regulatory requirements.

Based on its robust capital adequacy, the Company believes that insolvency risk is low. The scenarios conducted under ORSA 2025 also demonstrated the robustness of the Group’s and the Company’s solvency position.

The annual calculation of capital adequacy will be discussed in more detail in the Solvency and Financial Condition Report of the Sava Insurance Group and the Solvency and Financial Condition Report of Sava Re d.d.

► Capital adequacy of the Sava Insurance Group as at 31 December 2024 and in 2025



3.6.3 Underwriting risks

The Group and the Company are exposed to non-life, life and health underwriting risks. Accepted life reinsurance business of non-Group cedants, including accident reinsurance business, is classified as health underwriting risk. Due to its one-year duration and according to the nature of its coverage, this life reinsurance business is comparable to accepted accident reinsurance business. To measure the exposure of the Group and the Company, we use gross premiums written and gross natural catastrophe exposures in the following text. These data have not been audited.

First, we present underwriting risks arising out of non-life business. This is followed by risks arising out of the life and health insurance business.

3.6.3.1 Non-life underwriting risks¹³⁷

The Group’s exposure to non-life underwriting risk, measured by the volume of consolidated gross non-life premiums, is shown in the upper right graph.

The breakdown of the Group’s gross non-life premiums did not change significantly in 2025.

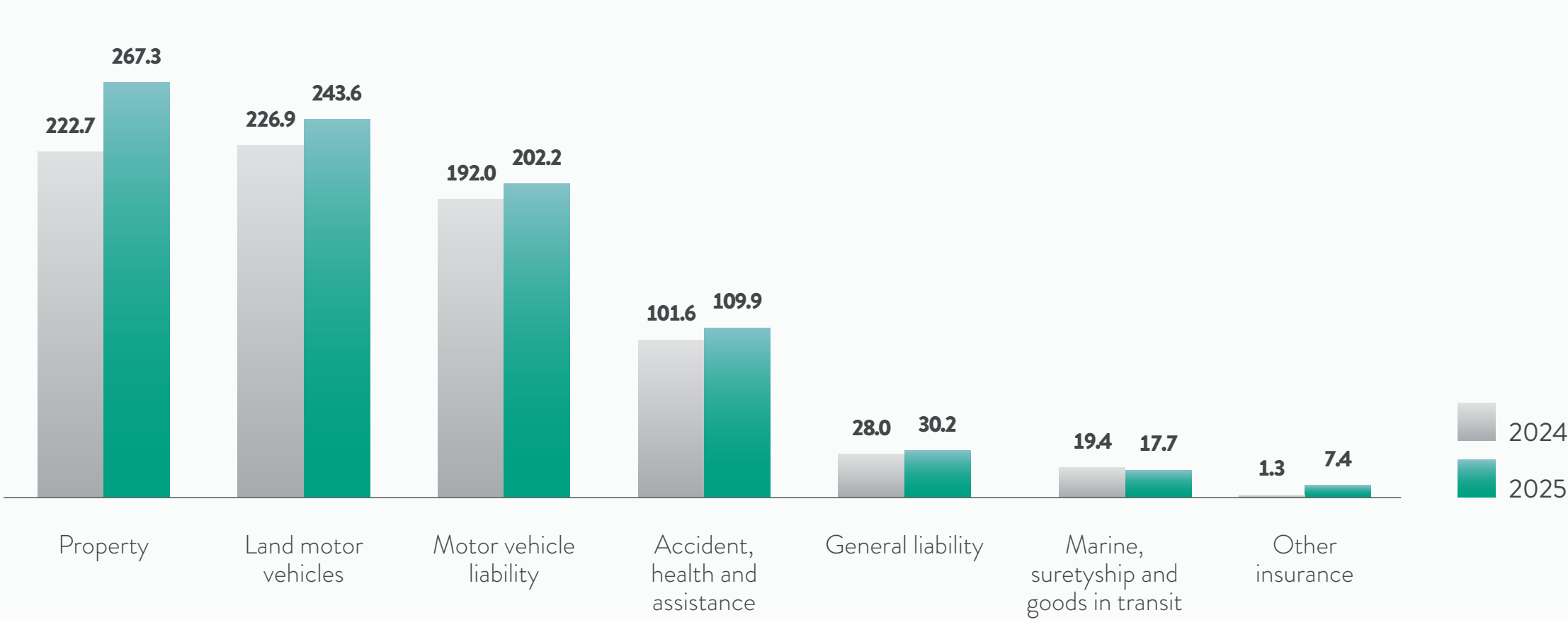
The Group’s largest premium volume is generated in Slovenia and the Adriatic region, where its direct insurance subsidiaries operate; exposure to Slovenia is predominant. Premiums were higher in 2025, and the share of the largest classes of insurance increased further in 2025. The Group’s other exposures are relatively well diversified globally.

The Group’s and the Company’s exposure to non-life underwriting risk measured by net (re) insurance contract liabilities is disclosed in note [3.7.9 “Insurance and reinsurance contract assets and liabilities”](#).

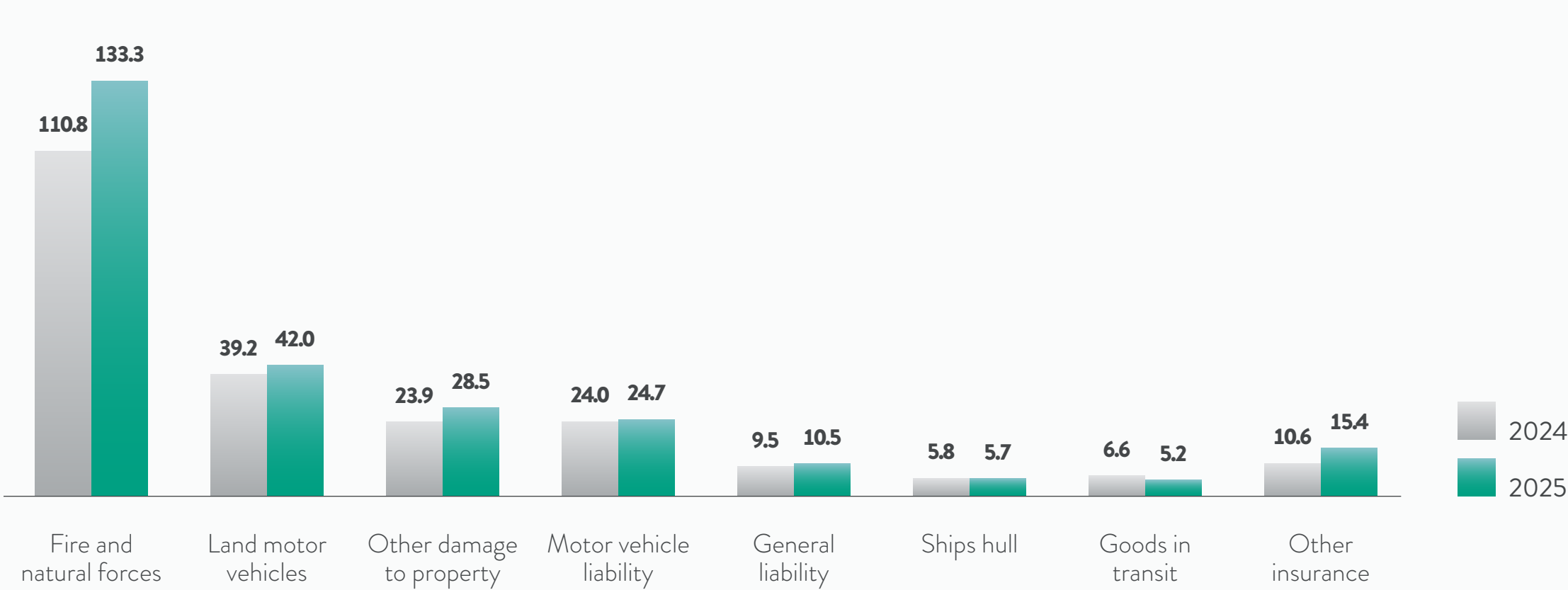
As the Group as a whole has an adequate retrocession programme in place, it is not significantly exposed to the risk of a sharp increase in net claims, even in the event of catastrophe losses. More likely is an increase in net claims due to a mass of small adverse developments (an increase in claims or expenses or a decrease in premiums) that would affect the net combined ratio.

The Company’s exposure to non-life underwriting risk, measured by the volume of gross non-life premiums, is shown in the lower right graph, by class of insurance.

Gross premiums written by class of insurance (non-life insurance) (€m)



Gross premiums of Sava Re by class of insurance (non-life reinsurance) (€m)



In 2025, gross premiums written from fire and natural forces insurance increased in particular, while premiums from other lines of insurance remained broadly similar.

The Group's exposure to non-life underwriting risk, measured by net (re)insurance contract liabilities, is disclosed in note [3.7.9 "Insurance and reinsurance contract assets and liabilities"](#).

The Group and the Company manage non-life underwriting risks by:

- established underwriting processes, comprising processes and an authorisation system for the underwriting of (re)insurance contracts with higher sums insured, and a process for the underwriting of (re)insurance contracts in accordance with internal underwriting guidelines for facultative underwriting for high exposures;
- underwriting limits;
- geographical diversification;
- an appropriate actuarial pricing policy applied in product design and controlling;
- an appropriate reinsurance programme.

The following sections describe risk management in more detail for each of the non-life underwriting risks.

Premium risk

The Group's and the Company's premium risk was assessed as moderate and remained at a level comparable to 2024. Claims inflation, as well as the increased frequency and severity of natural catastrophes, continue to be sources of uncertainty. In the future, it will remain necessary to closely review the adequacy of the assumptions used and to react swiftly by adjusting premium rates to ensure that the Group achieves its planned results.

Most accepted non-life (re)insurance contracts are renewed annually. This allows insurers to adjust conditions and rates on an ongoing basis to reflect any adverse developments in the claims experience of entire classes of business or products, as well as for major policyholders. Thus, in the face of rising inflation in recent years and intensifying catastrophes, the Group has taken measures to increase prices for motor and non-life insurance, while the deterioration in macroeconomic conditions and the increased severity of natural catastrophes in recent years have also led to higher reinsurance premium rates, which have improved the management of the premium risks of accepted reinsurance. However, the reinsurance cycle has already started to turn towards lower premium rates in the second half of

2024 (and continuing into 2025), which increases the risks of accepted reinsurance business by relaxing terms and conditions, making it all the more important to closely monitor and maintain underwriting discipline. On the other hand, this has resulted in improved retrocession conditions, so the risk of not being able to continue obtaining adequate retrocession protection, along with the uncertain effects of climate change on natural catastrophes, has been slightly reduced.

The Group mitigates price risk by conducting detailed market analyses, monitoring the business environment (media, competitors, customers) and regulatory requirements, and monitoring historical claims trends (for the entire insurance market) and projections. In the case of proportional reinsurance treaties, the Company follows the fortune of its ceding companies, while with non-proportional and facultative business, the decision on assuming a risk is on the Company. It follows from the foregoing that in order to manage this risk, it is essential to review the practices of existing and future ceding companies and to analyse developments by market and class of insurance. Consequently, coverage may only be granted by following internal underwriting guidelines, and performance must be consistent with the target combined ratios, based on

available information, prices set and other relevant contractual provisions. The suitability of pricing is verified through modelling and other detailed profitability reviews.

Another underwriting process risk is PML error, the inaccurate assessment of the probable maximum loss (PML). In order to mitigate this risk, the Group has in place guidelines for PML assessment, requirements that PML assessments are a team exercise, and ensures that the reinsurance programme covers PML errors.

The Group mitigates claims risk through in-depth assessments of underwriting process risk, by restricting the authorisations in the underwriting process, and by developing IT support that allows an accurate overview of claims accumulation. For accepted reinsurance, this risk, too, can be managed by means of special clauses in proportional reinsurance contracts, which limit the reinsurer's share of unexpected claims, and by not accepting unlimited layers under non-proportional contracts. Also central to reducing this risk is the annual testing of the appropriateness of reinsurance protection using a variety of stress tests and scenarios, and setting appropriate retentions.



Risk of insufficient insurance contract liabilities

The risk that the Group or the Company has of insufficient insurance contract liabilities has been assessed as medium and was at a similar level as in 2024. The risk is managed through the measures described below.

Insurance contract liabilities may be inadequate due to inaccurate actuarial estimates or unexpected adverse claims developments. This may be the result of new types of losses that are not excluded in cedants’ insurance conditions and for which no insurance contract liabilities have yet been established, which is common in liability insurance, but may also be due to changes in court practice. All the lessons learned from claims experience are then used to determine insurance contract liabilities in the future.

The adjustment of the assumptions for setting insurance contract liabilities in 2025 was affected by the change in the forecast of the expected future claims inflation, changes in individual product prices and changes in the expected level of natural catastrophe claims, whereas the run-off analyses of the liability for incurred claims previously set showed positive results in 2024 (in the following text).

Based on records and understanding of the process of calculating the insurance contract

- liabilities, potential risks are identified and described, such as the risks relating to:
- data availability and accuracy,
 - adequacy of methods and assumptions used,
 - calculation errors,
 - process support in the IT system and tools.

Controls are put in place for the mitigation of each identified risk. These controls ensure data quality and mitigate the risks associated with the calculation of insurance contract liabilities. The design and operational effectiveness of the controls are reviewed at least annually and whenever there is a significant change in the process or in the methods and models used to calculate insurance contract liabilities.

- Such controls include:
- the reconciliation of technical items with the Company’s accounting records,
 - peer review of actuarial methods and assumptions,
 - defined change management controls for IT tools used in the process,
 - actuarial review and approval of the level of insurance contract liabilities.

The process by which insurance contract liabilities are calculated is subject to periodic approval. Where substantial changes have been made to the process, the methodology or models used in

the calculation of insurance contract liabilities, a validation is carried out in accordance with the reporting schedule.

Back-testing of adequacy of insurance contract liabilities in 2025

The Group establishes the liability for remaining coverage separately for each group of insurance contracts. In addition to the basic amount of liability for remaining coverage, Group companies establish a loss component if a contract is unprofitable (described in the accounting policies for insurance contracts).

The adequacy of the level of the liability for incurred claims is assessed using run-off analysis. This can only be applied to past years – the further back in time, the more precise the results. As the liabilities for incurred claims are calculated using consistent actuarial methods, we can conclude from historical differences between originally estimated and subsequently established liabilities at various balance sheet dates that the liabilities as at 31 December 2025 are adequate.

The Group companies record and analyse data on liabilities for incurred claims by accident year. The following tables show, for each accident year represented by a column, the development of the estimated ultimate claims (gross, net) of each accident year in relation to the subsequent claims

development. The values in the tables, except for the last row, are not discounted.

The data in the following tables are only presented from the transition to the new accounting standard onwards, because the data are insufficient for previous years due to the application of the premium allocation approach on a large part of the non-life portfolio and the transition to the new standard using the fair value approach on certain parts of the portfolio measured using the general measurement model.

All amounts included in the following tables whose original value is in a foreign currency have been translated into euros at the rates of the ECB reference rate list published by the Bank of Slovenia as at 31 December of the relevant year. On the other hand, all cash flow amounts included in the tables below that are originally denominated in foreign currencies have been translated into euros using the average exchange rate for the year.

The actual claims development by accident year shows that the run-off of gross and net liabilities is predominantly positive. On the basis of the above, it can be concluded that the level of both the gross and net liabilities for incurred claims as at 31 December 2025 for accident years up to and including 2025 is adequate to cover the expected ultimate liabilities.



► Development of estimated ultimate gross non-life (re)insurance claims of the Sava Insurance Group

Sava Insurance Group	Year ended 31 December										Total
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Estimates of cumulative gross claims											
At end of accident year							500,689,696	617,042,478	629,614,176	629,232,595	
Re-estimated as of 1 year later						230,203,088	448,781,487	558,485,320	570,240,987		
Re-estimated as of 2 years later					145,496,372	213,530,184	430,042,622	545,285,801			
Re-estimated as of 3 years later				113,899,060	136,746,105	206,090,103	427,248,335				
Re-estimated as of 4 years later			57,209,581	109,242,100	137,257,660	202,926,945					
Re-estimated as of 5 years later		36,001,013	53,606,089	105,389,137	134,052,165						
Re-estimated as of 6 years later	25,915,715	36,125,255	57,334,735	105,828,690							
Re-estimated as of 7 years later	25,247,364	34,258,045	58,590,172								
Re-estimated as of 8 years later	22,590,991	32,291,118									
Re-estimated as of 9 years later	21,734,679										
Cumulative gross claims paid by reporting date	11,953,116	19,127,846	48,248,271	84,296,917	103,659,167	169,202,573	387,483,481	485,329,670	459,649,658	350,859,041	
Gross liabilities for accident years 2016–2025	9,781,563	13,163,273	10,339,398	21,531,773	31,016,357	34,226,149	40,137,230	59,956,131	110,591,329	278,373,554	609,116,756
Gross liabilities for prior accident years											61,757,308
Effect of discounting											-60,204,277
Gross liabilities for incurred claims included in the statement of financial position											610,669,787



► Development of estimated ultimate gross non-life (re)insurance claims of Sava Re

Sava Re	Year ended 31 December										Total
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Estimates of cumulative gross claims											
At end of accident year							169,061,145	212,673,761	193,420,977	190,034,524	
Re-estimated as of 1 year later						146,929,663	147,952,242	168,811,408	161,070,510		
Re-estimated as of 2 years later					139,395,365	142,244,502	136,085,488	158,468,734			
Re-estimated as of 3 years later				87,849,200	133,882,140	138,854,055	135,300,136				
Re-estimated as of 4 years later			46,513,996	83,888,748	134,296,128	137,208,871					
Re-estimated as of 5 years later		22,627,306	44,500,791	83,192,828	133,226,609						
Re-estimated as of 6 years later	15,006,426	23,307,159	48,458,512	84,071,844							
Re-estimated as of 7 years later	16,680,787	21,646,753	48,627,037								
Re-estimated as of 8 years later	15,236,025	21,175,902									
Re-estimated as of 9 years later	15,421,116										
Cumulative gross claims paid by reporting date	10,265,395	15,745,691	47,582,411	76,435,579	117,632,334	118,492,869	111,265,457	130,554,097	95,354,662	47,494,526	
Gross liabilities for accident years 2016–2025	5,155,721	5,430,212	1,044,626	7,636,265	15,594,275	18,716,003	24,034,679	27,914,637	65,715,848	142,539,997	313,782,262
Gross liabilities for prior accident years											40,221,997
Effect of discounting											-26,987,009
Gross liabilities for incurred claims included in the statement of financial position											327,017,249



► Development of estimated ultimate net non-life (re)insurance claims of the Sava Insurance Group

Sava Insurance Group	Year ended 31 December										Total
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Estimates of cumulative net claims											
At end of accident year							451,674,080	511,082,147	575,187,789	591,061,930	
Re-estimated as of 1 year later						201,176,093	399,223,599	472,077,458	524,206,362		
Re-estimated as of 2 years later					127,707,372	196,059,983	373,886,489	451,699,817			
Re-estimated as of 3 years later				108,871,233	117,790,838	190,067,813	372,550,592				
Re-estimated as of 4 years later			52,841,279	103,146,740	119,094,785	187,605,371					
Re-estimated as of 5 years later		31,937,374	49,572,590	98,646,218	116,006,467						
Re-estimated as of 6 years later	23,707,304	31,558,767	52,989,493	98,842,720							
Re-estimated as of 7 years later	20,988,946	31,094,538	53,491,839								
Re-estimated as of 8 years later	19,282,849	28,824,555									
Re-estimated as of 9 years later	18,650,310										
Cumulative net claims paid by reporting date	11,053,202	17,518,415	44,746,347	78,110,757	88,041,422	154,970,590	336,693,444	399,586,947	430,048,705	341,803,762	
Net liabilities for accident years 2016–2025	7,597,108	11,306,140	8,745,492	20,731,963	27,965,046	32,634,781	35,857,148	52,112,870	94,157,657	249,258,168	540,366,371
Net liabilities for prior accident years											45,636,259
Effect of discounting											-53,780,345
Net liabilities for incurred claims included in the statement of financial position											532,222,285



► Development of estimated ultimate net non-life (re)insurance claims of Sava Re

Sava Re	Year ended 31 December										Total
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Estimates of cumulative net claims											
At end of accident year							132,617,573	127,557,006	146,674,432	157,931,300	
Re-estimated as of 1 year later						121,436,721	113,579,157	104,619,903	124,425,913		
Re-estimated as of 2 years later					124,993,433	126,385,345	94,646,889	87,039,055			
Re-estimated as of 3 years later				83,429,967	118,347,871	125,378,624	95,416,906				
Re-estimated as of 4 years later			42,960,816	78,306,760	119,581,823	124,286,947					
Re-estimated as of 5 years later		19,811,338	40,806,960	77,017,094	118,772,787						
Re-estimated as of 6 years later	13,240,849	19,901,084	44,869,773	77,561,327							
Re-estimated as of 7 years later	12,767,671	19,245,601	45,052,190								
Re-estimated as of 8 years later	12,656,326	18,538,840									
Re-estimated as of 9 years later	12,683,237										
Cumulative net claims paid by reporting date	9,608,909	14,626,752	44,371,681	70,397,012	105,371,690	109,882,433	72,306,194	66,383,755	73,390,212	41,220,942	
Net liabilities for accident years 2016–2025	3,074,329	3,912,087	680,509	7,164,315	13,401,096	14,404,514	23,110,712	20,655,300	51,035,701	116,710,358	254,148,921
Net liabilities for prior accident years											24,401,109
Effect of discounting											-21,033,961
Net liabilities for incurred claims included in the statement of financial position											257,516,069

Lapse risk

The lapse risk in 2025 for both the Group and the Company has been assessed as low and comparable to the previous year.

It is estimated that lapse risk is less important for the Group, as the vast majority of non-life insurance policies are written for one year and cannot be terminated early without the insurer’s consent (except in case of premium default or if the subject-matter of the insurance policy is no longer owned by the policyholder or has been destroyed due to a loss event). The majority of accepted reinsurance contracts are also written for a period of one year. This risk is mitigated primarily by maintaining good relationships with policyholders and cedants and by closely analysing market conditions.

Catastrophe risk

We assess the Group’s catastrophe risk in 2025 as moderate and (given the volume of insurance portfolios) similar to the previous year. We also rate the same risk for the Company as moderate.

The Group manages catastrophe risk by means of a well-designed underwriting process, by controlling risk concentration for products covering larger complexes against natural catastrophes and fire, by geographical diversification, and by adequate retrocession protection against natural and man-made

catastrophes. In managing these risks, due consideration is given to the fact that maximum net aggregate losses in any one year are affected by both the maximum net claim arising from a single catastrophe event and the frequency of such events.

An appropriate reinsurance programme is important for managing the underwriting risk to which the Group is exposed. The Group uses retrocession treaties to ensure adequate risk diversification. The reinsurance programme is set up to reduce exposure to potential single large losses or the effect of a large number of single losses arising from the same loss event. The Group considers its reinsurance programme (including proportional and non-proportional reinsurance) to be appropriate in view of the risks to which it is exposed. Net retention limits set by the Group are only rarely applied. The Group provides additional risk diversification through co-insurance and reciprocal agreements with other reinsurance companies.

We consider natural catastrophe risk to be the most significant catastrophe risk to which non-life insurance is exposed.

The Group’s exposure from the assumed insurance business is by far the highest in Slovenia. The following table shows the gross aggregate exposure in Slovenia from the assumed insurance business by peril.

► Gross aggregate exposure to individual natural catastrophes in Slovenia from assumed insurance transactions (sums insured)

EUR thousand ¹³⁸	2025	2024
Flood	17,567,523	16,376,578
Earthquake	25,505,434	22,505,434
Storm and hail	68,445,474	63,552,974

The Company has the highest exposure to natural disasters in Slovenia, whereas exposures elsewhere are relatively well-diversified globally.

The table below shows the Company’s gross natural catastrophe exposures for 10 countries with the highest exposures as at 31 December 2025 and 31 December 2024.

► The largest gross exposure of Sava Re to natural catastrophes from assumed insurance transactions by country (EUR thousand)¹³⁹

Country	31 December 2025	Country	31 December 2024
Slovenia	472,051,480	Slovenia	468,545,937
Montenegro	49,486,103	China	44,673,679
China	41,038,848	Greece	31,160,000
Greece	39,109,500	Cyprus	30,261,500
Cyprus	33,279,850	Taiwan	29,950,790
Serbia	32,240,000	United Kingdom	28,922,023
Pakistan	29,302,065	Serbia	28,752,500
Poland	29,266,012	Vietnam	27,791,683
Maldives	29,027,294	Austria	27,405,369
Taiwan	27,863,273	Poland	26,756,964
Total	782,664,425	Total	744,220,446

138 The data compiled are as at 30 June of each year.
139 For exposure, in countries where modelled exposure data is available, PML assumptions (250-year events) are used, but where this data is not available, the sum insured is used as the maximum exposure.



As shown in the table above, exposure to natural catastrophes is higher in regions where Group companies write property insurance and in Sava Re’s major reinsurance markets; the largest gross aggregate exposure to natural catastrophes is thus concentrated in Slovenia.

The Group has a reinsurance programme to cover catastrophic risks (as described in more detail below), with the remainder ceded to reinsurers. The Group’s primary insurance business and separately accepted non-Group reinsurance business is protected against natural catastrophes based on non-proportional catastrophe excess-of-loss coverages for own account. Even prior to the operation of the non-proportional protection, the portfolio of the earthquake (re) insurance business of the Group’s cedants is protected by a quota share retrocession treaty. This means that if a major event occurs, the Group will suffer a loss equal, at most, to the amount of the priority of the catastrophe excess-of-loss cover plus a reinstatement premium. In this way, the maximum net exposure of a portfolio to a catastrophe event is limited by the retention up to the capacity of the reinsurance cover. If the Group makes additional use of the coverage, it is subject to provisions concerning reinstatements, meaning that it needs to purchase protection for the remaining period of cover. This is a common instrument available in the international reinsurance market at a price that is usually lower than the original cover due to the shorter coverage period.

Sensitivity analysis for non-life underwriting risks

For non-life insurance, we have assumed a change in the gross claims ratio and restated the impact on profit or loss and AOCI. The effects shown in the following tables are net of income tax. We show the effect calculation for the Group and the Company separately.

► Sensitivity analysis as at 31 December 2025

Sava Insurance Group	Change in assumptions	Profit or loss		AOCI	
		Gross	Net ¹⁴⁰	Gross	Net
Gross loss ratio	+10%	-56,203,950	-52,674,514	-40,664	-37,270
Gross loss ratio	-10%	54,842,236	51,370,066	40,708	37,314

► Sensitivity analysis as at 31 December 2024

Sava Insurance Group	Change in assumptions	Profit or loss		AOCI	
		Gross	Net	Gross	Net
Gross loss ratio	+10%	-57,870,346	-52,228,706	-104,489	-97,043
Gross loss ratio	-10%	55,710,517	50,113,675	104,253	96,860

► Sensitivity analysis as at 31 December 2025

Sava Re	Change in assumptions	Profit or loss		AOCI	
		Gross	Net	Gross	Net
Gross loss ratio	+10%	-17,677,436	-14,843,071	-62,000	-58,568
Gross loss ratio	-10%	17,379,581	14,545,216	62,000	58,568

► Sensitivity analysis as at 31 December 2024

Sava Re	Change in assumptions	Profit or loss		AOCI	
		Gross	Net	Gross	Net
Gross loss ratio	+10%	-19,536,744	-14,671,280	-48,543	-39,794
Gross loss ratio	-10%	19,230,484	14,365,019	48,543	39,794

140 The effect on profit or loss is shown before reinsurance (gross) and after reinsurance (net).



Assessed risk exposure in 2025 compared to 2024

The Group’s non-life underwriting risk is assessed as moderate. In 2025, both premium risk and provisioning and catastrophe risk remained at similar levels to 2024. We believe that these risks are well managed by the Group and the Company.

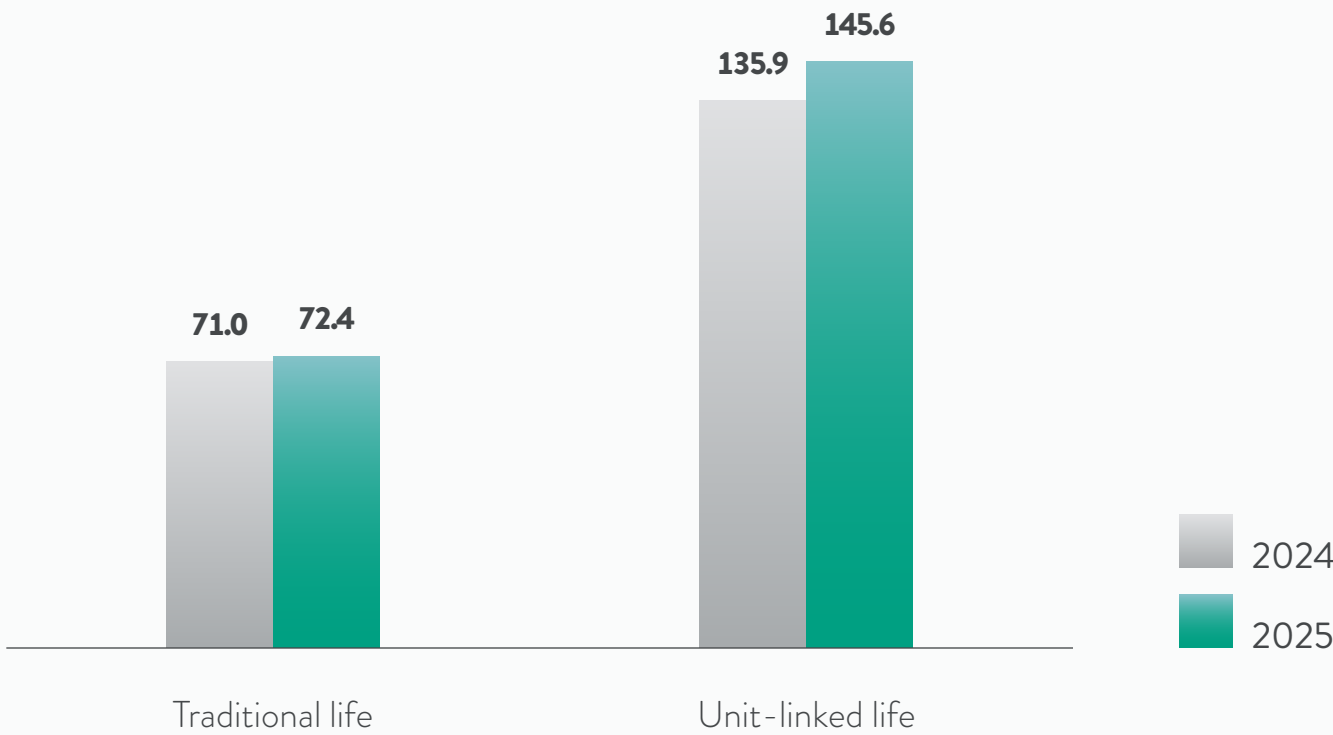
According to our assessment, the likelihood that the non-life underwriting risk would seriously compromise the Group’s or the Company’s financial stability is estimated as low.

3.6.3.2 Life underwriting risk

The main life underwriting risks relevant to the Company and the Group are the mortality risk, life expense risk and lapse risk (which includes terminations due to surrenders, changes to paid-up status and defaults).

The Group is moderately exposed to life underwriting risk. The Group’s main exposure to life underwriting risk is in the EU. The following chart shows the structure of the Group’s gross life insurance premiums by class of business.

► Gross premiums of the Sava Insurance Group by class of insurance (life insurance) (€m)



The Company’s exposure to life underwriting risk is low. In 2025, gross reinsurance premiums for traditional life insurance amounted to EUR 1,774 thousand (2024: EUR 1,444 thousand), and gross unit-linked life insurance premiums were EUR 55 thousand (2024: EUR 63 thousand).

The Group’s and the Company’s exposure to life underwriting risk, measured by net (re)insurance contract liabilities, is disclosed in note [3.7.9 “Insurance and reinsurance contract assets and liabilities”](#).

Life underwriting risks are also managed by periodically monitoring the life portfolio composition, exposures, premium payment

patterns, lapse rates and expenses incurred, as well as by analysing the appropriateness of the modelling of the expected mortality and morbidity, and lapse rates. The information so obtained allows for timely action in the case of adverse developments in these indicators.

The Group additionally manages life underwriting risk by strictly following underwriting and risk assessment procedures. These specify the criteria and terms of approving risk acceptance. At given premium rates, risk assumption depends on the age at entry and the requested sum insured. The Group accepts a risk if the health of the insured, as a measure of the quality of the risk, meets the criteria set out in the medical underwriting

table. An additional factor in the assumption of risks is lifestyle, including leisure activities and occupation. The Group has in place an appropriate reinsurance programme in order to limit the impact of underwriting risk (death and additional risks); covers are generally on a proportional basis.

There is no significant concentration of life underwriting risk at the Group level, as the portfolio is well-diversified in terms of the age of the insured persons, the remaining period of insurance, exposures (of sums insured and sums at risk), and the premium payment schedule. The portfolio is also diversified in terms of the percentage of policies lapsed in a period, expenses, and mortality and morbidity rates by product.



Sensitivity analysis for life underwriting risks

For life insurance, we have assumed a change in the assumptions for mortality rates, morbidity and disability rates, longevity rates, expenses and lapse rates. The change in assumptions for longevity rates also takes into account the annuities of Sava Pokojninska Družba. We have restated the effect on profit or loss and AOCI. The effects shown in the following tables are net of income tax.

► Sensitivity analysis as at 31 December 2025

Sava Insurance Group					
EUR	Change in assumptions	Profit or loss		AOCI	
		Gross	Net	Gross	Net
Mortality rates	+10%	-409,975	-409,975	8,665	7,935
Mortality rates	-10%	356,910	356,910	19,953	21,114
Morbidity and disability rates	+10%	-64,435	-64,435	257,261	257,241
Morbidity and disability rates	-10%	58,768	58,768	-257,785	-257,764
Longevity rates	+10%	47,430	47,430	-17,076	-17,076
Longevity rates	-10%	-115,063	-115,063	16,459	16,459
Expenses	+10%	-655,249	-655,249	354,393	354,393
Expenses	-10%	576,191	576,191	-353,632	-353,632
Lapse rates	+10%	103,923	103,923	-1,225,896	-1,257,111
Lapse rates	-10%	-112,868	-112,868	1,410,911	1,445,438

► Sensitivity analysis as at 31 December 2024

Sava Insurance Group					
EUR	Change in assumptions	Profit or loss		AOCI	
		Gross	Net	Gross	Net
Mortality rates	+10%	-405,297	-405,297	51,871	51,454
Mortality rates	-10%	327,019	327,019	-34,755	-34,049
Morbidity and disability rates	+10%	-55,810	-55,810	139,262	139,241
Morbidity and disability rates	-10%	55,768	55,768	-139,547	-139,526
Longevity rates	+10%	11,418	11,418	-78,316	-78,316
Longevity rates	-10%	-108,814	-108,814	69,362	69,362
Expenses	+10%	-522,524	-522,524	359,549	359,549
Expenses	-10%	441,901	441,901	-359,082	-359,082
Lapse rates	+10%	125,281	125,281	-1,288,789	-1,315,634
Lapse rates	-10%	-152,848	-152,848	1,478,487	1,508,514

Based on the sensitivity analysis performed, it can be concluded that the sensitivities performed do not have a material impact on profit or loss. The direct effect on AOCI as at 31 December 2025 was greatest for the change in the lapse rate.

Assessed risk exposure in 2025 compared to 2024

We estimate the Group’s life underwriting risk as moderate and well managed, remaining at a similar level to 2024.

3.6.3.3 Health underwriting risk

Most of the exposure to health underwriting risk relates to accident insurance classified as NSLT health insurance, but the exposure to SLT health insurance is very small.

NSLT health underwriting risks are, inherently, very similar to non-life underwriting risks and are therefore discussed in greater detail in section [3.6.3.1 “Non-life underwriting risks”](#). The Group manages NSLT-health underwriting risks through similar techniques, i.e., by means of a well-designed underwriting process, control of risk concentration for accident and health insurance products, and adequate reinsurance protection.

SLT health underwriting risks are very similar in nature to life underwriting risks and are therefore managed using similar techniques. These are discussed in more detail in section [3.6.3.2 “Life underwriting risks”](#). These insurances were taken into account in our sensitivity analysis for life underwriting risks.

Assessed risk exposure in 2025 compared to 2024

We consider the Group’s and the Company’s exposure to health underwriting risk in 2025 small and comparable to 2024.

3.6.4 Financial risks

The Company’s financial operations expose it to financial risks arising from its investment portfolio, including market, liquidity and credit risks.

The value of the investment portfolio includes the following balance sheet items: financial investments, investment property, investments in associates and subsidiaries, and cash and cash equivalents. The value of this investment portfolio as at 31 December 2025 was EUR 225.5 million higher than as at 31 December 2024.

A more detailed presentation of the portfolio’s carrying amount is shown in the following table, separately for the investment portfolio supporting non-life and traditional life insurance contract liabilities (investments other than investments supporting direct participating contracts) and the investment portfolio supporting unit-linked life insurance contract liabilities (investments supporting direct participating contracts).





► Value and composition of the investment portfolio in terms of financial risk assumption
as at 31 December 2025

Sava Insurance Group				
EUR	Investments other than investments supporting direct participating contracts	Investments supporting direct participating contracts	Total	As % of total
Fixed-income investments	1,547,629,427	48,743,336	1,596,372,763	60.1%
Government bonds	946,744,833	33,874,172	980,619,005	36.9%
Corporate and financial bonds	570,004,328	14,869,164	584,873,492	22.0%
Deposits	30,880,266	–	30,880,266	1.2%
Shares and mutual funds	44,328,075	837,061,647	881,389,722	33.2%
Shares	24,311,668	–	24,311,668	0.9%
Mutual funds	20,016,407	837,061,647	857,078,053	32.3%
Bond and money market	7,825,247	68,126,393	75,951,639	2.9%
Mixed	3,873	130,201,508	130,205,381	4.9%
Equity funds	12,187,287	638,733,746	650,921,033	24.5%
Alternative funds	77,013,290	–	77,013,290	2.9%
Real estate	16,896,158	–	16,896,158	0.6%
Investment property	22,686,137	–	22,686,137	0.9%
Cash and cash equivalents	37,392,551	6,302,988	43,695,540	1.6%
Investments in associates	29,053,235	–	29,053,235	1.1%
Loans granted to associates	5,998,075	–	5,998,075	0.2%
Other	498,551	–	498,551	0.0%
Financial investments	1,764,599,342	892,107,971	2,656,707,313	100.0%

► Value and composition of the investment portfolio in terms of financial risk assumption
as at 31 December 2024

Sava Insurance Group				
EUR	Investments other than investments supporting direct participating contracts	Investments supporting direct participating contracts	Total	As % of total
Fixed-income investments	1,453,477,571	51,629,684	1,505,107,255	61.9%
Government bonds	922,745,929	35,621,500	958,367,429	39.4%
Corporate and financial bonds	503,431,689	16,008,183	519,439,873	21.4%
Deposits	27,299,953	–	27,299,953	1.1%
Shares and mutual funds	44,408,674	706,535,197	750,943,871	30.9%
Shares	23,464,857	–	23,464,857	1.0%
Mutual funds	20,943,817	706,535,197	727,479,014	29.9%
Bond and money market	12,952,897	61,271,644	74,224,541	3.1%
Mixed	493	112,121,942	112,122,435	4.6%
Equity funds	7,990,427	533,141,611	541,132,038	22.3%
Alternative funds	72,361,306	–	72,361,306	3.0%
Real estate	12,583,880	–	12,583,880	0.5%
Investment property	24,147,256	–	24,147,256	1.0%
Cash and cash equivalents	46,243,890	6,105,875	52,349,765	2.2%
Investments in associates	25,615,695	–	25,615,695	1.1%
Other	667,770	–	667,770	0.0%
Financial investments	1,666,922,163	764,270,756	2,431,192,918	100.0%

The value of the Company’s investment portfolio as at 31 December 2025 was EUR 50.2 million higher than as at 31 December 2024, as explained in section [A.8.2.2.4 “Investment portfolio”](#).



► Value and composition of the investment portfolio in terms of financial risk assumption

Sava Re						
Type of investment	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Absolute difference	Change in % of total (pp)
Fixed-income investments	452,518,660	53.7%	405,306,716	51.2%	47,211,944	2.5
Government bonds	282,751,129	33.6%	276,117,368	34.9%	6,633,761	-1.3
Corporate and financial bonds	168,769,318	20.0%	128,166,428	16.2%	40,602,890	3.9
Deposits	998,213	0.1%	1,022,920	0.1%	-24,707	0.0
Shares and mutual funds	10,413,093	1.2%	10,531,858	1.3%	-118,765	-0.1
Shares	3,617,494	0.4%	3,204,768	0.4%	412,726	0.0
Mutual funds	6,795,599	0.8%	7,327,090	0.9%	-531,491	-0.1
Bond and money market	1,044,050	0.1%	2,485,595	0.3%	-1,441,545	-0.2
Equity funds	5,751,549	0.7%	4,841,495	0.6%	910,054	0.1
Alternative funds	28,529,444	3.4%	25,968,887	3.3%	2,560,557	0.1
Real estate	5,523,312	0.7%	3,565,302	0.5%	1,958,010	0.2
Investment property	7,327,769	0.9%	7,431,872	0.9%	-104,103	-0.0
Cash and cash equivalents	7,082,955	0.8%	14,724,094	1.9%	-7,641,139	-1.1
Investments in subsidiaries and associates	328,218,605	39.0%	325,409,606	41.1%	2,808,999	-2.1
Loans granted to associates	5,998,075	0.7%	–	–	5,998,075	0.7
Other	2,036,364	0.2%	2,578,592	0.3%	-542,228	-0.1
Total financial investments exposed to financial risk	842,124,965	100.0%	791,951,623	100.0%	50,173,342	



3.6.4.1 Market risk

As part of the management of market risk, the Group and the Company assess interest rate risk, property price risk, equity price risk and currency risk. The following table shows the Group’s investments exposed to market risk (investment portfolio excluding cash and cash equivalents).

► Financial investments exposed to market risk

Sava Insurance Group						
Type of investment	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Absolute change	Change in % of total (pp)
Fixed-income investments	1,547,629,427	59.2%	1,453,477,571	61.1%	94,151,856	-1.9
Government bonds	946,744,833	36.2%	922,745,929	38.8%	23,998,904	-2.6
Corporate and financial bonds	570,004,328	21.8%	503,431,689	21.2%	66,572,639	0.7
Deposits	30,880,266	1.2%	27,299,953	1.1%	3,580,313	–
Shares and mutual funds	44,328,075	1.7%	44,408,674	1.9%	-80,599	0.7
Shares	24,311,668	0.9%	23,464,857	1.0%	846,811	-0.1
Mutual funds	20,016,407	0.8%	20,943,817	0.9%	-927,410	-0.1
Bond and money market	7,825,247	0.3%	12,952,897	0.5%	-5,127,651	-0.2
Mixed	3,873	0.0%	493	0.0%	3,380	0.0
Equity funds	12,187,287	0.5%	7,990,427	0.3%	4,196,860	0.1
Alternative funds	77,013,290	2.9%	72,361,306	3.0%	4,651,984	-0.1
Real estate	16,896,158	0.6%	12,583,880	0.5%	4,312,278	0.1
Investment property	22,686,137	0.9%	24,147,256	1.0%	-1,461,119	-0.1
Investments in associates	29,053,235	1.1%	25,615,695	1.1%	3,437,540	0.0
Loans granted to associates	5,998,075	0.2%	–	–	5,998,075	0.2
Other	498,551	0.0%	667,770	0.0%	-169,219	0.0
Investments supporting direct participating contracts	885,804,983	33.9%	758,164,880	31.9%	127,640,102	2.0
Without interest-rate guarantee	837,061,647	32.0%	706,535,197	29.7%	130,526,450	2.3
With interest-rate guarantee	48,743,336	1.9%	51,629,684	2.2%	-2,886,348	-0.3
Investment portfolio	2,613,011,773	100.0%	2,378,843,153	100.0%	234,168,620	
Investment portfolio excluding investments in associates	2,583,958,538		2,353,227,458		230,731,080	



The value of the Group’s investment portfolio exposed to market risk increased by EUR 230.7 million in 2025 compared to year-end 2024, which is explained in section [A.8.1.3.4 “Investment portfolio”](#). The following table shows the Group’s and the Company’s investments exposed to market risk (investment portfolio excluding cash and cash equivalents). More information on the investment portfolio is provided in section [A.8.2.2.4 “Investment portfolio”](#).

► Financial investments exposed to market risk

Sava Re						
Type of investment	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Absolute change	Change in % of total (pp)
Fixed-income investments	452,518,660	54.2%	405,306,716	52.1%	47,211,944	2.0
Government bonds	282,751,129	33.9%	276,117,368	35.5%	6,633,761	-1.7
Corporate bonds	168,769,318	20.2%	128,166,428	16.5%	40,602,890	3.7
Deposits	998,213	0.1%	1,022,920	0.1%	-24,707	0.0
Shares and mutual funds	10,413,093	1.2%	10,531,858	1.4%	-118,765	0.0
Shares	3,617,494	0.4%	3,204,768	0.4%	412,726	0.0
Mutual funds	6,795,599	0.8%	7,327,090	0.9%	-531,491	-0.1
Bond and money market	1,044,050	0.1%	2,485,595	0.3%	-1,441,545	-0.2
Equity funds	5,751,549	0.7%	4,841,495	0.6%	910,054	0.1
Alternative funds	28,529,444	3.4%	25,968,887	3.3%	2,560,557	0.3
Real estate	5,523,312	0.7%	3,565,302	0.5%	1,958,010	0.3
Investment property	7,327,769	0.9%	7,431,872	1.0%	-104,103	-0.1
Investments in subsidiaries and associates	328,218,605	39.3%	325,409,606	41.9%	2,808,999	-2.6
Loans granted to associates	5,998,075	0.7%	–	0.0%	5,998,075	0.7
Other	2,036,364	0.2%	2,578,592	0.3%	-542,228	-0.1
Investment portfolio	835,042,010	100.0%	777,227,530	100.0%	57,814,480	
Investment portfolio excluding investments in associates and subsidiaries	506,823,405		451,817,924		55,005,481	



3.6.4.1.1 Interest rate risk

Interest rate risk is measured through sensitivity analysis, which measures the change in value of interest rate sensitive investments and the change in value of insurance contract liabilities when interest rates change by 1 percentage point or 100 basis points.

The interest rate sensitive portion of the investment portfolio includes government and corporate bonds, private and infrastructure debt, and bond and mixed funds (for mixed and convertible funds, only half of the value is included in the sensitivity analysis). Included are assets covering the liabilities of non-life and traditional life insurance and reinsurance contracts, including the liabilities of insurance contracts with direct participation features. This year, we also included infrastructure and private

debt in the interest rate risk calculation and 50% of the value of convertible mutual funds instead of the total value of these funds. For the purpose of determining interest rate sensitivity, financial assets and liabilities are measured at fair value.

On the liabilities side, all liabilities arising from (re)insurance contracts are included in line with the IFRS 17 valuation. In the table, assets and liabilities relating to non-life and traditional life insurance business are shown together, whereas assets and liabilities relating to life insurance where policyholders bear the investment risk are shown separately under direct participating contracts.

The Group’s investment portfolio, excluding investments in direct participating contracts, does not include any variable-rate investments. The Group does not have any variable-rate liabilities.

► Interest rate sensitive investments supporting and liabilities arising from insurance and reinsurance contracts

Sava Insurance Group		
EUR	31 December 2025	31 December 2024
Financial investments		
Investments other than investments supporting direct participating contracts, of which	1,536,030,718	1,448,409,188
– Fixed-income investments	1,535,895,534	1,448,409,188
– Variable-rate investments	135,185	–
Investments supporting direct participating contracts*, of which	182,191,623	168,960,527
– Fixed-income investments	182,191,623	168,960,527
Financial liabilities	-119,727,445	-116,019,445
Total financial investments	1,598,494,896	1,501,350,270
Insurance and reinsurance contracts		
(Re)insurance contract liabilities (other than for direct participating contracts)	1,076,946,561	1,095,490,634
(Re)insurance contract assets (other than for direct participating contracts)	-80,916,992	-88,361,116
Direct participating contracts	859,728,414	739,860,541
Total insurance and reinsurance contracts	1,855,757,983	1,746,990,059

* Includes interest rate sensitive investments. These are debt securities and interest rate sensitive investments in bond and mixed mutual funds underlying participating contracts.

The value of investments, excluding investments in direct participating contracts, was significantly higher than insurance and reinsurance contract liabilities due to the interest-sensitive nature of the investments of Group companies’ own funds that are not directly intended to cover insurance and reinsurance contract liabilities. The higher

value of (re)insurance contract assets in relation to (re)insurance contract liabilities also affects the higher sensitivity of insurance contract assets. In managing these investments, Group companies ensure that the maturities of the investments match those of the liabilities.

The value of the investments underlying direct participating contracts is lower than the corresponding liabilities due to the fact that only interest rate sensitive investments with a total value of EUR 182.2 million are shown among the investments underlying direct participating contracts (31 December 2024: EUR 169.0 million), while all the presented liabilities relating to direct participating contracts are interest rate sensitive.

► Interest rate sensitive investments supporting and liabilities arising from reinsurance contracts

Sava Re		
EUR	31 December 2025	31 December 2024
Financial investments		
Investments other than investments supporting direct participating contracts, of which	456,215,075	410,117,736
– Fixed-income investments	456,215,075	410,117,736
– Variable-rate investments	–	–
Financial liabilities	-119,727,445	-116,019,445
Total financial investments	336,487,630	294,098,291
Insurance and reinsurance contracts		
Insurance and reinsurance contract liabilities (other than for direct participating contracts)	284,475,781	288,267,700
Insurance and reinsurance contract assets	-63,653,514	-71,632,122
Total insurance and reinsurance contracts	220,822,267	216,635,578

For the Company, the table shows total reinsurance contract assets and liabilities. The Company does not have any investments or liabilities linked to variable interest rates. It also has no investments in direct participating contracts.

The value of interest rate sensitive investments net of financial liabilities was significantly above the value of insurance and reinsurance contract liabilities as at 31 December 2025 due to the interest-sensitive nature of the investments of the Company’s own funds that are not directly intended to cover insurance and reinsurance contract liabilities. The excess of investments over liabilities increases the Company’s sensitivity to changes in interest rates. In managing these investments, the Company ensures that the maturities of the investments match those of the liabilities.

The interest rate sensitivity analysis shows separately the impact on profit or loss and on AOCI in the event of a 100 basis point increase or decrease in interest rates, on a pre-tax basis. The total impact of both the contract value and the related investments of this portfolio is already presented under “Direct participating contracts and investments supporting direct participating contracts”. The impact of a change in interest rates on an insurer’s profit or loss or AOCI depends on the IFRS category of each interest rate sensitive investment. In accordance with the accounting policies adopted by the Group companies, the majority of the changes in value of the items are recognised in AOCI with only a minor impact on profit or loss.





► Results of sensitivity analysis of interest rate risk sensitive investments

Sava Insurance Group				
EUR	Profit or loss		AOCI	
	Increase (+100 bps)	Decrease (-100 bps)	Increase (+100 bps)	Decrease (-100 bps)
31 December 2025				
Insurance and reinsurance contracts (other than direct participating contracts)	403,148	-449,706	24,392,246	-25,854,251
Financial investments (other than those supporting direct participating contracts)	-801,512	851,893	-43,960,275	46,832,077
Direct participating contracts and investments supporting direct participating contracts	-40,623	37,216	-160,940	167,409
	-438,987	439,403	-19,728,969	21,145,236
31 December 2024				
Insurance and reinsurance contracts (other than direct participating contracts)	410,643	-464,955	26,460,528	-29,713,135
Financial investments (other than those supporting direct participating contracts)	-927,445	986,755	-39,710,780	42,226,797
Direct participating contracts and investments supporting direct participating contracts	-2,750	801	-148,806	155,693
	-519,552	522,602	-13,399,057	12,669,355

The average maturity of bonds and deposits supporting the non-life business was 2.8 years at year-end 2025 (31 December 2024: 2.5 years), whereas the expected maturity of non-life liabilities was 2.1 years (31 December 2024: 2.2 years).

The average maturity of bonds and deposits supporting the life business was 3.7 years at year-end 2025 (31 December 2024: 3.7 years), and

the expected maturity of life insurance contract liabilities was 6.1 years (31 December 2024: 6.7 years).

Interest rate risk increased slightly in 2025 over the previous year, mainly due to the longer maturity of non-life insurance assets and the increase in the excess of interest rate-sensitive assets over liabilities.

► Results of sensitivity analysis of interest rate risk sensitive investments

Sava Re				
EUR	Profit or loss		AOCI	
	Increase (+100 bps)	Decrease (-100 bps)	Increase (+100 bps)	Decrease (-100 bps)
31 December 2025				
Insurance and reinsurance contracts	–	–	4,981,030	-5,316,475
Financial investments	-185,855	196,433	-11,239,709	11,837,871
	-185,855	196,433	-6,258,679	6,521,396
31 December 2024				
Insurance and reinsurance contracts	–	–	4,898,940	-5,254,352
Financial investments	-213,502	226,079	-8,928,028	9,360,253
	-213,502	226,079	-4,029,088	4,105,901

The average maturity of Sava Re’s bonds and deposits was 2.6 years at year-end 2025 (31 December 2024: 2.3 years), whereas the expected maturity of liabilities was 2.3 years (31 December 2024: 2.3 years).

Total interest rate sensitivity increased slightly from the previous year, due to a somewhat longer

maturity of financial investments and an increased excess of interest rate-sensitive assets over liabilities.

We estimate that the Company’s interest rate risk increased slightly from the previous year.



3.6.4.1.2 Risk of change in the market value of property investments

The Group and the Company are exposed to the risk of change in the market value of property investments as part of the risks affecting the investment portfolio. In addition to investment property, real estate funds shown as alternative investments under financial investments are also exposed to this risk.

► Property investments

Sava Insurance Group

EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Absolute change	Change in % of total (pp)
Investment property	22,686,137	1.3%	24,147,256	1.5%	-1,461,119	-0.2
Real estate funds	16,896,158	1.0%	12,583,880	0.8%	4,312,278	0.2
Total	39,582,296	2.3%	36,731,136	2.3%	2,851,160	0.0

Sava Re

EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Absolute change	Change in % of total (pp)
Investment property	7,327,769	0.9%	7,431,872	1.0%	-104,103	-0.1
Real estate funds	5,523,312	0.7%	3,565,302	0.5%	1,958,010	0.2
Total	12,851,082	1.5%	10,997,175	1.4%	1,853,908	0.1

The value of the Group’s investments exposed to property investment risk increased by EUR 2.9 million compared to the previous period. Meanwhile, the value of the Company’s investments exposed to property investment risk increased by EUR 1.9 million.

The risk was assessed through a sensitivity analysis to a 15% decrease in the value of the investments. The result is shown in the following two tables, separately for the Group and Sava Re.

If the selected shock were to occur, the value of the Group’s investments exposed to property investment risk would decrease by slightly more than in the previous period, while the value of the Company’s investments exposed to property investment risk would decrease by a greater amount than in the previous period. Compared to the previous year, the property investment risk has not changed significantly for either the Group or the Company.

► Result of sensitivity analysis of real estate investments

Sava Insurance Group

EUR	Profit or loss		AOCI	
	Increase (+15%)	Decrease (-15%)	Increase (+15%)	Decrease (-15%)
31 December 2025				
Investment property	3,402,921	-3,402,921	–	–
Real estate funds	2,534,424	-2,534,424	–	–
	5,937,344	-5,937,344	–	–
31 December 2024				
Investment property	3,622,088	-3,622,088	–	–
Real estate funds	1,887,582	-1,887,582	–	–
	5,509,670	-5,509,670	–	–

► Result of sensitivity analysis of real estate investments

Sava Re

EUR	Profit or loss		AOCI	
	Increase (+15%)	Decrease (-15%)	Increase (+15%)	Decrease (-15%)
31 December 2025				
Investment property	1,099,165	-1,099,165	–	–
Real estate funds	828,497	-828,497	–	–
	1,927,662	-1,927,662	–	–
31 December 2024				
Investment property	1,114,781	-1,114,781	–	–
Real estate funds	534,795	-534,795	–	–
	1,649,576	-1,649,576	–	–



3.6.4.1.3 Equity price risk

Exposed to this risk are shares and equity, mixed and convertible mutual funds (for mixed and convertible funds, half of the value is included in the sensitivity analysis), alternative funds (infrastructure funds) and ETFs.

Unlike the bond portfolio, which moves inversely to interest rates, the value of equities and mutual funds changes linearly with stock prices. Equity price risk is measured by a sensitivity analysis, i.e., the change in the value of such investments in case of a 20% change.

► Equity investments and direct participating contracts included in the sensitivity analysis

Sava Insurance Group						
EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Absolute change	Change in % of total (pp)
Financial investments						
Shares	24,311,668	3.1%	23,464,857	3.5%	846,811	-0.4
Of which shares in Slovenian companies	6,163,048	0.8%	5,044,553	0.8%	1,118,495	0.0
Equity, mixed and convertible mutual funds	12,189,223	1.5%	11,354,144	1.7%	835,079	-0.1
Alternative funds	47,979,640	6.1%	46,565,451	6.9%	1,414,189	-0.9
Private equity funds	4,178,791	0.5%	2,423,027	0.4%	1,755,764	0.2
Infrastructure funds	43,800,849	5.6%	44,142,424	6.6%	-341,575	-1.0
Investments supporting direct participating contracts*	703,615,377	89.3%	589,204,597	87.9%	114,410,780	1.4
Total financial investments	788,095,908	100.0%	670,589,048	100.0%	117,506,860	
Insurance and reinsurance contracts						
Direct participating contracts	859,728,414	100.0%	739,860,541	100.0%	119,867,873	
Total insurance and reinsurance contracts	859,728,414	100.0%	739,860,541	100.0%	119,867,873	

* Includes investments exposed to equity price risk in equity and mixed mutual funds supporting direct participating contracts.

► Equity investments included in the sensitivity analysis

Sava Re						
EUR	31 December 2025	As % of total 31 December 2025	31 December 2024	As % of total 31 December 2024	Absolute change	Change in % of total (pp)
Shares	3,617,494	0.4%	3,204,768	0.5%	412,726	-0.1
– Shares in Slovenian companies	3,178,752	0.4%	2,842,924	0.4%	335,828	0.0
Equity and convertible mutual funds	5,751,549	0.5%	5,580,443	0.8%	171,106	-0.3
Alternative funds (excluding real estate)	19,371,058	2.3%	18,386,780	2.7%	984,278	-0.4
– Private equity funds	3,044,937	0.4%	2,021,996	0.3%	1,022,941	0.1
– Infrastructure funds	16,326,121	2.0%	16,364,784	2.4%	-38,663	-0.4
Total financial investments	28,740,100	3.2%	27,171,991	4.0%	1,568,109	-0.8



The Company’s assets exposed to equity price risk include equities, equity and convertible mutual funds and alternative funds (excluding real estate). Investments in subsidiaries and associates are disclosed in section [3.6.4.1.4 “Risk of change in value of investments in subsidiaries and associates of the Sava Insurance Group and Sava Re”](#).

The Company’s exposure to equity price risk remained at a similar level in 2025 compared to the end of 2024.

► Results of sensitivity analysis of equity investments

Sava Insurance Group				
EUR	Profit or loss		AOCI	
	Increase (+20%)	Decrease (-20%)	Increase (+20%)	Decrease (-20%)
31 December 2025				
Financial investments (other than those supporting direct participating contracts)	13,331,986	-13,331,986	3,564,121	-3,564,121
Direct participating contracts and investments supporting direct participating contracts	38,285	-38,656	–	–
	13,370,270	-13,370,641	3,564,121	-3,564,121
31 December 2024				
Financial investments (other than those supporting direct participating contracts)	12,683,732	-12,683,732	3,593,158	-3,593,158
Direct participating contracts and investments supporting direct participating contracts	32,973	-31,551	–	–
	12,716,705	-12,715,283	3,593,158	-3,593,158

► Results of sensitivity analysis of equity investments

Sava Re				
EUR	Profit or loss		AOCI	
	Increase (+20%)	Decrease (-20%)	Increase (+20%)	Decrease (-20%)
31 December 2025				
Financial investments	5,748,020	-5,748,020	–	–
	5,748,020	-5,748,020	–	–
31 December 2024				
Financial investments	5,434,398	-5,434,398	–	–
	5,434,398	-5,434,398	–	–



3.6.4.1.4 Risk of change in value of investments in subsidiaries and associates of the Sava Insurance Group and Sava Re

The Group’s investments in associate companies expose it to the risk of a decline in the value of these investments.

The following table shows the sensitivity of investments in associates to changes in value. The analysis covered the associate company Diagnostic Centre Bled.

► Results of sensitivity analysis of the Sava Insurance Group’s investments in associates

Sava Insurance Group						
EUR	31 December 2025			31 December 2024		
	Value	Post-stress value	Change in value	Value	Post-stress value	Change in value
Decrease in value of 10%	29,053,235	26,147,912	2,905,324	25,615,695	23,054,126	-2,561,570
Decrease in value of 20%	29,053,235	23,242,588	5,810,647	25,615,695	20,492,556	-5,123,139

Regarding the risk related to its investments in subsidiaries and associates, the Company is especially exposed to the risk of a decline in the value of these investments and to concentration risk. In 2025, the Company’s largest exposure among investments in subsidiaries and associates was from its investment in Zavarovalnica Sava, which accounted for 37.4% as at 31 December 2025 (31 December 2024: 37.9%) of the total value of its investments in subsidiaries and associates.

► Results of the sensitivity analysis of investments in subsidiaries and associates of Sava Re

Sava Re						
EUR	31 December 2025			31 December 2024		
	Value	Post-stress value	Change in value	Value	Post-stress value	Change in value
Decrease in value of 10%	328,218,605	295,396,745	-32,821,861	325,409,606	292,868,645	-32,540,961
Decrease in value of 20%	328,218,605	262,574,884	-65,643,721	325,409,606	260,327,685	-65,081,921
Value decrease of largest subsidiary of 10%	123,364,958	111,028,462	-12,336,496	123,364,958	111,028,462	-12,336,496
Value decrease of largest subsidiary of 20%	123,364,958	98,691,967	-24,672,992	123,364,958	98,691,967	-24,672,992

The Company’s exposure to the risk related to investments in subsidiaries and associates was at a similar level in 2025 as in 2024. Taking account of all the impacts, we believe that the risk related to participations remained moderate due to their active management.

- The Group and the Company manage the risk related to their financial investments in subsidiaries and associates through active management of the companies, comprising:
- a governance system (management and supervision) and clear segregation of responsibilities at all levels,
 - the risk management and capital management policies,
 - systematic risk management with a three-lines-of-defence framework (detailed in section [A.10 “Risk management”](#)),
 - the setting of business and risk management strategies from the top down, taking into account both the Group as a whole as well as its individual members,
 - a comprehensive system for monitoring and reporting on performance and related risks at all levels.



3.6.4.1.5 Currency risk

As at 31 December 2025, the Group had 7.9% of its liabilities denominated in foreign currency (2024: 7.7%).

The Sava Insurance Group manages a high level of currency matching by monitoring the matching of assets and liabilities at the level of individual companies and the portfolio. The Group manages

currency matching for its companies in accordance with local accounting standards and regulations, resulting in slightly higher absolute mismatch amounts at the Group level.

The following table shows the currency (mis)match for the Group for the five currencies that account for the largest portion of its liabilities.

► Transaction currency (mis)match as at 31 December 2025 (all amounts translated to euros)

Sava Insurance Group							
EUR	Euro (EUR)	US dollar (USD)	South Korean won (KRW)	Macedonian denar (MKD)	Serbian dinar (RSD)	Other	Total
Financial investments and cash	1,585,361,986	45,989,558	7,601,782	25,563,829	39,064,303	61,017,886	1,764,599,343
Financial liabilities	-125,242,015	–	–	–	–	–	-125,242,015
Insurance and reinsurance contract assets	64,972,404	3,721,212	110,631	607,310	7,761,532	3,743,902	80,916,992
Insurance and reinsurance contract liabilities	-913,783,166	-40,046,390	-8,658,468	-13,784,394	-35,397,859	-65,276,282	-1,076,946,559
Other assets ¹⁴¹	325,526,894	27,906,544	–	13,096,771	9,492,887	-948,286	375,074,810
Other liabilities and equity	-1,034,918,698	–	–	-5,521,969	-10,363,503	22,044	-1,050,782,126
Currency mismatch		37,570,925	946,055	19,961,547	10,557,360	1,440,736	70,476,623
Currency matching ratio							96.8%
Direct participating contracts	-859,728,414	–	–	–	–	–	-859,728,414
Investments supporting direct participating contracts	890,998,238	885,641	–	–	224,091	–	892,107,971

141 Other assets include investment contract assets; however, due to the nature of these contracts, the Group is not exposed to currency risk.



► Transaction currency (mis)match as at 31 December 2024 (all amounts translated to euros)

Sava Insurance Group							
EUR	Euro (EUR)	US dollar (USD)	South Korean won (KRW)	Macedonian denar (MKD)	Serbian dinar (RSD)	Other	Total
Financial investments and cash	1,497,969,669	50,565,988	8,875,034	21,730,453	32,154,420	55,626,600	1,666,922,164
Financial liabilities	-125,058,474	–	–	–	–	–	-125,058,474
Insurance and reinsurance contract assets	78,497,946	1,793,111	28,171	532,467	4,250,697	3,258,724	88,361,116
Insurance and reinsurance contract liabilities	-937,808,217	-45,929,901	-9,533,841	-14,955,911	-27,979,528	-59,283,233	-1,095,490,632
Other assets	337,605,376	17,006,817	–	12,632,923	9,528,078	846,898	377,620,092
Other liabilities and equity	-928,779,877	–	–	-3,266,237	-4,718,366	–	-936,764,480
Currency mismatch		23,436,015	630,636	16,673,695	13,235,300	448,989	54,424,635
Currency matching ratio							97.4%
Direct participating contracts	-739,860,541	–	–	–	–	–	-739,860,541
Investments supporting direct participating contracts	763,333,631	887,646	–	–	49,479	–	764,270,756

As at 31 December 2025, the Company’s liabilities denominated in foreign currencies accounted for 12.2% (2024: 12.9%) of the Company’s total liabilities. As the proportion of international business is rising (as is the number of different currencies), Sava Re has put in place rules on currency matching, which define the conditions and method of currency matching. To mitigate currency risk, assets and liabilities in foreign currencies are actively matched.

The currency matching rules lay down the criteria as to when the Company should start currency matching by accounting currency¹⁴². Based on the market situation, the Company assesses the ability of currency matching in the primary currency, and if this is not possible, the transaction currency is to be used for matching¹⁴³.

In the management of currency risk (ALM aspect), Sava Re directly matches all the more liquid

currencies. Other currencies are matched based on their correlation with the euro, US dollar or Indian rupee.

The currency mismatch of assets and liabilities is monitored by individual accounting currency. The following table shows the currency mismatch for the five currencies that account for the largest share of liabilities.

142 The accounting currency is the local currency used in the accounting documentation. Reinsurance contracts may be accounted for in various accounting currencies. Generally, this is the currency of liabilities and receivables due from cedants, and hence also the reinsurer.

143 The transaction currency is the currency in which reinsurance contract transactions are processed.



► Transaction currency (mis)match as at 31 December 2025 (all amounts translated to euros)

Sava Re							
EUR	Euro (EUR)	US dollar (USD)	South Korean won (KRW)	Chinese yuan (CNY)	Indian rupee (INR)	Other	Total
Financial investments and cash	737,255,333	40,295,108	7,601,782	9,905,912	6,511,773	40,555,056	842,124,965
Financial liabilities	-125,242,015	–	–	–	–	–	-125,242,015
Insurance and reinsurance contract assets	56,091,119	3,721,212	110,631	700,893	746,260	2,283,400	63,653,514
Insurance and reinsurance contract liabilities	-171,897,746	-40,118,847	-8,658,468	-10,614,556	-7,382,157	-45,804,007	-284,475,781
Other assets	14,351,731	–	–	–	–	–	14,351,731
Other liabilities and equity	-510,412,414	–	–	–	–	–	-510,412,414
Currency mismatch		3,897,473	946,055	7,750	124,124	2,965,551	7,940,954
Currency matching ratio							99.1%

► Transaction currency (mis)match as at 31 December 2024 (all amounts translated to euros)

Sava Re							
EUR	Euro (EUR)	US dollar (USD)	South Korean won (KRW)	Chinese yuan (CNY)	Indian rupee (INR)	Other	Total
Financial investments and cash	687,617,899	43,961,468	8,875,034	9,553,213	7,074,529	34,869,480	791,951,623
Financial liabilities	-125,058,474	–	–	–	–	–	-125,058,474
Insurance and reinsurance contract assets	66,612,484	1,793,111	28,171	592,995	398,264	2,207,097	71,632,122
Insurance and reinsurance contract liabilities	-175,124,024	-45,918,314	-9,533,841	-11,113,224	-7,889,566	-38,688,729	-288,267,700
Other assets	15,402,905	67,083	–	–	–	–	15,469,988
Other liabilities and equity	-465,727,559	–	–	–	–	–	-465,727,559
Currency mismatch		96,652	630,636	967,016	416,773	1,612,152	3,723,230
Currency matching ratio							99.6%



The following tables present the effects of insurance and reinsurance contracts and of financial investments on profit or loss and AOCI in the event of an increase or decrease in an individual exchange rate.

► **Impact of a 10-percent increase or decrease in the exchange rate as at 31 December 2025**
(all amounts translated into euros)

Sava Insurance Group	Profit or loss		AOCI	
	Effect of 10% strengthening	Effect of 10% weakening	Effect of 10% strengthening	Effect of 10% weakening
EUR				
US dollar (USD)				
Insurance and reinsurance contracts	-3,632,398	3,632,398	57,614	-57,614
Financial investments	4,598,956	-4,598,956	–	–
	966,558	-966,558	57,614	-57,614
South Korean won (KRW)				
Insurance and reinsurance contracts	-854,784	854,784	-5,165	5,165
Financial investments	760,178	-760,178	–	–
	-94,606	94,606	-5,165	5,165
Serbian dinar (RSD)				
Insurance and reinsurance contracts	-2,782,407	2,782,407	19,329	-19,329
Financial investments	3,906,430	-3,906,430	–	–
	1,124,023	-1,124,023	19,329	-19,329
Macedonian denar (MKD)				
Insurance and reinsurance contracts	-1,317,468	1,317,468	-241	241
Financial investments	2,556,383	-2,556,383	–	–
	1,238,915	-1,238,915	-241	241
Other				
Insurance and reinsurance contracts	-6,147,005	6,147,005	69,326	-69,326
Financial investments	6,101,789	-6,101,789	–	–
Direct participating contracts and investments supporting direct participating contracts	12,174	-12,292	–	–
	-33,042	32,925	69,326	-69,326

► **Impact of a 10-percent increase or decrease in the exchange rate as at 31 December 2024**
(all amounts translated into euros)

Sava Insurance Group	Profit or loss		AOCI	
	Effect of 10% strengthening	Effect of 10% weakening	Effect of 10% strengthening	Effect of 10% weakening
EUR				
US dollar (USD)				
Insurance and reinsurance contracts	-4,413,365	4,413,365	-60,763	60,763
Financial investments	5,056,599	-5,056,599	–	–
	643,234	-643,234	-60,763	60,763
South Korean won (KRW)				
Insurance and reinsurance contracts	-950,567	950,567	3,972	-3,972
Financial investments	887,503	-887,503	–	–
	-63,064	63,064	3,972	-3,972
Serbian dinar (RSD)				
Insurance and reinsurance contracts	-2,405,486	2,405,486	33,402	-33,402
Financial investments	2,173,045	-2,173,045	–	–
	-232,441	232,441	33,402	-33,402
Macedonian denar (MKD)				
Insurance and reinsurance contracts	-1,444,130	1,444,130	1,785	-1,785
Financial investments	3,215,442	-3,215,442	–	–
	1,771,312	-1,771,312	1,785	-1,785
Other				
Insurance and reinsurance contracts	-5,590,472	5,590,472	9,159	-9,159
Financial investments	5,562,660	-5,562,660	–	–
Direct participating contracts and investments supporting direct participating contracts	14,589	-14,142	–	–
	-13,224	13,671	9,159	-9,159

The majority of the effects are reflected in the level of profit or loss, and the impacts are comparable to those reported for the previous year..



► **Impact of a 10-percent increase or decrease in the exchange rate as at 31 December 2025**
(all amounts translated into euros)

Sava Re	Profit or loss		AOCI	
	Effect of 10% strengthening	Effect of 10% weakening	Effect of 10% strengthening	Effect of 10% weakening
EUR				
US dollar (USD)				
Insurance and reinsurance contracts	-3,639,764	3,639,764	57,587	-57,587
Financial investments	4,029,511	-4,029,511	–	–
	389,747	-389,747	57,587	-57,587
South Korean won (KRW)				
Insurance and reinsurance contracts	-854,784	854,784	-5,165	5,165
Financial investments	760,178	-760,178	–	–
	-94,606	94,606	-5,165	5,165
Chinese yuan (CNY)				
Insurance and reinsurance contracts	-991,366	991,366	41,144	-41,144
Financial investments	990,591	-990,591	–	–
	-775	775	41,144	-41,144
Indian rupee (INR)				
Insurance and reinsurance contracts	-663,590	663,590	25,996	-25,996
Financial investments	651,177	-651,177	–	–
	-12,412	12,412	25,996	-25,996
Other				
Insurance and reinsurance contracts	-4,352,061	4,352,061	7,381	-7,381
Financial investments	4,055,506	-4,055,506	–	–
	-296,555	296,555	7,381	-7,381

► **Impact of a 10-percent increase or decrease in the exchange rate as at 31 December 2024**
(all amounts translated into euros)

Sava Re	Profit or loss		AOCI	
	Effect of 10% strengthening	Effect of 10% weakening	Effect of 10% strengthening	Effect of 10% weakening
EUR				
US dollar (USD)				
Insurance and reinsurance contracts	-4,412,520	4,412,520	-60,916	60,916
Financial investments	4,396,147	-4,396,147	–	–
	-16,374	16,374	-60,916	60,916
South Korean won (KRW)				
Insurance and reinsurance contracts	-950,567	950,567	3,972	-3,972
Financial investments	887,503	-887,503	–	–
	-63,064	63,064	3,972	-3,972
Chinese yuan (CNY)				
Insurance and reinsurance contracts	-1,052,023	1,052,023	53,814	-53,814
Financial investments	955,321	-955,321	–	–
	-96,702	96,702	53,814	-53,814
Indian rupee (INR)				
Insurance and reinsurance contracts	-749,130	749,130	16,663	-16,663
Financial investments	707,453	-707,453	–	–
	-41,677	41,677	16,663	-16,663
Other				
Insurance and reinsurance contracts	-3,648,163	3,648,163	-51,091	51,091
Financial investments	3,486,948	-3,486,948	–	–
	-161,215	161,215	-51,091	51,091

The majority of the effects are reflected in the level of the Company’s profit or loss, and the impacts are comparable to those reported for the previous year.



3.6.4.2 Liquidity risk

Individual Group companies manage liquidity risk in line with the guidelines laid down in the Group’s liquidity risk management policy. Each Group member carefully plans and monitors the realisation of cash flows (cash inflows and outflows) and, in the event of liquidity problems, informs the parent company, which assesses the situation and provides the necessary funds to ensure liquidity.

Liquidity risk is monitored and managed by the Group companies in accordance with the size and complexity of their operations, with particular attention paid to liquidity risk management in the EU-based insurance companies due to their importance to the Group’s operations.

The Group monitors and manages liquidity risk through:

- clearly defined procedures and rules for the day-to-day planning and management of liquidity for each Group company,
- carefully planning, monitoring, analysing and reporting on realised cash flows,
- maintaining an adequate level of highly liquid assets,
- a system of intercompany liquidity credit lines established among Group companies,
- long-term planning and appropriate matching of asset and liability maturities.

The Group companies generally meet their short-term liquidity needs by allocating funds to money market instruments in proportion to their estimated normal day-to-day liquidity requirements.

The adequacy of the assessed liquidity needs at the individual company level is regularly reviewed and analysed by monitoring and analysing realised operating cash flows and comparing them with medium-term cash flow projections.

Additional liquidity is provided to the Group companies through a system of intercompany liquidity lines of credit established within the Group companies and by maintaining an appropriate level of highly liquid investments. The Group’s risk strategy requires its EU-based insurance companies to hold at least 20% of their investment portfolio in highly liquid financial assets.

The Group companies prepare monthly reports on the cash flows generated by their core business, which are sent to the parent company together with explanations of significant inflows or outflows and deviations.

The Group’s management is informed of liquidity risks through regular reports which include, as a minimum, a comparison of realised and projected cash flows from the core business and the value and proportion of highly liquid investments in the portfolio.

As at 31 December 2025, the Group’s highly liquid investments accounted for 45.6% (31 December 2024: 43.9%) of the total investment portfolio, which demonstrates the high liquidity of the portfolio and its consistency with the risk strategy.

We consider the Group’s liquidity risk to be largely unchanged from 2024 and low.

► Life insurance liabilities payable on demand

Sava Insurance Group	31 December 2025		31 December 2024	
	Amount payable on demand	Carrying amount	Amount payable on demand	Carrying amount
EUR				
Insurance contracts issued without direct participation	7,485,495	23,131,641	8,715,440	13,633,667
Insurance contracts issued with direct participation	770,768,731	859,728,414	666,275,738	586,910,697
Contracts issued with indirect participation	187,910,461	307,847,076	222,369,869	358,163,058
Total	966,164,687	1,190,707,131	897,361,046	958,707,422

The surrender value, being the amount payable on demand, is the highest in the group of direct participating contracts, which also has the highest carrying amount. The increase in amounts payable on demand compared to the previous year is due to an increase in the volume of direct participating contracts, as a result of portfolio growth and financial market developments.



The following two tables show the values of financial investments on the basis of undiscounted cash flows.

► **Maturity analysis of financial investments and cash and cash equivalents**

Sava Insurance Group									
EUR	Carrying amount as at 31 December 2025	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2025
Financial investments measured at fair value through profit or loss	112,060,490	1,208,180	2,403,117	435,135	231,875	406,653	13,613,014	103,520,761	121,818,735
Financial investments measured at amortised cost	96,472,112	34,853,484	22,774,855	8,282,079	9,501,095	5,471,758	35,168,893	–	116,052,163
Financial investments measured at fair value through other comprehensive income	1,466,934,817	363,493,719	252,904,889	253,288,079	188,844,337	170,245,640	365,332,319	17,820,604	1,611,929,586
Cash and cash equivalents	37,392,551	37,392,551	–	–	–	–	–	–	37,392,551
Investments supporting direct participating contracts	892,107,971	21,215,738	6,405,210	5,065,767	9,037,744	4,019,563	14,024,050	837,061,647	896,829,718
Total	2,604,967,940	458,163,672	284,488,071	267,071,060	207,615,050	180,143,613	428,138,277	958,403,011	2,784,022,753

Sava Insurance Group									
EUR	Carrying amount as at 31 December 2024	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2024
Financial investments measured at fair value through profit or loss	108,159,723	1,685,081	804,200	2,400,625	435,125	232,981	13,421,042	98,804,189	117,783,242
Financial investments measured at amortised cost	75,474,828	21,866,085	24,990,918	9,058,664	6,608,668	5,964,791	22,593,638	–	91,082,764
Financial investments measured at fair value through other comprehensive income	1,387,280,770	363,686,481	275,112,170	201,748,111	203,750,059	138,817,922	311,052,616	17,965,791	1,512,133,150
Cash and cash equivalents	46,243,890	46,243,890	–	–	–	–	–	–	46,243,890
Investments supporting direct participating contracts	764,270,756	21,472,658	6,930,780	5,157,210	4,619,886	8,991,624	15,997,613	706,535,197	769,704,967
Total	2,381,429,967	454,954,194	307,838,068	218,364,609	215,413,739	154,007,319	363,064,908	823,305,177	2,536,948,014

The following two tables show insurance and reinsurance contract assets and liabilities on the basis of discounted cash flows.

► **Maturity analysis of insurance liabilities**

Sava Insurance Group									
EUR	Carrying amount as at 31 December 2025	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2025
Insurance contract liabilities (other than for participating contracts)	1,070,371,120	480,910,557	146,242,778	103,867,037	75,686,856	55,412,039	208,251,852	–	1,070,371,119
Insurance contract assets (other than for participating contracts)	-10,999,525	-15,150,893	841,431	2,475,541	870,484	273,023	-309,111	–	-10,999,525
Participating contracts	859,728,414	-6,055,012	7,119,753	16,258,400	27,648,974	45,349,396	769,406,904	–	859,728,414
Total insurance contracts	1,919,100,009	459,704,652	154,203,962	122,600,978	104,206,314	101,034,457	977,349,645	0	1,919,100,008
Reinsurance contract liabilities	6,575,439	9,393,154	-1,149,161	-1,064,591	-431,218	-149,447	-23,298	–	6,575,439
Reinsurance contract assets	-69,917,467	-43,037,375	-11,981,975	-4,967,672	-2,321,421	-1,266,847	-6,342,176	–	-69,917,466
Total reinsurance contracts	-63,342,028	-33,644,221	-13,131,135	-6,032,264	-2,752,639	-1,416,294	-6,365,474	0	-63,342,027
Total insurance liabilities	1,855,757,981	426,060,431	141,072,827	116,568,714	101,453,675	99,618,163	970,984,171	0	1,855,757,981

Sava Insurance Group									
EUR	Carrying amount as at 31 December 2024	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2024
Insurance contract liabilities (other than for participating contracts)	1,091,507,428	477,254,560	143,248,066	98,288,782	73,355,535	58,940,407	240,420,078	–	1,091,507,428
Insurance contract assets (other than for participating contracts)	-10,842,363	-6,391,450	-435,298	-303,496	-812,096	-843,729	-2,056,293	–	-10,842,363
Participating contracts	739,860,541	-4,221,289	328,951	15,906,330	23,778,932	30,827,991	673,239,626	–	739,860,541
Total insurance contracts	1,820,525,607	466,641,822	143,141,718	113,891,616	96,322,371	88,924,669	911,603,411	0	1,820,525,607
Reinsurance contract liabilities	3,983,203	5,951,191	-737,306	-844,198	-402,293	2,400	13,408	–	3,983,203
Reinsurance contract assets	-77,518,753	-53,427,498	-8,912,556	-4,999,839	-2,316,786	-1,026,628	-6,835,447	–	-77,518,753
Total reinsurance contracts	-73,535,551	-47,476,307	-9,649,862	-5,844,037	-2,719,079	-1,024,227	-6,822,039	0	-73,535,550
Total insurance liabilities	1,746,990,057	419,165,515	133,491,856	108,047,580	93,603,292	87,900,442	904,781,373	0	1,746,990,057

The cash flows of the financial liabilities (subordinated debt) shown in the following table are undiscounted.



► **Maturity analysis of other liabilities**

Sava Insurance Group									
EUR	Carrying amount as at 31 December 2025	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2025
Subordinated liabilities*	125,242,015	5,412,500	5,412,500	5,412,500	130,412,500	–	–	–	146,650,000
Other provisions	9,008,625	1,585,605	760,309	537,218	510,500	433,671	5,181,323	–	9,008,625
Other financial liabilities	520,764	520,764	–	–	–	–	–	–	520,764
Investment contract liabilities	216,974,394	84,862,068	1,648,609	2,034,660	2,616,607	3,496,686	122,315,763	–	216,974,394
Liabilities from operating activities	21,828,142	19,289,651	525,704	-3,739	-21,609	-6,748	2,044,882	–	21,828,142
Other liabilities	59,887,621	53,065,940	2,140,048	1,579,884	991,407	687,695	1,422,647	–	59,887,620
Total	433,461,561	164,736,528	10,487,170	9,560,523	134,509,406	4,611,304	130,964,615	0	454,869,545

Sava Insurance Group									
EUR	Carrying amount as at 31 December 2024	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2024
Subordinated liabilities	125,058,474	5,412,500	5,412,500	5,412,500	5,412,500	130,412,500	–	–	152,062,500
Other provisions	8,582,417	1,552,671	594,818	458,518	330,269	448,257	5,118,264	79,620	8,582,417
Other financial liabilities	431,656	431,656	–	–	–	–	–	–	431,656
Investment contract liabilities	200,954,895	83,212,037	1,406,589	1,750,877	2,181,057	2,913,707	109,490,628	–	200,954,895
Liabilities from operating activities	13,661,592	11,249,774	412,147	410,687	-35,403	-29,295	1,673,842	-20,160	13,661,591
Other liabilities	52,807,948	46,304,996	1,827,090	3,330,209	931,440	431,911	619,343	-637,040	52,807,948
Total	401,496,982	148,163,635	9,653,143	11,362,791	8,819,863	134,177,081	116,902,076	-577,581	428,501,008

* The parent company issued two subordinated bonds, which are listed on the organised market of the Luxembourg Stock Exchange. The first subordinated bond was issued in October 2019 with a maturity date in 2039 and an option for early redemption on 7 November 2029. This bond is therefore included in the table under maturities of 4–5 years. The second subordinated bond was issued in October 2024 with a maturity date in 2029.



The Company held EUR 225.8 million or 44.6% (31 December 2024: EUR 237.1 million or 51.1%) of highly liquid investments.

The Company’s liabilities with a maturity of up to one year exceeded its current assets at the end of 2025. Taking into consideration expected operating income and a high share of liquid investments, we estimate the Company’s liquidity position as appropriate. The Company’s liquidity risk is well managed and did not change significantly compared to year-end 2024.

In the following tables, the values of financial investments are shown on the basis of undiscounted cash flows, whereas (re)insurance contract assets and liabilities are shown on the basis of discounted cash flows. The cash flows of the financial liabilities (subordinated debt) shown in the table “Maturity analysis of other liabilities” are undiscounted.

► Maturity analysis of financial investments and cash and cash equivalents

Sava Re									
EUR	Carrying amount as at 31 December 2025	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2025
Financial investments measured at fair value through profit or loss	40,976,925	87,500	87,500	87,500	87,500	153,454	5,136,987	38,942,536	44,582,977
Financial investments measured at amortised cost	11,108,935	2,861,289	2,267,811	657,046	656,841	656,638	10,430,114	–	17,529,738
Financial investments measured at fair value through other comprehensive income	447,409,775	131,732,906	83,840,547	75,329,720	58,059,835	50,671,416	85,035,774	–	484,670,198
Cash and cash equivalents	7,082,955	7,082,955	–	–	–	–	–	–	7,082,955
Total	506,578,590	141,764,649	86,195,858	76,074,265	58,804,176	51,481,508	100,602,875	38,942,536	553,865,867

Sava Re									
EUR	Carrying amount as at 31 December 2024	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2024
Financial investments measured at fair value through profit or loss	38,507,315	87,500	87,500	87,500	87,500	87,917	5,064,544	36,500,744	42,003,206
Financial investments measured at amortised cost	5,677,769	318,418	3,325,986	1,153,215	82,046	81,841	1,886,752	–	6,848,257
Financial investments measured at fair value through other comprehensive income	400,200,967	122,461,531	98,213,385	61,142,033	55,417,544	39,104,674	51,620,642	–	427,959,811
Cash and cash equivalents	14,724,094	14,724,094	–	–	–	–	–	–	14,724,094
Total	459,110,145	137,591,543	101,626,871	62,382,748	55,587,090	39,274,433	58,571,938	36,500,744	491,535,367



► **Maturity analysis of insurance liabilities**

Sava Re									
EUR	Carrying amount as at 31 December 2025	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2025
Insurance contract liabilities	280,211,769	112,430,822	74,007,331	40,426,342	21,472,807	12,000,988	19,873,479	–	280,211,769
Insurance contract assets	8,909,284	19,658,926	-1,610,142	-3,901,771	-2,394,041	-1,427,479	-1,416,208	–	8,909,284
Total insurance contracts	289,121,053	132,089,748	72,397,189	36,524,571	19,078,766	10,573,509	18,457,270	0	289,121,053
Reinsurance contract liabilities	4,264,013	7,101,629	-1,131,123	-1,061,471	-435,382	-153,255	-56,386	–	4,264,013
Reinsurance contract assets	54,744,230	31,612,245	10,490,457	4,253,491	1,808,633	895,074	5,684,331	–	54,744,230
Total reinsurance contracts	59,008,243	38,713,874	9,359,334	3,192,020	1,373,251	741,818	5,627,945	0	59,008,243
Total insurance liabilities	348,129,296	170,803,622	81,756,523	39,716,591	20,452,017	11,315,328	24,085,215	0	348,129,296

Sava Re									
EUR	Carrying amount as at 31 December 2024	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2024
Insurance contract liabilities	286,075,675	118,867,444	69,636,585	41,989,216	22,202,461	12,358,884	21,021,086	–	286,075,675
Insurance contract assets	-5,670,015	-8,912,789	541,938	1,220,003	727,440	414,717	338,676	–	-5,670,015
Total insurance contracts	280,405,660	109,954,655	70,178,522	43,209,219	22,929,901	12,773,601	21,359,762	0	280,405,660
Reinsurance contract liabilities	2,192,025	4,147,804	-668,399	-845,625	-410,894	-5,944	-24,918	–	2,192,025
Reinsurance contract assets	-65,962,107	-44,250,844	-7,998,168	-4,566,104	-2,012,828	-832,438	-6,301,724	–	-65,962,107
Total reinsurance contracts	-63,770,082	-40,103,039	-8,666,568	-5,411,729	-2,423,722	-838,382	-6,326,642	0	-63,770,082
Total insurance liabilities	216,635,578	69,851,615	61,511,955	37,797,490	20,506,179	11,935,219	15,033,120	0	216,635,578



► **Maturity analysis of other liabilities**

Sava Re									
EUR	Carrying amount as at 31 December 2025	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2025
Subordinated liabilities*	125,242,015	5,412,500	5,412,500	5,412,500	130,412,500	–	–	–	146,650,000
Other provisions	575,143	39,638	23,214	41,466	21,889	37,720	411,217	–	575,143
Liabilities from operating activities	217,813	217,813	–	–	–	–	–	–	217,813
Other liabilities	11,310,788	11,036,904	128,363	71,170	59,687	14,664	–	–	11,310,788
Total	137,345,759	16,706,855	5,564,077	5,525,136	130,494,076	52,384	411,217	0	158,753,744

Sava Re									
EUR	Carrying amount as at 31 December 2024	Up to 1 year	1–2 years	2–3 years	3–4 years	4–5 years	Over 5 years	No specified maturity	Total as at 31 December 2024
Subordinated liabilities*	125,058,474	5,412,500	5,412,500	5,412,500	5,412,500	130,412,500	–	–	152,062,500
Other provisions	474,263	20,744	51,210	17,152	30,264	18,238	336,655	–	474,263
Other liabilities	6,300,539	5,988,039	312,500	–	–	–	–	–	6,300,539
Total	131,833,276	11,421,283	5,776,210	5,429,652	5,442,764	130,430,738	336,655	0	158,837,302

* The Company issued two subordinated bonds, which are traded on the organised market of the Luxembourg Stock Exchange. The first bond was issued in October 2019, with a maturity date of 2039 and an early redemption option on 7 November 2029. Therefore, the bond is included in the table under maturities of 4 to 5 years. The second subordinated bond was issued in October 2024, maturing in 2029.



3.6.4.3 Credit risk¹⁴⁴

Assets exposed to credit risk include financial investments (deposits, bonds, loans granted, bond and convertible mutual funds, and cash and cash equivalents), reinsurance contract assets and other receivables.

► Exposure of assets to credit risk

Sava Insurance Group		
EUR	31 December 2025	31 December 2024
Type of asset	Amount	Amount
Investments other than investments supporting direct participating contracts	1,603,656,096	1,513,601,207
Fixed-income investments	1,547,629,427	1,453,477,571
Government bonds	946,744,833	922,745,929
Corporate and financial bonds	570,004,328	503,431,689
Deposits	30,880,266	27,299,953
Alternative funds	12,137,492	13,211,975
Private debt	1,462,834	2,116,504
Infrastructure debt	10,674,657	11,095,471
Loans granted	6,496,626	667,770
Cash and cash equivalents	37,392,551	46,243,890
Investments supporting direct participating contracts (with guarantee)	55,046,324	57,735,559
Fixed-income investments	48,743,336	51,629,684
Government bonds	33,874,172	35,621,500
Corporate and financial bonds	14,869,164	16,008,183
Cash and cash equivalents	6,302,988	6,105,875
Other assets	96,401,748	96,401,748
Reinsurance contract assets	69,917,465	77,518,752
Current tax assets	315,608	2,168,191
Trade and other receivables	17,113,089	16,714,805
Total	1,755,104,168	1,667,738,514

144 ESRS 2 SBM-3 paragraph 48 (a) and ESRS E1 SBM-3 paragraph 18.

145 Included are government bonds, corporate bonds, deposits and loans granted, bond and convertible mutual funds, and private debt fund investments.

146 This includes cash and demand deposits.

► Exposure of assets to credit risk

Sava Re		
EUR	31 December 2025	31 December 2024
Type of asset	Amount	Amount
Fixed-income investments	452,518,660	405,306,716
Government bonds	282,751,129	276,117,368
Bonds	168,769,318	128,166,428
Deposits	998,213	1,022,920
Alternative funds	3,635,074	4,016,804
Private debt	585,133	846,601
Infrastructure debt	3,049,941	3,170,203
Loans granted	8,034,439	2,578,592
Cash and cash equivalents	7,082,955	14,724,094
Reinsurance contract assets	54,744,230	65,962,107
Current tax assets	–	671,315
Trade and other receivables	219,917	360,779
Total exposure	526,235,275	493,620,405

Credit risk due to issuer default

Credit risk for investments is estimated based on two factors:

- credit ratings used in determining credit risk for fixed-income investments¹⁴⁵ and cash assets¹⁴⁶;
- performance indicators for other investments.



Below we set out an assessment of credit risk for fixed-income investments.

► Fixed-income investments by issuer credit rating

Sava Insurance Group					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Based on S&P/Fitch ratings	Amount	As % of total	Amount	As % of total	
Investments other than direct participating contracts	1,547,629,427	100.0%	1,453,477,571	100.0%	
AAA	377,040,339	24.4%	381,770,111	26.3%	-1.9
AA	304,799,858	19.7%	352,248,876	24.2%	-4.5
A	520,692,466	33.6%	378,166,665	26.0%	7.6
BBB	174,644,258	11.3%	190,645,406	13.1%	-1.8
BB	114,768,651	7.4%	103,248,624	7.1%	0.3
B	25,408,482	1.6%	16,985,154	1.2%	0.5
Not rated	30,275,372	2.0%	30,412,737	2.1%	-0.1
Investments supporting direct participating contracts (with guarantee)	48,743,336	100.0%	51,629,684	100.0%	
AAA	6,862,249	14.1%	13,129,817	25.4%	-11.4
AA	16,315,094	33.5%	19,447,821	37.7%	-4.2
A	21,534,314	44.2%	12,760,566	24.7%	19.5
BBB	3,287,875	6.7%	4,599,291	8.9%	-2.2
BB	743,803	1.5%	1,692,190	3.3%	-1.8
Total	1,596,372,763		1,505,107,255		

► Cash and cash equivalents by credit rating

Sava Insurance Group					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Based on S&P/Fitch ratings	Amount	As % of total	Amount	As % of total	
Investments other than direct participating contracts	37,392,551	100.0%	46,243,890	100.0%	0.0
A	11,788,961	31.5%	17,328,931	37.5%	-5.9
BBB	14,675,449	39.2%	18,178,824	39.3%	-0.1
BB	272,109	0.7%	67,646	0.1%	0.6
B	31,200	0.1%	–	–	0.1
Not rated	10,624,831	28.4%	10,668,489	23.1%	5.3
Investments supporting direct participating contracts	6,302,988	100.0%	6,105,875	100.0%	0.0
A	4,381,750	69.5%	3,535,043	57.9%	11.6
BBB	1,918,712	30.4%	2,129,840	34.9%	-4.4
Not rated	2,526	0.0%	440,992	7.2%	-7.2
Total	43,695,540		52,349,765		

From a credit risk management perspective, the Group aims to have debt instruments and cash and cash equivalents representing at least 75% of the value of the investment portfolio. As at 31 December 2025, these assets represented 89.8% of the investment portfolio (31 December 2024: 90.0%).

As at 31 December 2025, fixed-income investments rated “A” or better accounted for 77.7% of the total fixed-income portfolio

(31 December 2024: 76.5%). The share of the best-rated investments increased somewhat in 2025 compared with the previous year. Fixed-income investments with no credit rating available accounted for 2.0% of fixed-income investments (31 December 2024: 2.1%).

The composition of cash and cash equivalents reflects the banking system in the region where the Group has a presence through subsidiaries.

► Fixed-income investments by issuer credit rating

Sava Re					
EUR					
Based on S&P/Fitch ratings	31 December 2025		31 December 2024		Change in % of total (pp)
	Amount	As % of total	Amount	As % of total	
AAA	157,207,941	34.7%	148,195,633	36.6%	-1.9
AA	115,253,595	25.5%	139,615,630	34.4%	-8.9
A	135,787,083	30.0%	82,631,751	20.4%	9.6
BBB	35,709,099	7.9%	30,896,367	7.6%	0.3
BB	2,766,328	0.6%	2,454,512	0.6%	0.0
B	5,103,924	1.1%	–	–	1.1
Not rated	690,690	0.2%	1,512,823	0.4%	-0.2
Total	452,518,660	100.0%	405,306,716	100.0%	

► Cash and cash equivalents by credit rating

Sava Re					
EUR					
Based on S&P/Fitch ratings	31 December 2025		31 December 2024		Change in % of total (pp)
	Amount	As % of total	Amount	As % of total	
A	2,162,731	30.5%	7,080,083	48.1%	-17.6
BBB	4,613,660	65.1%	7,416,119	50.4%	14.7
Not rated	306,563	4.3%	227,892	1.5%	2.8
Total	7,082,955	100.0%	14,724,094	100.0%	

In terms of credit risk management, the Company aims to have a material portion of its debt investments rated “A-” or better. As at 31 December 2025, fixed-income debt investments rated “A” or better represented 90.2% (31 December 2024: 91.4%) of total debt investments. The Company regularly monitors its exposure to individual issuers and any changes in their creditworthiness in order to be prepared to respond in a timely manner to any adverse developments in the financial markets or an increase in risk associated with an issuer.

The Company mitigates the credit risk of its other investments through a high degree of diversification and by investing in liquid securities.

The investment portfolios of the Group and the Company are well diversified in accordance with local law and Group internal rules in order to avoid high concentration in a particular type of investment, high concentration with a particular counterparty or economic sector, or other potential forms of concentration.

The composition of cash and cash equivalents reflects the banking system in the region where the Group has a presence through subsidiaries.





► Concentration of financial investments by industry

Sava Insurance Group					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Industry	Amount	As % of total	Amount	As % of total	
Investments other than investments supporting direct participating contracts	1,547,629,427	100.0%	1,453,477,571	100.0%	0.0
Government	947,060,964	61.2%	922,745,929	63.5%	-2.3
Banks and other financial institutions	244,950,012	15.8%	210,961,818	14.5%	1.3
Healthcare	56,666,348	3.7%	51,042,307	3.5%	0.1
Durable consumer goods	51,114,183	3.3%	38,138,643	2.6%	0.7
Utilities	48,701,682	3.1%	38,217,572	2.6%	0.5
Other	199,136,237	12.9%	192,371,302	13.2%	-0.4
Investments supporting direct participating contracts (with guarantee)	48,743,336	100.0%	51,629,684	100.0%	0.0
Government	33,874,172	69.5%	35,621,500	69.0%	0.5
Banks and other financial institutions	3,434,522	7.0%	4,168,986	8.1%	-1.0
Basic consumer goods	2,801,620	5.7%	3,733,470	7.2%	-1.5
Information technology	2,407,689	4.9%	865,260	1.7%	3.3
Healthcare	2,092,251	4.3%	2,038,657	3.9%	0.3
Other	4,133,082	8.5%	5,201,810	10.1%	-1.6
Total	1,596,372,763		1,505,107,255		

The Group’s largest exposure by asset class is to government bonds (31 December 2025: 6.0% of German bonds, 31 December 2024: 9.5% of German bonds).

► Concentration of financial investments by industry

Sava Re					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Industry	Amount	As % of total	Amount	As % of total	
Government	282,751,129	62.5%	276,117,368	68.1%	-5.6
Banks and other financial institutions	68,539,985	15.1%	46,606,682	11.5%	3.6
Utilities	18,924,721	4.2%	16,251,039	4.0%	0.2
Basic consumer goods	15,207,518	3.4%	12,178,220	3.2%	0.2
Durable consumer goods	14,482,488	3.2%	7,730,334	3.0%	0.2
Other	52,612,819	11.6%	46,423,072	10.2%	1.4
Total	452,518,660	100.0%	405,306,716	100.0%	

The Company’s largest exposure by asset class is also to government bonds (31 December 2025: 7.8% of German bonds; 31 December 2024: 12.2% of German bonds).



► Concentration of financial investments by region

Sava Insurance Group					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Region	Amount	As % of total	Amount	As % of total	
Investments other than direct participating contracts	1,547,629,427	100.0%	1,453,477,571	100.0%	
Slovenia	102,174,461	6.6%	95,813,985	6.6%	0.0
European Union	973,319,927	62.9%	939,233,960	64.6%	-1.7
Other Europe	192,315,259	12.4%	172,872,605	11.9%	0.5
United States	168,541,664	10.9%	157,647,526	10.8%	0.0
Rest of the world	111,278,117	7.2%	87,909,494	6.0%	1.1
Investments supporting direct participating contracts (with guarantee)	48,743,336	100.0%	51,629,684	100.0%	
Slovenia	5,186,146	10.6%	5,137,992	10.0%	0.7
European Union	35,048,610	71.9%	38,891,525	75.3%	-3.4
Other Europe	743,803	1.5%	707,651	1.4%	0.2
United States	5,703,031	11.7%	3,678,381	7.1%	4.6
Rest of the world	2,061,746	4.2%	3,214,135	6.2%	-2.0
Total	1,596,372,763		1,505,107,255		

The distribution of exposure to other regions did not change significantly compared to the end of 2024.

► Concentration of financial investments by region

Sava Re					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Region	Amount	As % of total	Amount	As % of total	
Slovenia	23,777,989	5.3%	18,135,603	4.5%	0.8
European Union	307,911,264	68.0%	288,347,418	71.1%	-3.1
Other Europe	12,661,373	2.8%	9,351,409	2.3%	0.5
United States	63,545,517	14.0%	56,347,418	13.9%	0.1
Rest of the world	44,622,518	9.9%	33,124,867	8.2%	1.7
Total	452,518,660	100.0%	405,306,716	100.0%	

As at 31 December 2025, the Group’s exposure to the ten largest issuers was EUR 559.1 million, representing 35.0% of fixed-income financial investments (31 December 2024: EUR 586.1 million; 38.9%). The Group’s largest exposure to a single issuer is to Germany.

As at 31 December 2025, the Company’s exposure to the ten largest issuers was EUR 168.7 million, representing 37.3% of financial investments (31 December 2024: EUR 181.9 million; 44.9%). The largest single issuer of securities to which the Company is exposed is Germany. As at 31 December 2025, the exposure totalled EUR 35.5 million or 7.8% of financial investments (31 December 2024: EUR 49.3 million; 12.9%).



► Exposure to Slovenia by type of asset

Sava Insurance Group					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Type of investment	Amount	As % of total	Amount	As % of total	
Investments other than direct participating contracts	102,174,461	100.0%	95,813,985	100.0%	
Government bonds	87,499,931	85.6%	86,233,103	90.0%	-4.4
Corporate and financial bonds	11,653,183	11.4%	6,509,137	6.8%	4.6
Deposits	3,021,348	3.0%	3,071,745	3.2%	-0.2
Investments supporting direct participating contracts (with guarantee)	5,186,146	100.0%	5,137,992	100.0%	
Government bonds	5,186,146	100.0%	5,137,992	100.0%	0.0
Total	107,360,607		100,951,977		

The Group’s exposure to Slovenia increased by EUR 11.5 million in 2025. As at 31 December 2025, investments in government bonds represented the largest exposure to Slovenia, the same as at 31 December 2024. They accounted

for 5.7% (excluding investments of direct participating contracts) of the total fixed-income investment portfolio, down by 0.2 percentage points compared to the previous year.

► Exposure to Slovenia by type of asset

Sava Re					
EUR	31 December 2025		31 December 2024		Change in % of total (pp)
Type of investment	Amount	As % of total	Amount	As % of total	
Government bonds	14,583,729	61.3%	14,012,519	77.3%	-16.0
Corporate and financial bonds	8,196,046	34.5%	3,100,164	17.1%	17.4
Deposits	998,213	4.2%	1,022,920	5.6%	-1.4
Total	23,777,989	100.0%	18,135,603	100.0%	

At the year end, the exposure of the Company to Slovenia-based issuers was EUR 23.7 million, representing 5.3% of fixed-income financial investments (31 December 2024: EUR 18.1 million; 4.5%). Compared to 31 December 2024, the share of such investments increased by 0.6 percentage points, mainly due to an increase in investments in corporate and financial bonds.

We estimate that in 2025, the Group companies – by maintaining a large percentage of highly-rated investments, diversifying investments by industry and geography and reducing concentration – managed credit risk well, keeping it at the same level as in 2024.



Expected credit losses (ECL)

The Group monitors credit risk using calculated expected credit losses, which measure the potential for an investment to be impaired or reduced in value due to the credit risk of the issuer. The expected credit loss of an investment is measured according to its stage, which is reviewed on a

monthly basis. The majority of the investments for which the Company measures and monitors expected credit losses (bonds, loans, deposits) are classified as stage 1, meaning that the Company has not experienced a significant increase in credit risk since the date the investment was recognised. For the value of investments exposed to credit risk, changes

in the fair value of interest on FVOCI investments, changes in the amortised cost of AC investments, and changes in accrued interest and exchange rate differences are recorded in the table under “Other changes”.

► **Gross carrying amount of financial assets exposed to credit risk**

Sava Insurance Group

EUR	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance as at 1 January	1,487,972,748	9,050,076	0	1,497,022,824	1,331,295,939	5,791,888	0	1,337,087,827
New financial assets acquired	633,959,863	–	–	633,959,863	573,501,164	–	–	573,501,164
Financial assets derecognised	-542,482,598	-3,022,163	–	-545,504,761	-443,158,940	-1,369,660	–	-444,528,600
Transfer to stage 1	–	–	–	–	–	–	–	–
Transfer to stage 2	-6,919,313	6,919,313	–	–	-3,646,450	3,646,450	–	–
Transfer to stage 3	–	–	–	–	–	–	–	–
Change in business models and risk parameters	–	–	–	–	–	–	–	–
Other changes	9,543,948	346,677	–	9,890,625	29,828,039	981,397	–	30,809,437
Exchange differences	-164,309	–	–	-164,309	152,996	–	–	152,996
Balance as at 31 December	1,581,910,340	13,293,902	0	1,595,204,242	1,487,972,748	9,050,076	0	1,497,022,824

In 2025, EUR 6.9 million of debt investments were reclassified from stage 1 to stage 2 as a result of increased credit risk of bond issuers.



► Total change in expected credit losses (ECL) for AC and FVOCI investments

Sava Insurance Group								
EUR	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance as at 1 January	-1,049,448	-166,868	0	-1,216,316	-1,449,648	-350,503	0	-1,800,151
Transfer to stage 1	–	–	–	–	–	–	–	–
Transfer to stage 2	4,781	-4,781	–	–	33,445	-33,445	–	–
Transfer to stage 3	–	–	–	–	–	–	–	–
Change in contractual cash flows	–	–	–	–	–	–	–	–
Resulting from new acquisitions of financial assets	-770,657	–	–	-770,657	-403,074	–	–	-403,074
Eliminated on sale or maturity of financial assets	488,885	17,490	–	506,375	509,287	675	–	509,961
Other changes	-180,009	-199,821	–	-379,830	260,054	216,406	–	476,460
Exchange differences	2,295	–	–	2,295	487	–	–	487
Balance as at 31 December	-1,504,154	-353,980	0	-1,858,133	-1,049,448	-166,868	0	-1,216,316



► Gross carrying amount of financial assets exposed to credit risk

Sava Re								
EUR	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance as at 1 January	404,490,173	1,431,592	–	405,921,765	316,425,894	721,149	0	317,147,043
New financial assets acquired	220,993,471	–	–	220,993,471	211,629,768	–	–	211,629,768
Financial assets derecognised	-167,315,241	–	–	-167,315,241	-131,220,448	–	–	-131,220,448
Transfer to stage 1	–	–	–	–	–	–	–	–
Transfer to stage 2	-942,489	942,489	–	–	-163,415	163,415	–	–
Transfer to stage 3	–	–	–	–	–	–	–	–
Change in business models and risk parameters	–	–	–	–	–	–	–	–
Other changes	-1,018,904	86,658	–	-932,246	7,818,374	547,028	–	8,365,402
Balance as at 31 December	456,207,010	2,460,739	0	458,667,749	404,490,173	1,431,592	0	405,921,765

► Total change in expected credit losses (ECL) for AC and FVOCI investments

Sava Re								
EUR	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance as at 1 January	-87,445	-44,747	–	-132,192	-103,628	-125,366	0	-228,994
Transfer to stage 1	–	–	–	–	–	–	–	–
Transfer to stage 2	366	-366	–	–	9,736	-9,736	–	–
Transfer to stage 3	–	–	–	–	–	–	–	–
Change in contractual cash flows	–	–	–	–	–	–	–	–
Resulting from new acquisitions of financial assets	-286,341	–	–	-286,341	-30,718	–	–	-30,718
Eliminated on sale or maturity of financial assets	49,142	–	–	49,142	33,742	–	–	33,742
Other changes	-20,706	-7,553	–	-28,258	3,422	90,355	–	93,778
Balance as at 31 December	-344,984	-52,665	0	-397,650	-87,445	-44,747	0	-132,192



The Group models default probabilities as a function of historical average default probabilities over time, a systematic risk factor and a correlation parameter. The value of a systematic risk or economic condition factor reflects the position in the economic cycle over a period of time.

The Company has performed a sensitivity analysis simulating the impact of an increase in the average default rate of 40 basis points in the downside scenario and a decrease of 70 basis points in the upside scenario. Such a change in the probability of default would reduce the expected long-term economic activity (change in GDP) by around 1.5 percentage points in the downside scenario and by 1.5 percentage points in the upside scenario.

► Assumptions used in the sensitivity analysis

	31 December 2025			31 December 2024		
	Downside	Baseline	Upside	Downside	Baseline	Upside
Change in GDP	3.3%	4.8%	6.3%	3.6%	5.4%	7.8%
Economic cycle index	-0.56	-0.22	1.08	-0.62	-0.37	0.83
Correlation factor	0.09	0.04	0.01	0.23	0.19	0.03
Average change in default rate	0.4%	0.0%	-0.4%	0.5%	0.0%	-0.7%

► Sensitivity analysis of expected credit loss (ECL)

Sava Insurance Group

EUR	31 December 2025			31 December 2024		
	Downside	Baseline	Upside	Downside	Baseline	Upside
Investments for which expected credit loss is calculated	1,589,491,948	1,589,491,948	1,589,491,948	1,500,244,908	1,500,244,908	1,500,244,908
Expected credit loss	-2,037,271	-1,735,164	-1,344,360	-1,516,068	-1,198,495	-900,584
% of stage 2 investments	19.9%	20.4%	18.3%	14.9%	13.9%	12.0%

► Sensitivity analysis of the change in expected credit loss (ECL)

Sava Re

EUR	31 December 2025			31 December 2024		
	Downside	Baseline	Upside	Downside	Baseline	Upside
Investments for which expected credit loss is calculated	458,518,710	458,518,710	458,518,710	405,878,736	405,878,736	405,878,736
Expected credit loss	-477,112	-397,650	-311,502	-167,967	-132,191	-98,690
% of stage 2 investments	13.9%	13.2%	12.5%	36.8%	33.8%	27.5%

Credit risk with respect to reinsurers

The Group is also exposed to credit risk in relation to its reinsurance programme. As a rule, subsidiaries conclude reinsurance contracts directly with the parent company. Exceptions are reinsurance contracts of subsidiaries with assistance service providers, specific individual transactions and reinsurance with local reinsurers if required by local regulations. In these cases, the local reinsurers cede the risk to Sava Re.

Reinsurance programmes are mostly placed with first-class reinsurers with a good credit rating (at least “A-” according to S&P Global Ratings for long-term business and at least “BBB+” for short-term business). Thus, more than 87% of the Sava Insurance Group’s credit risk exposure to reinsurers at the end of 2025 (2024: at least 91%) related to reinsurers rated “BBB” or better.

As at 31 December 2025, the total exposure of the Group to credit risk relating to reinsurers was EUR 69.9 million (31 December 2024: EUR 77.5 million) and relates to reinsurance contract assets.

As at 31 December 2025, the credit risk exposure relating to reinsurers represented 2.2% of total assets (31 December 2024: 2.7%).

The Company’s reinsurance programmes are mostly placed with first-class reinsurers with an appropriate credit rating (at least “A-” according to S&P Global Ratings for long-term business and at least “BBB+” for short-term business). We consider this risk to be low, particularly as the investment portfolio is adequately diversified. See the lower right table for details. Thus, more than 98% of the credit risk exposure to reinsurers at the end of 2025 (2024: at least 95%) related to reinsurers rated “BBB” or better.

As at 31 December 2025, the total exposure of the Company to credit risk from reinsurers was EUR 66.0 million (31 December 2024: EUR 66.0 million) and relates to reinsurance contract assets. As at 31 December 2025, the Company’s total credit risk exposure to retrocessionaires was 7.5% of total assets (31 December 2024: 7.5%).

Exposure to reinsurers by credit rating

Sava Insurance Group				
EUR	31 December 2025		31 December 2024	
S&P / AM Best ratings	Amount	As % of total	Amount	As % of total
AAA or AA / A++ or A+	16,407,248	23.5%	12,706,110	16.4%
A / A or A-	40,085,694	57.3%	54,924,640	70.9%
BBB / B++ or B+	4,649,511	6.7%	3,046,638	3.9%
Less than BBB / less than B+	1,155,903	1.7%	1,117,936	1.4%
Not rated	7,619,110	10.9%	5,723,430	7.4%
Total	69,917,467	100.0%	77,518,753	100.0%

Exposure to reinsurers by credit rating

Sava Re				
EUR	31 December 2025		31 December 2024	
S&P / AM Best ratings	Amount	As % of total	Amount	As % of total
AAA or AA / A++ or A+	15,937,425	29.1%	11,983,412	18.2%
A / A or A-	37,014,653	67.6%	51,961,077	78.8%
BBB / B++ or B+	241,775	0.4%	898,976	1.4%
Less than BBB / less than B+	1,155,903	2.1%	1,117,936	1.7%
Not rated	394,474	0.7%	706	0.0%
Total	54,744,230	100.0%	65,962,107	100.0%



Counterparty default risk

The following tables show the Group’s and the Company’s share of total receivables by type and maturity.

► Receivables ageing analysis as at 31 December 2025

Sava Insurance Group											
EUR	31 December 2025			Not past due	Past due up to 30 days	Past due from 31 to 60 days	Past due from 61 to 90 days	Past due from 91 to 180 days	Past due from 181 days to 1 year	Past due over 1 year	Total
	Gross amount	Allowance	Receivables								
Current tax assets	315,608	0	315,608	315,608	0	0	0	0	0	0	315,608
Other short-term receivables arising out of insurance business (outside the scope of IFRS 17)	4,880,836	-1,165,918	3,714,918	2,311,137	1,117,517	9,783	195,286	43,842	1,549	35,804	3,714,918
Receivables arising out of investments	1,351,430	-166,943	1,184,488	1,166,016	–	–	–	–	–	18,471	1,184,488
Trade and other receivables	13,565,972	-1,352,290	12,213,682	11,028,347	658,088	328,989	80,964	94,049	5,334	17,911	12,213,682
Trade and other receivables	19,798,238	-2,685,151	17,113,087	14,505,501	1,775,605	338,772	276,250	137,891	6,883	72,186	17,113,087
Total	20,113,846	-2,685,151	17,428,695	14,821,109	1,775,605	338,772	276,250	137,891	6,883	72,186	17,428,695

► Receivables ageing analysis as at 31 December 2024

Sava Insurance Group											
EUR	31 December 2024			Not past due	Past due up to 30 days	Past due from 31 to 60 days	Past due from 61 to 90 days	Past due from 91 to 180 days	Past due from 181 days to 1 year	Past due over 1 year	Total
	Gross amount	Allowance	Receivables								
Current tax assets	2,168,191	0	2,168,191	2,168,191	0	0	0	0	0	0	2,168,191
Other short-term receivables arising out of insurance business (outside the scope of IFRS 17)	4,706,992	-1,110,947	3,596,045	1,900,471	1,303,744	3,535	287,896	20,922	26,688	52,789	3,596,045
Receivables arising out of investments	1,046,123	-166,967	879,156	860,920	–	–	–	–	–	18,236	879,156
Trade and other receivables	13,898,853	-1,659,249	12,239,604	10,842,339	568,825	453,341	114,981	168,930	78,288	12,900	12,239,604
Trade and other receivables	19,651,968	-2,937,163	16,714,805	13,603,730	1,872,569	456,876	402,877	189,852	104,976	83,925	16,714,805
Total	21,820,159	-2,937,163	18,882,996	15,771,921	1,872,569	456,876	402,877	189,852	104,976	83,925	18,882,996

The Group assessed its receivables for impairment. Appropriate allowances were made for those receivables for which impairment was deemed necessary. Receivables are described in more detail in note [3.7.17 “Receivables”](#).



► Receivables ageing analysis as at 31 December 2025

Sava Re

EUR	31 December 2025				Past due up to 30 days	Past due from 31 to 60 days	Past due from 61 to 90 days	Past due from 91 to 180 days	Past due from 181 days to 1 year	Past due over 1 year	Total
	Gross amount	Allowance	Receivables	Not past due							
Receivables arising out of investments	208	0	208	208	–	–	–	–	–	–	208
Trade and other receivables	219,710	0	219,710	219,710	–	–	–	–	–	–	219,710
Trade and other receivables	219,918	0	219,918	219,918	0	0	0	0	0	0	219,918
Total	219,918	0	219,918	219,918	0	0	0	0	0	0	219,918

► Receivables ageing analysis as at 31 December 2024

Sava Re

EUR	31 December 2024				Past due up to 30 days	Past due from 31 to 60 days	Past due from 61 to 90 days	Past due from 91 to 180 days	Past due from 181 days to 1 year	Past due over 1 year	Total
	Gross amount	Allowance	Receivables	Not past due							
Current tax assets	671,315	0	671,315	671,315	0	0	0	0	0	0	671,315
Receivables arising out of investments	67,406	–	67,406	67,406	–	–	–	–	–	–	67,406
Trade and other receivables	634,407	-341,035	293,372	293,372	–	–	–	–	–	–	293,372
Trade and other receivables	701,813	-341,035	360,778	360,778	0	0	0	0	0	0	360,778
Total	1,373,128	-341,035	1,032,093	1,032,093	0	0	0	0	0	0	1,032,093

Sava Re assessed its receivables for impairment. Appropriate allowances were made for those receivables for which impairment was deemed necessary. Receivables are described in more detail in note [3.7.17 “Receivables”](#).

Investment contracts

The Group's investment contracts include a group of life cycle funds called MY Life-cycle Funds (Slovenian: MOJI skladi življenjskega cikla), relating to the supplementary pension business of Sava Pokojninska during the accumulation phase. Investment contract liabilities are not included in the consolidated insurance and reinsurance contract liabilities, and are, therefore, not included in the presentation of underwriting risk. Investment contract assets are not included in the consolidated financial investments item, and are, therefore, not included in the presentation of investment portfolio risk.

As regards investment contract assets and liabilities, the Group is exposed to the risk of not achieving the interest-rate guarantees in one of the long-term business funds with an interest-rate guarantee (the MGF fund). The interest-rate guarantee on the MGF is 60% of the average annual interest rate on government securities with a maturity of over one year. Liabilities relating to the MGF comprise paid-in premiums, guaranteed return and amounts in excess of the guaranteed return, provided the company achieves it.

In years when the return in excess of guaranteed return is realised, liabilities to the members of the MGF for assets in excess of guaranteed levels of assets are increased; if, however, realised return is below the guaranteed level, this part of liabilities decreases until the provision is fully exhausted. The described control of guaranteed return is carried out at the level

of individual members' accounts. If an individual's provisions in any of the accounts are not sufficient to cover the guaranteed assets, the company is required to set aside provisions for the difference, up to a maximum of 20% of equity.

The risk of failing to realise interest-rate guarantees is managed primarily through appropriate management of policyholder assets and liabilities, an appropriate investment strategy, an adequate level of the company's equity and provisioning. The Group tests its risk exposure arising out of interest-rate guarantees through stress tests and scenarios as part of the own risk and solvency assessment. We estimate that the risk of additional payments made in order to achieve the guaranteed returns remained roughly at the same level in 2025 compared to 2024.

The value of fund assets of the North Macedonian pension company Sava Penzisko Društvo (two funds: a mandatory and a voluntary fund) is not included in the statement of financial position of the company as these are funds under management (similar treatment as for fund management companies). The role of the North Macedonian pension company is solely to manage the assets; the funds have no interest-rate guarantees. Consequently, the company is not exposed to the risk to which investment contracts are exposed, i.e., failure to realise the interest-rate guarantees.

We assess that the risk of not achieving the guaranteed return was moderate and remained at a level comparable to 2024 during 2025.



3.6.5 Operational risks

Operational risk is the risk of loss arising from inadequate or failed internal processes, people or systems, or from external events.

The Sava Insurance Group and Sava Re regularly monitor and manage risks. The assessment of operational risks in the Group companies and at the Group level is mainly based on qualitative assessment of the likelihood and financial severity within the risk register. Through regular assessments, the Group companies gain insight into the actual level of their exposure to such risks and take the necessary measures to mitigate them.

According to the qualitative assessment, the exposure of the Sava Insurance Group and Sava Re to operational risk is medium.

The main operational risks of the Sava Insurance Group in 2025 are listed below, ranked according to the level of qualitative assessment (from highest to lowest):

- the risk of personal data breaches in the EU-based companies,
- the risks associated with information systems and the security of confidential data,
- the risks associated with cyber-attacks,

- the risks related to compliance with laws and regulations on IT systems.

The main operational risks of the Company in 2025 are listed below, ranked according to the level of qualitative assessment (from highest to lowest):

- the risk of personal data breaches,
- the risks related to data and the accuracy of reporting,
- the risks associated with cyber-attacks,
- the risks related to compliance with laws and regulations on IT systems,
- the risk arising from sanctions clauses in individual markets in which the Company operates,
- the risks related to IT systems.

To manage operational risks effectively, the Group companies have processes in place to identify, measure, monitor, manage and report on such risks. Operational risk management processes have also been set up at the Group level and are defined in the operational risk management policy.

The main measures of operational risk management at the individual company and Group levels include:

- maintaining an effective business processes management system and a system of internal controls,
- maintaining records of and monitoring incidents,
- awareness-raising and training of all employees on their role in the implementation of the internal control system and management of operational risks,
- implementing appropriate policies as regards information security,
- having in place a business continuity plan for all critical processes (to minimise the risk of unpreparedness for incidents and external events and any resulting business interruption),
- monitoring operational risk indicators at the Group level for all Group companies (indicators are defined in the risk strategy and are also used to indirectly measure reputational risk),
- having in place IT-supported processes and controls in the key areas of business of every Group company,
- awareness-raising and training of all employees.

The Group and the Company estimate their exposure to operational risk to be moderate in 2025 and at the same level as in 2024.





3.6.6 Strategic risks

The Group and the Company are exposed to various internal and external strategic risks that may have a negative impact on income or capital adequacy. Strategic risks are by nature very diverse, difficult to quantify and heavily dependent on various (including external) factors.

The Group’s and the Company’s strategic risks are primarily assessed qualitatively in the risk register by assessing the frequency and potential financial severity of each event. In addition, key strategic risks are evaluated in the Company and in the Group’s EU-based insurance companies through qualitative analysis of various scenarios. Based on both analyses combined, an overview is obtained of the extent and change in the exposure to this type of risk.

The main strategic risks of the Group in 2025 are listed below, ranked according to the level of qualitative assessment (from highest to lowest):

- the risk of deteriorating macroeconomic conditions or changes in capital markets affecting the Group’s profitability or causing the investment portfolio to underperform,
- the risks associated with the IT development strategy,
- the risks associated with the Group’s planning assumptions,
- the risks related to changes in sectoral accounting policies and tax policies/standards,
- the risks of intensifying competition in the markets in which the Group has a presence.

In 2025, the risk of a deterioration in the macroeconomic environment and the resulting impact on the Group’s profitability continued to be assessed as high. Macroeconomic conditions in 2025 were more favourable overall, reflecting improved developments in financial markets (such as lower interest rates, narrower credit spreads and rising investment). However, the risk assessment increased significantly from the previous year due to the announcement and subsequent implementation of a tariff war by the United States. This development generated

considerable uncertainty in capital markets, but European companies proved relatively resilient over the course of the year. Meanwhile, geopolitical conditions remained uncertain as no agreement was reached to end the conflict between Russia and Ukraine or the tensions in the Middle East. Conflicts continue to create regional security uncertainties and affect strategic resource prospects. Macroeconomic and geopolitical conditions are expected to remain uncertain. The Group has already taken the necessary steps to mitigate the impact of these risks and will continue to monitor the situation and take appropriate action.

Risks related to information technology and regulatory change are also among the highly rated risks. In 2025, the Group launched a project to enhance the security of network and information systems, as well as a project to introduce advanced artificial intelligence (AI) solutions into the operations of Group companies (further details on these projects are provided in section [3.6.7.1.1 “Artificial intelligence and underlying risks”](#)). In 2025, preparations were also underway at the

Group level for implementing the remaining new regulatory requirements in the area of risk management. The Group will continue to monitor legislative changes to limit regulatory risk, as well as competition in the markets in which it operates and other factors affecting the performance of its individual companies.

The main strategic risks of the Company in 2025 are listed below, ranked according to the level of qualitative assessment (from highest to lowest):

- the risks of deteriorating macroeconomic and geopolitical conditions, which may make it more difficult to underwrite reinsurance or to achieve the planned returns on the investment portfolio,
- the risks associated with deteriorating terms for obtaining adequate reinsurance,
- the risks associated with the planning assumptions,
- the risk that the soft reinsurance market prices do not keep pace with claims due to excess capital,
- the risks related to changes in reinsurance legislation.

As with the Group, the Company's risk assessments relating to deteriorating macroeconomic conditions increased significantly, remaining among the highest-rated strategic risks. These high ratings are due to the ongoing uncertainty surrounding geopolitical conditions, notably the military conflict in Ukraine and tensions in the Middle East. Risk ratings also increased as a result of the unpredictable tariff policy of the Trump administration, which generated substantial uncertainty in capital markets. To manage this risk, the Company adopted additional measures, including cost-containment initiatives, increased underwriting selectivity and product redesign. Despite the instability, further capital inflows, increased capacity and the resulting greater competitiveness among reinsurers led to continued softening of reinsurance terms and conditions, particularly in pricing. We also expect these risks to remain high in 2026. While lower reinsurance prices will make it easier to obtain adequate retrocession, greater attention will need to be paid to ensuring that the reinsurance underwritten is at an appropriate

premium. Sava Re will continue to maintain a well-balanced reinsurance portfolio and seek opportunities in both geographical diversification and across lines of business. The Company will also continue to secure the best available retrocession cover under the prevailing market conditions.

The Group companies mitigate individual strategic risks primarily through preventive measures, and each has various processes in place to properly identify, measure, monitor, manage, control and report strategic risks to ensure that they are effectively managed. In addition to the relevant organisational units in the Group companies, strategic risks are identified and managed by governance bodies, risk management committees, risk management functions and the key function holders of the risk management system. The identification of the Group's strategic risks is also the responsibility of the Group's risk management committee. Strategic risks are also managed by continually monitoring the realisation of short- and long-term goals of Group companies and by monitoring upcoming regulatory changes and market developments.

The Group and the Company recognise that reputation is important to the achievement of the business objectives and strategic plans over the long term. To this end, the Group companies put in place procedures to mitigate reputational risk, such as setting up fit and proper procedures applicable to key personnel, ensuring systematic operations of their respective compliance functions, having in place business continuity plans, carrying out periodic reviews of the alignment of financial investments with the Group's sustainability policy, and planning actions and responses in the case such risks materialise. The Group companies also monitor operational indicators that indirectly measure reputational risk. Toward ensuring the Group's good reputation, each and every employee is responsible for improving the quality of services delivered and overall customer satisfaction.

The Group and the Company estimate the exposure to strategic risks in 2025 to be moderate, at the same level as in 2024.



3.6.7 Other material risks

These include emerging risks and sustainability risks, including climate change risks. The risks are described in more detail below.

3.6.7.1 Emerging risks¹⁴⁷

To ensure successful long-term business operations, it is extremely important for the Group and the Company to anticipate and identify new risks. We attempt to follow trends, technological developments and events that may shape the future development of risks. As it is difficult to predict their occurrence with any degree of accuracy, we seek information from external sources to try to identify what may have a significant impact on our business in future periods. In 2025, a survey was conducted in all Group companies to assess emerging risks and, based on the responses, a weighted risk assessment was prepared at the Group level. The assessors in each Group company rated the risks in terms of materiality for the strategy period (up to 2031) and for the longer term (beyond 2031).

At the Group and Company level, the highest-rated risks up to 2031 were the risk of a major cyberattack or cyber fraud, the risk of geopolitical instability and its consequences, and macroeconomic risks and financial (in)stability. In the long term, at the Group level, the risk of a major cyberattack or cyber fraud remained among the highest-rated risks, followed by the risk of extreme weather events (physical climate risk) and risks related to artificial intelligence (AI) and disruptive innovations (including InsurTech¹⁴⁸). At Sava Re, the key risks beyond 2031 are, firstly, the risk of a major cyberattack or cyber fraud, secondly, the risk of extreme weather events (physical climate risk), and thirdly, the risk associated with an increasing proportion of the ageing population.

3.6.7.1.1 Artificial intelligence and underlying risks

In 2025, the Sava Insurance Group continued to systematically implement artificial intelligence (AI) across key areas of its operations. To this end, a dedicated project was defined, running

until 2027, which represents one of the Group's key development pillars for the coming years. The insurance industry is undergoing a period of rapid technological change. Through this project initiative, the Sava Insurance Group is entering a strategic phase of introducing advanced AI solutions into its operations, thereby adopting a coordinated, controlled approach to laying the foundations for the successful implementation of AI technologies.

Risks are also monitored within the project framework. Key risks have been identified in data quality, legal compliance and information security. Centralised oversight and execution of activities relating to the implementation of AI systems enables smaller companies, which face staffing and other constraints, to manage these risks more effectively. To this end, a dedicated working group has been set up to oversee these risks. Operating centrally, it provides professional oversight of activities across individual projects.

To ensure improved governance and use of AI, the Group adopted the Policy on the Use of

Artificial Intelligence and Guidelines on the Acceptable Use of Artificial Intelligence in the Sava Insurance Group. The adoption of the policy was intended to enhance efficiency, support the development of innovative services and products, and create an inclusive working environment within Group companies, among other objectives. The guidelines complement the policy by setting out principles for the use of AI and AI-generated content, rules for reporting breaches, a list of approved AI tools and similar.

Familiarity with, and compliance with, the policy and guidelines is mandatory for all Sava Insurance Group employees. Training sessions were held at the Group level for this purpose, with additional training aimed at empowering employees to recognise both the opportunities and risks associated with AI, and ensuring its responsible and secure use in line with the Group's values and applicable legislation.

The risks associated with AI were also considered when identifying key risks for the next strategy period.

¹⁴⁷ ESRS E1.IRO-1 paragraph 20 (b) (AR 11).

¹⁴⁸ InsurTech (insurance technology) involves using innovative technologies, such as artificial intelligence, big data, blockchain and the Internet of Things (IoT) to transform and automate the traditional insurance industry.

3.6.7.2 Sustainability risk and climate change risk

Climate change risks

The Group monitors both physical and transition risks related to climate change risk. We disclose more about these risks and their impact on the Group’s business in section [B.ESRS E1 “Climate Change”, subsection SBM-3 – “Material impacts, risks and opportunities and their interaction with strategy and business model”](#).

Other sustainability risks

In addition to climate change, the Group and the Company also monitor other sustainability risks. These are included in the risk register and periodically assessed alongside other risks.

In 2025, the highest-rated risk at both the Company and Group level was the risk of greenwashing allegations, which could have financial implications and an adverse impact on the reputation of individual companies and the Group as a whole. This risk also increased at the Group level, given that Group companies are autonomous and heterogeneous in their product design and business solution communication. To prevent this risk, Group companies are planning activities in coordination with the marketing team at the Group level. No other risk at the Company or Group level increased materially compared to 2024.

As in 2024, regulatory risks were classified as key sustainability risks at both the Company and Group level, receiving the highest ratings. These include the risk of opportunity losses arising from compliance with sustainability policies and legislative restrictions, and the risk of sustainability-related legislative changes affecting the underwriting of reinsurance business. The Group and the Company expect regulatory risks to be among the highest-rated risks over the strategy period, mainly due to the development, scope and complexity of the new sustainability legislation. In order to manage these risks, the Company and the Group will continue to monitor regulatory developments in sustainability. Ongoing monitoring of regulatory changes is the responsibility of the corporate compliance function, which includes a sustainability coordinator.

In addition to reputational and regulatory risks, other sustainability risks are monitored at the Company and Group level, such as the risk of not identifying environmental changes (by stakeholders) in time to adapt to new legislation and policies, the risk of inadequate whistleblowing protocols, and the risk of failing to recognise new opportunities in sustainable development. The estimated impact of other risks was lower in 2025 than that of legislation-related risks.

Individual companies also monitor other risks specific to their businesses.





3.7 Notes to significant items to the financial statements

3.7.1 Intangible assets

► Movement in cost and accumulated amortisation / impairment losses of intangible assets

Sava Insurance Group					
EUR	Software	Goodwill	Other intangible assets	Intangible assets in progress	Total
Cost					
31 December 2024	33,238,939	40,877,792	36,835,093	5,858,213	116,810,038
Additions	2,314,607	–	1,662,794	2,524,614	6,502,016
Transfer to use	5,514,273	–	–	-5,514,273	0
Disposals	-2,406,284	–	-11,125,218	–	-13,531,502
Exchange differences	-11,442	–	-4,000	-12	-15,454
31 December 2025	38,650,094	40,877,792	27,368,669	2,868,542	109,765,097
Accumulated amortisation and impairment losses					
31 December 2024	19,545,514	8,444,979	23,256,619	–	51,247,111
Additions	4,877,187	–	1,044,680	–	5,921,867
Disposals	-2,406,284	–	-9,997,299	–	-12,403,583
Exchange differences	-6,122	–	-993	–	-7,115
31 December 2025	22,010,295	8,444,979	14,303,006	–	44,758,281
Carrying amount as at 31 December 2024	13,693,425	32,432,813	13,578,475	5,858,213	65,562,925
Carrying amount as at 31 December 2025	16,639,799	32,432,813	13,065,663	2,868,542	65,006,816

Sava Insurance Group					
EUR	Software	Goodwill	Other intangible assets	Intangible assets in progress	Total
Cost					
31 December 2023	30,583,082	40,877,792	36,250,696	4,109,138	111,820,708
Additions	914,114	–	589,096	3,830,475	5,333,684
Transfer to use	1,945,954	–	–	-1,945,954	0
Disposals	-212,650	–	-13,978	-135,877	-362,506
Exchange differences	8,439	–	9,280	431	18,151
31 December 2024	33,238,939	40,877,792	36,835,093	5,858,213	116,810,038
Accumulated amortisation and impairment losses					
31 December 2023	16,223,622	8,444,979	22,003,276	–	46,671,877
Additions	3,523,565	–	1,252,488	–	4,776,052
Disposals	-207,305	–	–	–	-207,305
Exchange differences	5,631	–	855	–	6,486
31 December 2024	19,545,514	8,444,979	23,256,619	–	51,247,111
Carrying amount as at 31 December 2023	14,359,460	32,432,813	14,247,420	4,109,138	65,148,831
Carrying amount as at 31 December 2024	13,693,425	32,432,813	13,578,475	5,858,213	65,562,925



Sava Re

EUR	Software	Other intangible assets	Intangible assets in progress	Total
Cost				
31 December 2024	3,994,056	45,393	4,974,027	9,013,477
Additions	3,080	14,713	851,159	868,952
Transfer to use	4,832,381	–	-4,832,381	0
Disposals	-4,752	-13,344	–	-18,095
31 December 2025	8,824,766	46,762	992,805	9,864,333
Accumulated amortisation and impairment losses				
31 December 2024	2,531,092	–	–	2,531,092
Additions	1,007,170	–	–	1,007,170
Disposals	-4,752	–	–	-4,752
31 December 2025	3,533,510	–	–	3,533,510
Carrying amount as at 31 December 2024	1,462,965	45,393	4,974,027	6,482,385
Carrying amount as at 31 December 2025	5,291,256	46,762	992,805	6,330,823

Sava Re

EUR	Software	Other intangible assets	Intangible assets in progress	Total
Cost				
31 December 2023	3,938,279	45,347	2,845,695	6,829,321
Additions	–	14,024	2,189,266	2,203,290
Transfer to use	60,934	–	-60,934	–
Disposals	-5,156	-13,978	–	-19,135
31 December 2024	3,994,056	45,393	4,974,027	9,013,477
Accumulated amortisation and impairment losses				
31 December 2023	2,154,386	–	–	2,154,386
Additions	376,705	–	–	376,705
31 December 2024	2,531,092	–	–	2,531,092
Carrying amount as at 31 December 2023	1,783,893	45,347	2,845,695	4,674,935
Carrying amount as at 31 December 2024	1,462,965	45,393	4,974,027	6,482,385

The Group’s other intangible assets mainly consist of a customer list valued at EUR 7,320,500 (2024: EUR 7,733,546) and contractual customer relationships valued at EUR 2,240,000 (2024: EUR 2,880,000), and the assets acquired in the acquisition of ASP EUR 919,312 (2024: EUR 1,116,657).

As in 2024, the assets in progress relate to the purchase of new IT solutions for the core business.



Movement in goodwill

► Movement in goodwill in 2025

Sava Insurance Group	
EUR	
Total amount carried forward as at 31 December 2024	32,432,813
Balance as at 31 December 2025	32,432,813
Sava Neživotno Osiguranje (SRB)	4,565,229
Sava Osiguranje (MNE)	3,648,534
Zavarovalnica Sava	4,761,733
Sava Agent (MNE)	2,718
TBS Team 24	2,787,676
Sava Penzisko Društvo (MKD)	1,666,838
Sava Infond	15,000,085

► Movement in goodwill in 2024

Sava Insurance Group	
EUR	
Total amount carried forward as at 31 December 2023	32,432,813
Balance as at 31 December 2024	32,432,813
Sava Neživotno Osiguranje (SRB)	4,565,229
Sava Osiguranje (MNE)	3,648,534
Zavarovalnica Sava	4,761,733
Sava Agent (MNE)	2,718
TBS Team 24	2,787,676
Sava Penzisko Društvo (MKD)	1,666,838
Sava Infond	15,000,085

Goodwill impairment testing

In the impairment testing of goodwill arising out of the acquired companies listed in the table at the beginning of this section (except for Zavarovalnica Sava), the recoverable amount of each cash-generating unit as at 31 December 2025 exceeded the carrying amount, including goodwill belonging to the unit, for all companies. The assumptions used to calculate the recoverable amount are described below. For Zavarovalnica Sava, where the estimated value exceeded the carrying amount by a very large margin, an impairment test was performed to determine whether there were any indications of impairment. As no indications were found, no valuation was necessary.

The cash flows are derived from the strategic plans of the companies constituting the cash-generating units. The companies’ plans have been approved by the parent company and adopted by the companies’ governing bodies. The supervisory board of Sava Re d.d. adopted the business plan of the Sava Insurance Group for 2026 on 9 December 2025. The business plans of the Group companies were prepared on the basis of the following key strategic directions:

► Assumptions used in goodwill impairment testing in 2025

	Sava Neživotno Osiguranje (SRB)	Sava Osiguranje (MNE)	Sava Penzisko (MKD)	Sava Infond (SVN)	TBS Team 24 (SVN)
Discount rate (%)	11.8	12.0	11.0	11.7	10.6
Long-term growth rate (%)	3.5	3.5	3.5	3.5	3.5

The sensitivity analysis showed that, with a reasonably possible change in the discount rate of ±0.5% or in the long-term growth rate of ±0.5%, the recoverable amount would still exceed the carrying amount.

- premium growth in relation to past performance, expected GDP growth and the level of development of the insurance sector in Slovenia and abroad,
- growth in assets under management of the pension and mutual fund management company in relation to the macroeconomic environment, demographic trends, projected trends in inflows and outflows, and returns in relation to expected developments in the financial markets,
- growth in assistance services revenue in relation to the macroeconomic environment, the market conditions and the expected demand for assistance services,
- a target combined ratio in line with the specifics of the Slovenian and non-Slovenian non-life segments,
- a target new business margin for life insurance, and
- a return on investments in relation to the expected developments in financial markets.

The valuations used a long-term growth rate (g) of the risk-free rate of return (3.5%) to estimate the residual value beyond the projection period.

The discount rate methodology is explained in section [3.4.6 “Goodwill”](#).



3.7.2 Property, plant and equipment

► Movement in cost and accumulated depreciation / impairment losses of property, plant and equipment assets

Sava Insurance Group						
EUR	Land	Buildings	Equipment	Other items of property, plant and equipment	In progress	Total
Cost						
31 December 2024	4,618,989	57,880,956	26,432,666	583,621	2,049,216	91,565,447
Additions	–	79,163	1,076,709	450,753	1,880,308	3,486,933
Reclassification	57,853	728,724	27,007	–	-1,485,425	-671,841
Transfer to use	3,250	633,619	1,741,227	–	-2,378,095	0
Disposals	–	–	-1,702,580	-91,660	–	-1,794,240
Exchange differences	–	-16,863	-5,096	-506	524	-21,941
31 December 2025	4,680,091	59,305,598	27,569,933	942,208	66,529	92,564,357
Accumulated depreciation and impairment losses						
31 December 2024	–	13,894,882	18,750,294	189,711	–	32,834,886
Additions	–	1,670,569	2,973,379	82,684	–	4,726,633
Reclassification	–	25,153	10,836	–	–	35,989
Disposals	–	–	-1,530,575	-91,660	–	-1,622,235
Exchange differences	–	-4,893	-3,964	-27	–	-8,884
31 December 2025	–	15,585,711	20,199,971	180,709	–	35,966,389
Carrying amount as at 31 December 2024	4,618,989	43,986,074	7,682,372	393,909	2,049,216	58,730,561
Carrying amount as at 31 December 2025	4,680,091	43,719,887	7,369,962	761,499	66,529	56,597,968



Sava Insurance Group

EUR	Land	Buildings	Equipment	Other items of property, plant and equipment	In progress	Total
Cost						
31 December 2023	4,945,363	60,455,902	26,612,367	538,845	301,225	92,853,702
Additions	–	56,605	1,049,619	23,168	3,870,501	4,999,892
Reclassification	-55,091	-2,069,765	–	–	–	-2,124,856
Transfer to use	–	49,051	2,049,193	23,039	-2,121,283	0
Disposals	-271,283	-629,729	-3,284,459	-1,783	–	-4,187,254
Exchange differences	–	18,892	5,946	352	-1,226	23,964
31 December 2024	4,618,989	57,880,956	26,432,666	583,621	2,049,216	91,565,447
Accumulated depreciation and impairment losses						
31 December 2023	–	14,323,246	18,697,226	146,432	–	33,166,904
Additions	–	1,572,144	3,140,592	43,273	–	4,756,009
Reclassification	–	-1,743,173	–	–	–	-1,743,173
Disposals	–	-262,824	-3,091,778	–	–	-3,354,602
Exchange differences	–	5,489	4,254	6	–	9,750
31 December 2024	–	13,894,882	18,750,294	189,711	–	32,834,886
Carrying amount as at 31 December 2023	4,945,363	46,132,656	7,915,141	392,413	301,225	59,686,798
Carrying amount as at 31 December 2024	4,618,989	43,986,074	7,682,372	393,909	2,049,216	58,730,561



Sava Re

EUR	Land	Buildings	Equipment	Other items of property, plant and equipment	Total
Cost					
31 December 2024	151,373	2,449,707	1,806,419	274,193	4,681,691
Additions	–	–	353,764	–	353,764
Disposals	–	–	-148,190	–	-148,190
31 December 2025	151,373	2,449,707	2,011,994	274,193	4,887,266
Accumulated depreciation and impairment losses					
31 December 2024	–	890,540	1,177,302	63,484	2,131,326
Additions	–	33,311	256,947	10,112	300,370
Disposals	–	–	-147,372	–	-147,372
31 December 2025	–	923,851	1,286,877	73,596	2,284,324
Carrying amount as at 31 December 2024	151,373	1,559,167	629,117	210,709	2,550,365
Carrying amount as at 31 December 2025	151,373	1,525,855	725,117	200,597	2,602,942

Sava Re

EUR	Land	Buildings	Equipment	Other items of property, plant and equipment	Total
Cost					
31 December 2023	151,373	2,449,707	1,755,371	274,193	4,630,643
Additions	–	–	190,119	–	190,119
Disposals	–	–	-139,070	–	-139,070
31 December 2024	151,373	2,449,707	1,806,419	274,193	4,681,691
Accumulated depreciation and impairment losses					
31 December 2023	–	857,228	1,044,885	53,371	1,955,484
Additions	–	33,311	231,178	10,113	274,603
Disposals	–	–	-98,761	–	-98,761
31 December 2024	–	890,540	1,177,302	63,484	2,131,326
Carrying amount as at 31 December 2023	151,373	1,592,478	710,486	220,822	2,675,158
Carrying amount as at 31 December 2024	151,373	1,559,167	629,117	210,709	2,550,365

Property, plant and equipment assets are unencumbered by third-party rights.



3.7.3 Right-of-use assets and liabilities

► Movement in cost and accumulated amortisation / impairment losses of right-of-use assets

Sava Insurance Group					
EUR	Land and buildings	Motor vehicles	Computers and IT equipment	Other	Total
Balance as at 31 December 2024	9,133,788	1,372,717	288,159	0	10,794,664
Depreciation of right-of-use assets	-1,767,670	-431,170	-95,246	-201,580	-2,495,666
Change in right of use	-699,033	-18,392	6,087	-98	-711,436
New contracts	1,568,992	309,746	–	1,368,491	3,247,229
Derecognition of right-of-use assets	-489,664	-84,041	–	–	-573,705
Balance as at 31 December 2025	7,746,413	1,148,860	199,000	1,166,813	10,261,086

Sava Insurance Group				
EUR	Land and buildings	Motor vehicles	Computers and IT equipment	Total
As at 31 December 2023	7,787,013	747,587	38,798	8,573,398
Depreciation of right-of-use assets	-904,452	-74,826	-78,812	-1,058,090
Change in right of use	1,712,669	-54,006	52,222	1,710,885
New contracts	1,851,618	1,112,957	275,951	3,240,526
Derecognition of right-of-use assets	-1,313,060	-358,995	–	-1,672,055
As at 31 December 2024	9,133,788	1,372,717	288,159	10,794,664

Sava Re		
EUR	Land and buildings	Total
Balance as at 31 December 2024	254,940	254,940
Depreciation of right-of-use assets	-167,944	-167,944
Change in right of use	2,781	2,781
New contracts	331,132	331,132
Derecognition of right-of-use assets	-339	-339
Balance as at 31 December 2025	420,570	420,570

Sava Re		
EUR	Land and buildings	Total
As at 31 December 2023	277,158	277,158
Depreciation of right-of-use assets	-108,365	-108,365
Change in right of use	23,916	23,916
New contracts	62,231	62,231
Derecognition of right-of-use assets	–	–
As at 31 December 2024	254,940	254,940



The amounts recognised in the income statement related to leases are shown in the table below.

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Depreciation/amortisation	3,069,371	2,730,145	168,283	108,365
– Land and buildings	2,257,334	2,217,511	168,283	108,365
– Motor vehicles	515,211	433,822	–	–
– Computers and IT equipment	95,246	78,812	–	–
– Other	201,580	–	–	–
Interest on lease liabilities	423,447	392,117	11,558	7,402
Costs associated with short-term leases	244,680	220,612	–	–
Costs associated with low value leases	35,785	29,621	3,698	104
Total	3,773,283	3,372,495	183,539	115,871

Cash flow from leases

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Cash flow from leases	3,333,657	3,092,341	176,196	113,297

Movement in short- and long-term lease liabilities¹⁴⁹

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Lease liability – maturity up to 1 year	3,178,604	2,984,283	156,002	113,069
Lease liability – maturity over 1 year	7,199,681	8,152,419	273,884	147,548
Total	10,378,285	11,136,702	429,886	260,617

149 The disclosure also includes long-term liabilities under finance lease contracts.

EUR	Sava Insurance Group		Sava Re	
	Short-term	Long-term	Short-term	Long-term
31 December 2024	2,984,283	8,152,419	113,069	147,548
New leases	267,742	2,615,280	–	331,133
Subsequent measurement	-147,661	-583,568	–	2,774
Repayments	–	-3,333,657	–	-176,196
Interest attribution	–	423,447	–	11,558
Transfer to current liabilities	74,240	-74,240	42,933	-42,933
31 December 2025	3,178,604	7,199,681	156,002	273,884

EUR	Sava Insurance Group		Sava Re	
	Short-term	Long-term	Short-term	Long-term
31 December 2023	2,493,988	6,350,749	87,347	193,017
New leases	–	4,991,106	–	86,148
Repayments	–	-3,091,258	–	-113,297
Interest attribution	–	392,117	–	7,402
Transfer to current liabilities	490,295	-490,295	25,722	-25,722
31 December 2024	2,984,283	8,152,419	113,069	147,548

Leases for land and buildings are concluded for a period of 1 to 26 years, for passenger cars from 1 to 8 years, for computer and information equipment from 4 to 8 years, and for medical equipment for 7 and 10 years. For leases with an indefinite term, the lease term is determined based on analyses, plans and past decisions related to the lease.

Group companies also act as lessors. The majority of these leases relate to land and buildings, as presented in note [3.7.5 “Investment property”](#).

3.7.4 Deferred tax assets and liabilities

Sava Insurance Group

EUR	Offset value as at 31 December 2024	Included in income statement	Included in other comprehensive income	Other	Exchange differences	Offset value as at 31 December 2025	Deferred tax assets	Deferred tax liabilities
Insurance contracts	-7,649,504	–	-177,073	–	119	-7,826,457	1,125,448	-8,951,905
Reinsurance contracts	-259,986	–	151,665	–	5	-108,315	36,208	-144,523
Financial investments	9,236,178	503,338	-3,763,977	–	-27,028	5,948,512	9,785,471	-3,836,960
Short-term operating receivables	581,172	-45,456	–	–	6,361	542,078	542,078	–
Provisions for jubilee benefits and severance pay (retirement)	435,860	-50,949	-4,697	–	18,390	398,603	661,928	-263,324
Provision for tax losses	-41,266	3,848	–	–	–	-37,418	750	-38,168
Deferred tax liabilities due to transition or adjustment to the new standards	-1,318,681	150,030	–	–	4,207	-1,164,444	147,703	-1,312,147
Total	983,774	560,811	-3,794,081	0	2,055	-2,247,440	12,299,586	-14,547,026

Sava Insurance Group

EUR	Offset value as at 31 December 2023	Included in income statement	Included in other comprehensive income	Other	Exchange differences	Offset value as at 31 December 2024	Deferred tax assets	Deferred tax liabilities
Insurance contracts	-10,206,016	–	2,393,165	163,599	-252	-7,649,504	1,269,984	-8,919,488
Reinsurance contracts	242,151	–	-502,390	–	253	-259,986	36,928	-296,914
Financial investments	13,103,358	1,515,009	-5,366,312	-14,375	-1,503	9,236,178	13,408,797	-4,172,620
Short-term operating receivables	658,477	-77,305	–	–	–	581,172	581,172	–
Provisions for jubilee benefits and severance pay (retirement)	511,680	-73,696	-2,123	–	–	435,860	699,824	-263,964
Provision for tax losses	-47,650	6,384	–	–	–	-41,266	750	-42,016
Deferred tax liabilities due to transition or adjustment to the new standards	-1,114,188	-53,064	–	-149,224	-2,206	-1,318,682	197,250	-1,515,931
Total	3,147,812	1,317,328	-3,477,660	0	-3,708	983,774	16,194,706	-15,210,933



Sava Re

EUR	Offset value as at 31 December 2024	Included in income statement	Included in other comprehensive income	Offset value as at 31 December 2025	Deferred tax assets	Deferred tax liabilities
Insurance contracts	27,064	–	110,781	137,845	546,481	-408,636
Reinsurance contracts	-241,206	–	154,941	-86,265	22,776	-109,041
Financial investments	3,726,685	97,739	-1,035,979	2,788,445	3,022,546	-234,101
Short-term operating receivables	581,172	-45,456	–	535,717	535,717	–
Provisions for jubilee benefits and severance pay (retirement)	61,752	–	–	61,752	66,327	-4,575
Total	4,155,469	52,284	-770,257	3,437,495	4,193,847	-756,352

Sava Re

EUR	Offset value as at 31 December 2023	Included in income statement	Included in other comprehensive income	Offset value as at 31 December 2024	Deferred tax assets	Deferred tax liabilities
Insurance contracts	-589,258	–	616,323	27,065	577,318	-550,254
Reinsurance contracts	121,669	–	-362,875	-241,206	26,377	-267,584
Financial investments	4,834,780	-21,322	-1,086,773	3,726,686	3,941,924	-215,238
Short-term operating receivables	658,477	-77,305	–	581,172	581,172	–
Provisions for jubilee benefits and severance pay (retirement)	61,753	–	–	61,753	66,327	-4,575
Total	5,087,421	-98,627	-833,325	4,155,468	5,193,119	-1,037,650

In 2025, deferred tax assets and liabilities were accounted for using tax rates that the management believes will be used to tax the differences. Tax has been accounted for at the statutory rates applicable to each Group company. The tax rate applicable to most Group

companies (Slovenia) is 22%. In 2025, deferred tax assets and liabilities were restated at the rate of 22%, effective 1 January 2024, and for other companies between 9% and 18% (Croatia 18%, Serbia 15%, Kosovo and North Macedonia 10%, Montenegro – progressive rate of 9%–15%).



3.7.5 Investment property

► Movement in cost and accumulated depreciation of investment property

Sava Insurance Group					
EUR	Land	Buildings	Equipment	In progress	Total
Cost					
31 December 2024	3,258,073	23,614,790	537,245	–	27,410,108
Additions	–	18,557	53,002	3,160	74,719
Reclassification	-57,853	-728,724	-27,007	–	-813,584
Transfer to use	–	128	3,032	-3,160	0
Disposals	–	-412,225	-4,674	–	-416,899
Exchange differences	-93	-8,619	–	–	-8,712
31 December 2025	3,200,127	22,483,907	561,598	–	26,245,632
Accumulated depreciation and impairment losses					
31 December 2024	–	3,008,197	254,655	–	3,262,852
Additions	–	449,326	90,292	–	539,618
Reclassification	–	-25,153	-10,836	–	-35,989
Disposals	–	-201,105	-3,757	–	-204,862
Exchange differences	–	-2,124	–	–	-2,124
31 December 2025	–	3,229,141	330,354	–	3,559,495
Carrying amount as at 31 December 2024	3,258,073	20,606,593	282,590	0	24,147,256
Carrying amount as at 31 December 2025	3,200,127	19,254,766	231,244	0	22,686,137

Sava Insurance Group					
EUR	Land	Buildings	Equipment	In progress	Total
Cost					
31 December 2023	2,620,860	24,463,009	554,809	–	27,638,678
Additions	–	–	289	2,187	2,476
Reclassification	637,633	-859,113	–	–	-221,480
Transfer to use	–	128	2,059	-2,187	0
Disposals	–	–	-19,912	–	-19,912
Exchange differences	-419	10,767	–	–	10,348
31 December 2024	3,258,073	23,614,790	537,245	–	27,410,108
Accumulated depreciation and impairment losses					
31 December 2023	–	2,564,852	183,548	–	2,748,400
Additions	–	479,771	91,018	–	570,789
Reclassification	–	-38,566	–	–	-38,566
Disposals	–	–	-19,912	–	-19,912
Exchange differences	–	2,141	–	–	2,141
31 December 2024	–	3,008,197	254,655	–	3,262,852
Carrying amount as at 31 December 2023	2,620,860	21,898,157	371,261	0	24,890,278
Carrying amount as at 31 December 2024	3,258,073	20,606,593	282,590	0	24,147,256



Sava Re				
EUR	Land	Buildings	Equipment	Total
Cost				
31 December 2024	1,497,711	7,036,401	82,446	8,616,558
Additions	–	–	52,294	52,294
31 December 2025	1,497,711	7,036,401	134,740	8,668,852
Accumulated depreciation and impairment losses				
31 December 2024	–	1,142,214	42,472	1,184,686
Additions	–	142,378	14,019	156,396
31 December 2025	–	1,284,592	56,490	1,341,082
Carrying amount as at 31 December 2024	1,497,711	5,894,187	39,974	7,431,872
Carrying amount as at 31 December 2025	1,497,711	5,751,809	78,249	7,327,769

Sava Re				
EUR	Land	Buildings	Equipment	Total
Cost				
31 December 2023	1,497,711	7,036,401	82,446	8,616,558
31 December 2024	1,497,711	7,036,401	82,446	8,616,558
Accumulated depreciation and impairment losses				
31 December 2023	–	999,836	34,554	1,034,390
Additions	–	142,378	7,918	150,296
31 December 2024	–	1,142,214	42,472	1,184,686
Carrying amount as at 31 December 2023	1,497,711	6,036,565	47,892	7,582,168
Carrying amount as at 31 December 2024	1,497,711	5,894,187	39,974	7,431,872

The Group generated income of EUR 1,455,721 million from the lease of its investment property in 2025 (2024: EUR 1,565,419). Maintenance costs associated with investment property are either included in the rent or charged to the lessee. Costs covered by the Group in 2025 totalled EUR 164,766 (2024: EUR 141,742). We estimate that the Group will continue to lease its investment property in 2026 and over the next five-year period in a similar scope as in 2025 and generate a similar amount of lease income.

In 2025, the Group generated income of EUR 963,008 by leasing out its investment property (2024: EUR 959,359). Maintenance costs associated with investment property are either included in rent or charged to the lessees in a proportionate amount.

The investment properties are unencumbered by any third-party rights.

The fair values of investment property are presented in note [3.7.35 “Fair values of assets and liabilities”](#).





3.7.6 Investments in subsidiaries and associates

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Financial investments in subsidiaries	–	–	306,143,605	305,834,606
Financial investments in associates	29,053,235	25,615,695	22,075,000	19,575,000
Total	29,053,235	25,615,695	328,218,605	325,409,606

► Investments in subsidiaries

Sava Re						
EUR	31 December 2024		Acquisition/ recapitalisation (+)	Disposal/ decrease (-)	31 December 2025	
	Holding	Value	Value	Value	Holding	Value
Zavarovalnica Sava	100.00%	123,364,958	–	–	100.00%	123,364,958
Sava Neživotno Osiguranje (SRB)	100.00%	16,143,299	–	–	100.00%	16,143,299
Illyria (RKS)	100.00%	9,563,104	–	–	100.00%	9,563,104
Sava Osiguruvanje (MKD)	93.86%	8,905,868	–	–	93.86%	8,905,868
Sava Osiguranje (MNE)	100.00%	15,373,019	–	–	100.00%	15,373,019
Illyria Life (RKS)	100.00%	4,035,893	–	–	100.00%	4,035,893
Sava Životno Osiguranje (SRB)	100.00%	5,142,278	–	–	100.00%	5,142,278
Sava Pokojninska	100.00%	6,417,800	–	–	100.00%	6,417,800
TBS Team 24	90.00%	3,494,317	–	–	90.00%	3,494,317
Sava Penzisko Društvo (MKD)	100.00%	19,714,494	–	–	100.00%	19,714,494
Sava Infond	84.00%	24,583,778	–	–	84.00%	24,583,778
Vita	100.00%	66,789,797	–	–	100.00%	66,789,797
ASP (SRB)	100.00%	1,250,000	–	–	100.00%	1,250,000
Vita S Holding (MKD)	80.00%	1,056,000	375,000	-66,000	75.00%	1,365,000
Total		305,834,606	375,000	-66,000		306,143,605

Sava Re					
EUR	31 December 2023		Acquisition/ recapitalisation	31 December 2024	
	Holding	Value	Value	Holding	Value
Zavarovalnica Sava	100.00%	123,364,958	–	100.00%	123,364,958
Sava Neživotno Osiguranje (SRB)	100.00%	16,143,299	–	100.00%	16,143,299
Illyria (RKS)	100.00%	9,563,104	–	100.00%	9,563,104
Sava Osiguruvanje (MKD)	93.89%	8,905,868	–	93.86%	8,905,868
Sava Osiguranje (MNE)	100.00%	15,373,019	–	100.00%	15,373,019
Illyria Life (RKS)	100.00%	4,035,893	–	100.00%	4,035,893
Sava Životno Osiguranje (SRB)	100.00%	5,142,278	–	100.00%	5,142,278
Sava Pokojninska	100.00%	6,417,800	–	100.00%	6,417,800
TBS Team 24	78.50%	3,326,504	167,813	90.00%	3,494,317
Sava Penzisko Društvo (MKD)	100.00%	19,714,494	–	100.00%	19,714,494
Sava Infond	84.00%	24,583,778	–	84.00%	24,583,778
Vita	100.00%	66,789,797	–	100.00%	66,789,797
ASP (SRB)	100.00%	1,250,000	–	100.00%	1,250,000
Vita S Holding (MKD)	80.00%	1,056,000	–	80.00%	1,056,000
Total		305,666,793	167,813		305,834,606



► Investments in associates

Sava Insurance Group								
EUR	31 December 2024		Increase		Attributed profit or loss	31 December 2025		% voting rights
	% equity	Value	% equity	Value		% equity	Value	
DCB	40.10%	25,615,695	0.00%	2,500,000	937,540	40.10%	29,053,235	50.00%
Total		25,615,695		2,500,000	937,540		29,053,235	

Sava Insurance Group						
EUR	31 December 2023		Attributed profit or loss	31 December 2024		% voting rights
	% equity	Value		% equity	Value	
DCB	40.1%	23,834,620	1,781,075	50.00%	25,615,695	50.00%
Total		23,834,620	1,781,075		25,615,695	

Sava Re							
EUR	31 December 2024		Increase		31 December 2025		% voting rights
	% equity	Value	% equity	Value	% equity	Value	
DCB	40.10%	19,575,000	0.00%	2,500,000	40.10%	22,075,000	50.00%
Total		19,575,000		2,500,000		22,075,000	

Sava Re					
EUR	31 December 2023		31 December 2024		% voting rights
	% equity	Value	% equity	Value	
DCB	50.00%	19,575,000	50.00%	19,575,000	50.00%
Total		19,575,000		19,575,000	

Sava Insurance Group		
EUR	31 December 2025	31 December 2024
DCB		
Value of assets	101,979,187	55,109,003
Liabilities	58,736,714	18,753,610
Equity	43,242,473	36,355,393
Revenue	49,208,298	38,589,636
Profit or loss	1,875,081	3,562,149
Part of the profit or loss attributable to the Group	937,540	1,781,075

On 17 January 2025, Sava Re recapitalised Vita S Holding, and on 9 May 2025 it signed an agreement to sell a 5% stake in Vita S Holding.

On 28 November 2025, Sava Re recapitalised its associate company by EUR 2.5 million.

On 22 February 2024, Sava Re signed a contract to acquire a 2.5% stake in TBS Team 24. Upon completion of the transaction on 27 February 2024, Sava Re held a 90% stake in the company.

The assumptions used in the valuation are described in more detail in section [3.4.12 “Investments in subsidiaries and associates”](#).



3.7.7 Financial investments

As at 31 December 2025, the financial investments of the Sava Insurance Group, amounting to EUR 2,561.3 million (31 December 2024: EUR 2,329.1 million), supported not only non-life and traditional life insurance contract liabilities, but also unit-linked life insurance liabilities and own funds.

Sava Insurance Group				
EUR			Measured at fair value through other comprehensive income	
31 December 2025	Measured at amortised cost	Measured at fair value through profit or loss		Total
Debt instruments	96,720,317	8,539,729	1,497,609,345	1,602,869,391
Deposits and CDs	30,880,266	–	–	30,880,266
Government bonds	49,894,423	1,117,955	929,606,628	980,619,006
Corporate bonds	9,449,001	7,421,774	568,002,717	584,873,492
Loans granted	6,496,627	–	–	6,496,627
Equity instruments	0	863,569,118	17,820,604	881,389,722
Shares	–	6,491,064	17,820,604	24,311,668
Mutual funds	–	857,078,053	–	857,078,053
Investments in alternative funds	–	77,013,290	–	77,013,290
Total	96,720,317	949,122,137	1,515,429,949	2,561,272,403

Sava Insurance Group				
EUR			Measured at fair value through other comprehensive income	
31 December 2025	Measured at amortised cost	Measured at fair value through profit or loss		Total
Assets held for the benefit of policyholders who bear the investment risk	248,203	837,061,647	48,495,133	885,804,983
Other financial investments	96,472,113	112,060,490	1,466,934,817	1,675,467,420
Total	96,720,317	949,122,137	1,515,429,949	2,561,272,403

Sava Insurance Group				
EUR			Measured at fair value through other comprehensive income	
31 December 2024	Measured at amortised cost	Measured at fair value through profit or loss		Total
Debt instruments	75,722,712	9,355,534	1,420,696,781	1,505,775,027
Deposits and CDs	27,299,953	–	–	27,299,953
Government bonds	37,231,867	1,072,588	920,062,975	958,367,430
Corporate bonds	10,523,121	8,282,946	500,633,806	519,439,873
Loans granted	667,771	–	–	667,771
Equity instruments	0	732,978,080	17,965,791	750,943,871
Shares	–	5,499,066	17,965,791	23,464,857
Mutual funds	–	727,479,014	–	727,479,014
Investments in alternative funds	–	72,361,306	–	72,361,306
Total	75,722,712	814,694,920	1,438,662,572	2,329,080,204

Sava Insurance Group				
EUR			Measured at fair value through other comprehensive income	
31 December 2024	Measured at amortised cost	Measured at fair value through profit or loss		Total
Assets held for the benefit of policyholders who bear the investment risk	247,882	706,535,197	51,381,801	758,164,880
Other financial investments	75,474,830	108,159,723	1,387,280,771	1,570,915,324
Total	75,722,712	814,694,920	1,438,662,572	2,329,080,204



Sava Re

EUR

31 December 2025	Measured at amortised cost	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income	Total
Debt instruments	11,108,935	2,034,389	447,409,775	460,553,099
Deposits and CDs	998,213	–	–	998,213
Government bonds	2,076,283	–	280,674,846	282,751,129
Corporate bonds	–	2,034,389	166,734,930	168,769,318
Loans granted	8,034,439	–	–	8,034,439
Equity instruments	0	10,413,093	0	10,413,093
Shares	–	3,617,494	–	3,617,494
Mutual funds	–	6,795,599	–	6,795,599
Investments in alternative funds	–	28,529,444	–	28,529,444
Total	11,108,935	40,976,925	447,409,775	499,495,635

Sava Re

EUR

31 December 2024	Measured at amortised cost	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income	Total
Debt instruments	5,677,769	2,006,571	400,200,967	407,885,307
Deposits and CDs	1,022,920	–	–	1,022,920
Government bonds	2,076,258	–	274,041,110	276,117,368
Corporate bonds	–	2,006,571	126,159,857	128,166,428
Loans granted	2,578,592	–	–	2,578,592
Equity instruments	0	10,531,858	0	10,531,858
Shares	–	3,204,768	–	3,204,768
Mutual funds	–	7,327,090	–	7,327,090
Investments in alternative funds	–	25,968,886	–	25,968,886
Total	5,677,769	38,507,315	400,200,967	444,386,051

The Sava Insurance Group held 1.0% of financial investments constituting subordinated instruments for the issuer (31 December 2024: 0.8%). The total value of these investments was EUR 26.5 million (31 December 2024: EUR 19.0 million).

Sava Re held 2.7% of financial investments that constitute subordinated instruments for the

issuer (31 December 2024: 0.5%). The total value of these investments was EUR 13.6 million (31 December 2024: EUR 2.0 million).

The Group measures investments in subordinated bonds through profit or loss or through accumulated other comprehensive income, and subordinated loans at amortised cost.



► Equity instruments classified as FVOCI

EUR	31 December 2025	31 December 2024	Profit/loss on recognition
AENA S.M.E. SA	930,171	770,847	
AMGEN INC.	631,680	566,251	
Bouygues	420,970	270,902	
CISCO SYSTEMS, INC.	715,133	618,698	
DANONE	671,211	569,279	
Deutsche Telekom AG	1,135,581	1,395,387	130,095
ESSILORLUXOTTICA	993,232	867,008	
Fortum Oyj	530,965	394,719	
Fresenius SE & Co. KGaA	653,001	447,155	
GALP ENERGIA, SGPS, S.A.	–	776,558	127,751
GlaxoSmithKline PLC	432,753	335,432	
Haleon PLC	–	117,524	122,207
Iberdrola SA	689,077	496,329	
Johnson & Johnson	517,683	407,246	
KELLANOVA	–	779,542	170,447
Koninklijke Ahold Delhaize N.V.	518,726	936,922	163,617
KRKA, tovarna zdravil, d.d., Novo mesto	1,402,324	960,212	
LEGAL & GENERAL GROUP PLC	410,812	378,581	
Naturgy Energy Group SA	835,972	754,052	
OMV AG	329,789	259,140	
Österreichische Post AG	674,372	624,499	
PFIZER INC.	246,501	295,656	
RECKITT BENCKISER GROUP PLC	201,169	340,262	-13,550

EUR	31 December 2025	31 December 2024	Profit/loss on recognition
RECORDATI INDUSTRIA CHIMICA E FARMACEUTICA S.P.A. IN BREVE RECORDATI S.P.A.	457,975	477,411	
Siemens AG	856,874	675,610	
TELENOR ASA	378,584	326,948	
TELIA COMPANY AB	354,922	260,334	
Veolia Environnement, Paris	734,827	670,295	
WK Kellogg Co.	–	43,287	35,772
WW Grainger Inc	1,023,898	1,204,023	
Zurich Insurance Group AG	1,072,399	945,684	
Total	17,820,604	17,965,791	736,339

In 2025, the Group disposed of four equity financial instruments in full and three in part. These instruments were classified as equity instruments measured at fair value through other comprehensive income (FVOCI) and valued at level 1. Upon disposal, the Group recognised a positive fair value effect of EUR 736,339 in accumulated other comprehensive income (OCI), which was transferred directly to retained earnings.

In 2024, the Company did not dispose of any equity instruments measured at FVOCI. In 2024, the Company received a dividend of 1,066 shares in Iberdrola SA, which was recognised as dividend income of EUR 12,722 in the income statement.

► Amounts recognised in profit or loss and other comprehensive income

EUR	2025	2024
Dividends from equity investments measured at FVOCI recognised in the income statement under dividend income	634,004	589,987
– Related to investments derecognised during the period	50,828	–
– Related to investments held at the end of the reporting period	583,177	589,987



► Movement in financial investments

Sava Insurance Group				
EUR	Measured at fair value through other comprehensive income	Measured at amortised cost	Measured at fair value through profit or loss	Total
Opening balance as at 1 January 2025	1,438,662,572	75,722,712	814,694,920	2,329,080,204
New acquisitions	594,611,577	39,309,861	148,553,045	782,474,483
Maturity	-436,416,886	-18,787,108	-1,393,740	-456,597,735
Interest inflows	-22,976,561	-2,642,303	-304,345	-25,923,209
Disposals	-92,682,067	-3,745	-80,180,230	-172,866,042
Change in receivables*	–	2,976	-310,612	-307,636
Change in liabilities*	–	115	-101,199	-101,084
Change in fair value – in equity	16,464,014	–	–	16,464,014
Change in fair value – in equity (sale of FVOCI shares)	736,339	–	–	736,339
Change in fair value – in equity (ECL)	370,994	–	–	370,994
Change in fair value – from equity to IS – disposals	-3,505,840	–	–	-3,505,840
Change in fair value through profit or loss	–	–	67,691,524	67,691,524
Change in amortised cost, exchange differences	20,625,795	3,448,319	-1,102,936	22,971,178
Change in other income*	–	–	1,580,140	1,580,140
Change in ECL through profit or loss	-371,127	-271,807	–	-642,934
Exchange differences (opening balance)	-88,861	-58,703	-4,430	-151,994
Closing balance as at 31 December 2025	1,515,429,949	96,720,317	949,122,137	2,561,272,403

* Changes in receivables, liabilities and other income affect the investment position, other than realised cash flow.

Sava Insurance Group				
EUR	Measured at fair value through other comprehensive income	Measured at amortised cost	Measured at fair value through profit or loss	Total
Opening balance as at 1 January 2024	1,276,147,045	76,303,166	660,082,422	2,012,532,633
New acquisitions	546,844,986	25,824,750	162,317,413	734,987,149
Maturity	-354,371,496	-21,120,281	-11,100,000	-386,591,777
Interest inflows	-19,939,228	-2,375,633	-699,927	-23,014,788
Disposals	-62,070,240	-5,798,084	-101,891,495	-169,759,819
Change in receivables*	4,525	23,105	-302,087	-274,457
Change in liabilities*	–	–	91,169	91,169
Change in fair value – in equity	26,140,315	–	–	26,140,315
Change in fair value – in equity (ECL)	-569,107	–	–	-569,107
Change in fair value – from equity to IS – disposals	36,143	28,104	–	64,247
Change in fair value through profit or loss	–	–	100,737,742	100,737,742
Change in amortised cost, exchange differences	25,781,472	2,774,138	2,536,601	31,092,211
Change in other income*	–	–	2,919,499	2,919,499
Change in ECL through profit or loss	569,213	3,882	–	573,095
Exchange differences (opening balance)	88,944	59,565	3,582	152,092
Closing balance as at 31 December 2024	1,438,662,572	75,722,712	814,694,920	2,329,080,204

* Changes in receivables, liabilities and other income affect the investment position, other than realised cash flow.



Sava Re

EUR	Measured at fair value through other comprehensive income	Measured at amortised cost	Measured at fair value through profit or loss	Total
Opening balance as at 1 January 2025	400,200,967	5,677,769	38,507,315	444,386,051
New acquisitions	214,243,471	6,750,000	6,278,477	227,271,948
Maturity	-116,197,749	-1,538,270	–	-117,736,019
Interest inflows	-6,144,359	-321,325	-87,500	-6,553,184
Disposals	-49,579,221	–	-5,571,923	-55,151,145
Change in receivables*	–	–	66,876	66,876
Change in liabilities*	–	–	-30,600	-30,600
Change in fair value – in equity	4,549,548	–	–	4,549,548
Change in fair value – in equity (ECL)	159,448	–	–	159,448
Change in fair value – from equity to IS – disposals	-1,335,837	–	–	-1,335,837
Change in fair value through profit or loss	–	–	2,057,744	2,057,744
Change in amortised cost, exchange differences	1,673,096	646,771	-899,477	1,420,390
Change in other income*	–	–	656,013	656,013
Change in ECL through profit or loss	-159,588	-106,010	–	-265,599
Closing balance as at 31 December 2025	447,409,775	11,108,935	40,976,925	499,495,635

* Changes in receivables, liabilities and other income affect the investment position, other than realised cash flow.

► Loans of the parent granted to Group companies

EUR	31 December 2025	31 December 2024
Sava Osiguruvanje, Skopje (MKD)	1,311,052	1,311,052
Sava Pokojninska (SVN)	515,288	1,030,575
Total	1,826,340	2,341,627

Sava Re

EUR	Measured at fair value through other comprehensive income	Measured at amortised cost	Measured at fair value through profit or loss	Total
Opening balance as at 1 January 2024	311,285,620	5,811,776	37,286,800	354,384,196
New acquisitions	210,779,768	850,000	2,733,407	214,363,175
Maturity	-98,836,147	-1,014,004	-2,400,000	-102,250,151
Interest inflows	-4,966,092	-322,760	-186,300	-5,475,152
Disposals	-31,397,558	–	-2,000,244	-33,397,802
Change in receivables*	4,525	29,500	-67,083	-33,058
Change in liabilities*	–	–	30,600	30,600
Change in fair value – in equity	5,030,062	–	–	5,030,062
Change in fair value – in equity (ECL)	-90,184	–	–	-90,184
Change in fair value – from equity to IS – disposals	45,016	–	–	45,016
Change in fair value through profit or loss	–	–	1,201,805	1,201,805
Change in amortised cost, exchange differences	8,255,659	316,639	637,693	9,209,991
Change in other income*	–	–	1,270,639	1,270,639
Change in ECL through profit or loss	90,298	6,618	–	96,917
Closing balance as at 31 December 2024	400,200,967	5,677,769	38,507,315	444,386,051

* Changes in receivables, liabilities and other income affect the investment position, other than realised cash flow.

As at 31 December 2025, the Group had no pledged securities (31 December 2024: EUR 0.6 million).

Fair values of financial investments are shown in note [3.7.35](#).



3.7.8 Investment contract assets and liabilities

Investment contract assets and liabilities relate to the management of pension funds at the subsidiary Sava Pokojninska. The Group held EUR 217.2 million (2024: 201.1 million) of investment contract assets and EUR 217.0 million (2024: EUR 200.9 million) of investment contract liabilities. Its investment contracts include a group of lifecycle funds called MOJI Skladi Življenjskega Cikla (MY lifecycle funds), which relate to the supplementary pension business of the Sava Pokojninska in the accumulation phase. The risks associated with investment contract liabilities are discussed in detail in section [3.4.13 “Financial investments”](#).

Sava Insurance Group			
EUR			
31 December 2025	Measured at amortised cost	Measured at fair value through profit or loss	Total
Debt instruments	93,925,611	51,119,338	145,044,949
Government bonds	47,691,990	24,443,530	72,135,520
Corporate bonds	46,233,621	26,675,808	72,909,429
Equity instruments	0	62,713,395	62,713,395
Investments in alternative funds	0	4,803,675	4,803,675
Total financial investments	93,925,611	118,636,409	212,562,020
Cash, cash equivalents and receivables	3,786,013	0	3,786,013
Investment property	0	805,000	805,000
Receivables	51,075	0	51,075
Total investment contract assets	97,762,699	119,441,409	217,204,108

► Investment contract assets

Sava Insurance Group		
EUR	31 December 2025	31 December 2024
Financial investments	212,562,020	196,890,999
Investment property	805,000	647,000
Receivables	51,075	46,865
Cash and cash equivalents	3,786,013	3,586,141
Total	217,204,108	201,171,005

Sava Insurance Group			
EUR			
31 December 2024	Measured at amortised cost	Measured at fair value through profit or loss	Total
Debt instruments	93,211,977	45,658,916	138,870,893
Government bonds	48,787,627	25,562,002	74,349,629
Corporate bonds	44,424,350	20,096,914	64,521,264
Equity instruments	0	53,570,579	53,570,579
Investments in alternative funds	0	4,449,527	4,449,527
Total financial investments	93,211,977	103,679,022	196,890,999
Cash, cash equivalents and receivables	3,586,141	0	3,586,141
Investment property	0	647,000	647,000
Receivables	46,865	0	46,865
Total investment contract assets	96,844,983	104,326,022	201,171,005



► Investment contract assets by level of the fair value hierarchy

Sava Insurance Group

EUR

31 December 2025

	Carrying amount	Fair value				Difference between FV and CA
		Level 1	Level 2	Level 3	Total fair value	
Investment contract assets measured at fair value	119,441,409	111,664,875	2,167,858	5,608,676	119,441,409	0
Investments measured at fair value through profit or loss	119,441,409	111,664,875	2,167,858	5,608,676	119,441,409	0
Mandatorily measured at fair value through profit or loss, not held for trading	119,441,409	111,664,875	2,167,858	5,608,676	119,441,409	0
Debt instruments	51,119,338	48,951,480	2,167,858	–	51,119,338	0
Equity instruments	62,713,395	62,713,395	–	–	62,713,395	0
Investments in alternative funds	4,803,675	–	–	4,803,675	4,803,675	0
Investment property	805,000	–	–	805,000	805,000	0
Investment contract assets not measured at fair value	97,762,699	91,201,544	0	3,837,088	95,038,632	-2,724,067
Investments measured at amortised cost	97,762,699	91,201,544	0	3,837,088	95,038,632	-2,724,067
Debt instruments	93,925,611	91,201,544	–	–	91,201,544	-2,724,067
Cash and cash equivalents	3,786,013	–	–	3,786,013	3,786,013	0
Receivables	51,075	–	–	51,075	51,075	0
Total investment contract assets	217,204,108	202,866,419	2,167,858	9,445,764	214,480,041	-2,724,067



Sava Insurance Group

EUR

31 December 2024

	Carrying amount	Fair value				Difference between FV and CA
		Level 1	Level 2	Level 3	Total fair value	
Investment contract assets measured at fair value	104,326,022	97,294,271	1,935,223	5,096,527	104,326,022	0
At FVTPL	104,326,022	97,294,271	1,935,223	5,096,527	104,326,022	0
Mandatorily measured at fair value through profit or loss, not held for trading	104,326,022	97,294,271	1,935,223	5,096,527	104,326,022	0
Debt instruments	45,658,916	43,723,693	1,935,223	–	45,658,916	0
Equity instruments	53,570,579	53,570,579	–	–	53,570,579	0
Investments in alternative funds	4,449,527	–	–	4,449,527	4,449,527	0
Investment property	647,000	–	–	647,000	647,000	0
Investment contract assets not measured at fair value	96,844,984	91,393,502	0	3,633,007	95,026,509	-1,818,474
At amortised cost	96,844,984	91,393,502	0	3,633,007	95,026,509	-1,818,474
Debt instruments	93,211,977	91,393,502	–	–	91,393,502	-1,818,475
Cash and cash equivalents	3,586,140	–	–	3,586,140	3,586,140	0
Receivables	46,867	–	–	46,867	46,867	0
Total investment contract assets	201,171,005	188,687,773	1,935,223	8,729,534	199,352,531	-1,818,474

► Investment contract liabilities

Sava Insurance Group

EUR

	31 December 2025	31 December 2024
Net liabilities to pension policyholders	216,455,686	200,103,820
Other liabilities	748,422	1,067,188
Total in the statement of financial position, long-term business fund of voluntary supplementary pension insurance	217,204,108	201,171,007
Inter-company transactions between company and life insurance liability fund	-229,713	-216,112
Total in the statement of financial position	216,974,394	200,954,895



► Movement in financial investments

Sava Insurance Group				
EUR	Debt instruments	Equity instruments	Investments in alternative funds	Total
Balance as at 1 January 2025	138,870,893	53,570,579	4,449,527	196,890,999
New acquisitions	24,941,447	16,977,415	573,303	42,492,166
Maturity	-16,350,000	–	–	-16,350,000
Disposals	-3,405,045	-11,989,023	-116,907	-15,510,975
Coupon payments	-2,849,171	–	–	-2,849,171
Accrued interest	3,498,170	–	–	3,498,170
Revaluation (through IS)	398,615	6,186,324	-102,248	6,482,691
Income/expenses upon sale	-638	-34,803	–	-35,441
Recognition/reversal of ECL allowance	-8,102	–	–	-8,102
Exchange differences	-51,219	-1,997,097	–	-2,048,316
Balance as at 31 December 2025	145,044,949	62,713,395	4,803,675	212,562,019

Sava Insurance Group				
EUR	Debt instruments	Equity instruments	Investments in alternative funds	Total
Balance as at 1 January 2024	132,031,249	35,973,949	5,194,777	173,199,975
New acquisitions	39,780,745	17,834,010	–	57,614,755
Maturity	-34,089,469	–	–	-34,089,469
Disposal	-497,307	-8,110,832	-380,148	-8,988,287
Coupon payments	-2,906,365	–	–	-2,906,365
Accrued interest	3,442,679	–	–	3,442,679
Revaluation (through IS)	1,147,634	7,171,510	-365,102	7,954,042
Income/expenses upon sale	623	25,751	–	26,374
Recognition/reversal of ECL allowance	9,619	–	–	9,619
Exchange differences	-48,515	676,191	–	627,676
Balance as at 31 December 2024	138,870,893	53,570,579	4,449,527	196,890,999



► **Movement in investments, and income and expenses relating to investment contract assets measured at fair value – level 3**

Sava Insurance Group				
EUR	Investments in alternative funds		Investment property	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Opening balance	4,449,527	5,194,777	647,000	593,000
Additions	573,303	–	–	–
Disposals	-116,907	-380,148	–	–
Revaluation to fair value	-102,248	-365,102	158,000	54,000
Closing balance	4,803,675	4,449,527	805,000	647,000
Income	146,522	180,899	209,918	108,871
Expenses	-130,050	-347,874	-16,065	-15,510

Sava Insurance Group				
EUR	Investments in alternative funds		Investment property	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Opening balance	5,194,777	5,861,559	593,000	593,000
Additions	–	83,739	–	–
Disposals	-380,148	-196,563	–	–
Revaluation to fair value	-365,102	-553,958	54,000	–
Closing balance	4,449,527	5,194,777	647,000	593,000
Income	180,899	200,417	108,871	227,809
Expenses	-347,874	-589,159	-15,510	–

The pension company eliminates inter-company transactions of the statement of financial position; therefore, liabilities to pension policyholders exceed investment contract liabilities. Inter-company transactions between the group of My-Life-cycle long-term business funds and the pension company were eliminated in the statement of financial position. These include entry charges and management fees for the current month, which may be recognised upon conversion or when credited to personal accounts.

The liabilities in the statement of financial position of the long-term business fund of voluntary supplementary pension insurance are mostly long-term. These are liabilities relating to the voluntary supplementary pension life liability fund for premiums paid, guaranteed return and the return in excess of guaranteed return (provisions).

The table below shows income and expenses relating to investment contracts in 2025.

Net investment income for the financial period (EUR)	Investment contracts
Finance income	10,747,191
Dividend income	478,023
Interest income	3,498,170
Gains on disposal of financial investments	41,701
Gains on change in fair value	6,482,691
Other finance income	246,606
Income from investment property	209,918
Rental income	51,918
Gains on change in fair value	158,000
Financial expenses	-2,105,843
Losses on disposals	-77,142
Expenses relating to investment property	-16,065
Expenses arising from management and renting	-16,065
Expenses relating to management of life insurance business fund	-2,260,423
Asset management commission	-2,052,625
Expenses relating to custodian bank	-32,842
Audit-related expenses	-26,312
Expenses relating to communication with life insurance business fund members	-51,919
Brokerage expenses for purchase and sale of securities	-3,567
Other expenses charged against the life ins. liability fund under applicable rules	-93,159
Net profit/loss attributable to policyholders	6,574,778

Profit or loss realised from investment contract assets is fully recognised in investment contract liabilities.



3.7.9 (Re)insurance contract assets and liabilities

EUR	Sava Insurance Group						Sava Re		
	Non-life			Life			Non-life		
	Insurance and reinsurance contract assets	Insurance and reinsurance contract liabilities	Net (re)insurance contract assets/ liabilities	Insurance and reinsurance contract assets	Insurance and reinsurance contract liabilities	Net (re)insurance contract assets/ liabilities	Insurance and reinsurance contract assets	Insurance and reinsurance contract liabilities	Net (re)insurance contract assets/ liabilities
	31 December 2025								
Insurance contracts measured using the BBA or VFA	-10,315,311	188,762,335	178,447,024	-646,341	1,191,353,473	1,190,707,131	-8,261,594	263,750,404	255,488,810
Insurance contracts measured using the PAA	-37,873	549,983,726	549,945,854	–	–	0	-647,690	16,461,365	15,813,675
Total insurance contracts	-10,353,184	738,746,061	728,392,878	-646,341	1,191,353,473	1,190,707,131	-8,909,284	280,211,769	271,302,484
Reinsurance contracts measured using the BBA	-55,323,520	3,753,642	-51,569,878	-234,258	87,891	-146,366	-49,897,539	3,567,433	-46,330,106
Reinsurance contracts measured using the PAA	-14,359,689	2,733,905	-11,625,784	–	–	0	-4,846,691	696,579	-4,150,111
Total reinsurance contracts	-69,683,209	6,487,547	-63,195,662	-234,258	87,891	-146,366	-54,744,230	4,264,012	-50,480,218

EUR	Sava Insurance Group						Sava Re		
	Non-life			Life			Non-life		
	Insurance and reinsurance contract assets	Insurance and reinsurance contract liabilities	Net (re)insurance contract assets/ liabilities	Insurance and reinsurance contract assets	Insurance and reinsurance contract liabilities	Net (re)insurance contract assets/ liabilities	Insurance and reinsurance contract assets	Insurance and reinsurance contract liabilities	Net (re)insurance contract assets/ liabilities
	31 December 2024								
Insurance contracts measured using the BBA or VFA	-8,257,348	184,622,254	176,364,907	-2,516,593	1,098,510,646	1,095,994,053	-5,646,027	257,188,073	251,542,046
Insurance contracts measured using the PAA	-68,422	548,235,070	548,166,648	–	–	0	-23,988	28,887,602	28,863,614
Total insurance contracts	-8,325,770	732,857,324	724,531,554	-2,516,593	1,098,510,646	1,095,994,053	-5,670,015	286,075,675	280,405,660
Reinsurance contracts measured using the BBA	-57,745,966	1,874,160	-55,871,806	-200,274	143,696	-56,578	-52,845,122	1,730,540	-51,114,582
Reinsurance contracts measured using the PAA	-19,572,514	1,965,347	-17,607,167	–	–	0	-13,116,985	461,485	-12,655,500
Total reinsurance contracts	-77,318,480	3,839,507	-73,478,973	-200,274	143,696	-56,578	-65,962,107	2,192,025	-63,770,082

3.7.10 Movement in liabilities for remaining coverage (LRC) and liabilities for incurred claims (LIC) – insurance contracts issued

► Sava Insurance Group as at 31 December 2025 – non-life

EUR	Liabilities for remaining coverage – LRC			Liabilities for incurred claims – LIC				Total
	Excluding loss component	Loss component	Total LRC	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA Present value of future cash flows	Adjustment for non-financial risk	Total LIC	
Assets	-13,252,254	65,657	-13,186,598	4,923,856	-63,028	–	4,860,828	-8,325,770
Liabilities	128,041,855	8,670,698	136,712,553	214,141,817	343,893,553	38,109,400	596,144,771	732,857,324
Opening balance – net assets/liabilities	114,789,601	8,736,355	123,525,955	219,065,673	343,830,525	38,109,400	601,005,599	724,531,554
Changes in the statement of profit or loss and other comprehensive income				0				
Insurance contract revenue, of which:	-810,587,722	0	-810,587,722	0	0	0	0	-810,587,722
Contracts under the fair value approach	-701,454	–	-701,454	–	–	–	0	-701,454
Other contracts	-809,886,268	–	-809,886,268	–	–	–	0	-809,886,268
Insurance service expenses								
Incurred claims (excluding investment components) and other incurred insurance service expenses	–	-2,596,288	-2,596,288	119,290,527	467,929,215	15,145,484	602,365,226	599,768,938
Changes related to past services (changes in fulfilment cash flows related to the liability for incurred claims)	–	–	0	-36,689,354	-21,172,172	-15,396,524	-73,258,049	-73,258,049
Amortisation of insurance acquisition cash flows	116,539,525	–	116,539,525	–	–	–	0	116,539,525
Changes related to future services (recognition/reversal of losses on onerous groups of contracts)	–	3,650,538	3,650,538	–	–	–	0	3,650,538
Total insurance service expenses	116,539,525	1,054,251	117,593,775	82,601,173	446,757,044	-251,040	529,107,177	646,700,952
Investment components excluded from insurance revenue and insurance service expenses	-6,469,360	–	-6,469,360	6,469,360	–	–	6,469,360	0
Insurance service result	-700,517,557	1,054,251	-699,463,306	89,070,533	446,757,044	-251,040	535,576,536	-163,886,770
Net finance income or expenses from insurance contracts	-360,990	78,863	-282,127	9,376,051	1,784,810	255,791	11,416,653	11,134,526
Effect of movement in exchange rates	4,944,030	-69,657	4,874,372	-13,770,862	-131,987	-39,745	-13,942,594	-9,068,222
Foreign currency translation differences	-55,855	-962	-56,818	-1,425	-40,082	-3,519	-45,025	-101,843
Total changes in the statement of profit or loss and other comprehensive income	-695,990,372	1,062,494	-694,927,879	84,674,298	448,369,784	-38,513	533,005,569	-161,922,309
Cash flows								
Premiums received for insurance contracts issued	812,346,338	–	812,346,338		–	–	0	812,346,338
Claims incurred and insurance service expenses paid	–	–	0	-68,507,749	-454,833,632	–	-523,341,381	-523,341,381
Insurance acquisition cash flows	-123,221,324	–	-123,221,324		–	–	0	-123,221,324
Total cash flows	689,125,014	0	689,125,014	-68,507,749	-454,833,632	0	-523,341,381	165,783,633
Assets	-27,548,150	39,609	-27,508,541	17,172,015	-16,657	–	17,155,357	-10,353,184
Liabilities	135,472,392	9,759,240	145,231,632	218,060,207	337,383,335	38,070,888	593,514,430	738,746,061
Closing balance – net assets/liabilities	107,924,242	9,798,849	117,723,090	235,232,222	337,366,678	38,070,888	610,669,787	728,392,878



► Sava Insurance Group as at 31 December 2024 – non-life

EUR	Liabilities for remaining coverage – LRC			Liabilities for incurred claims – LIC				Total
	Excluding loss component	Loss component	Total LRC	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA		Total LIC	
					Present value of future cash flows	Adjustment for non-financial risk		
Assets	-14,482,936	46,591	-14,436,345	5,219,756	482,366	65,085	5,767,207	-8,669,139
Liabilities	105,867,928	10,649,761	116,517,689	205,106,587	331,651,736	38,100,661	574,858,984	691,376,674
Opening balance – net assets/liabilities	91,384,992	10,696,352	102,081,344	210,326,343	332,134,102	38,165,746	580,626,191	682,707,535
Changes in the statement of profit or loss and other comprehensive income				0				
Insurance contract revenue, of which:	-725,769,172	0	-725,769,172	0	0	0	0	-725,769,172
Contracts under the fair value approach	-915,840	–	-915,840	–	–	–	0	-915,840
Other contracts	-724,853,332	–	-724,853,332	–	–	–	0	-724,853,332
Insurance service expenses								
Incurred claims (excluding investment components) and other incurred insurance service expenses	–	-5,404,647	-5,404,647	110,570,987	479,628,728	15,663,003	605,862,718	600,458,071
Changes related to past services (changes in fulfilment cash flows related to the liability for incurred claims)	–	–	0	-51,291,835	-28,231,609	-16,966,117	-96,489,561	-96,489,561
Amortisation of insurance acquisition cash flows	103,490,489	–	103,490,489	–	–	–	0	103,490,489
Changes related to future services (recognition/reversal of losses on onerous groups of contracts)	–	3,355,376	3,355,376	–	–	–	0	3,355,376
Total insurance service expenses	103,490,489	-2,049,271	101,441,218	59,279,152	451,397,119	-1,303,114	509,373,157	610,814,375
Investment components excluded from insurance revenue and insurance service expenses	-3,080,286	–	-3,080,286	3,080,286	–	–	3,080,286	0
Insurance service result	-625,358,968	-2,049,271	-627,408,239	62,359,437	451,397,119	-1,303,114	512,453,443	-114,954,797
Net finance income or expenses from insurance contracts	-791,702	79,600	-712,102	8,504,740	10,771,540	1,192,402	20,468,682	19,756,580
Effect of movement in exchange rates	-798,375	8,515	-789,861	2,185,494	187,361	51,016	2,423,871	1,634,010
Foreign currency translation differences	42,338	1,159	43,497	245	39,951	3,351	43,547	87,044
Total changes in the statement of profit or loss and other comprehensive income	-626,906,707	-1,959,997	-628,866,705	73,049,916	462,395,972	-56,345	535,389,542	-93,477,162
Cash flows								
Premiums received for insurance contracts issued	759,793,022	–	759,793,022		–	–	0	759,793,022
Claims incurred and insurance service expenses paid	–	–	0	-64,310,586	-450,699,548	–	-515,010,134	-515,010,134
Insurance acquisition cash flows	-109,481,706	–	-109,481,706		–	–	0	-109,481,706
Total cash flows	650,311,316	0	650,311,316	-64,310,586	-450,699,548	0	-515,010,134	135,301,182
Assets	-13,252,254	65,657	-13,186,598	4,923,856	-63,028	–	4,860,828	-8,325,770
Liabilities	128,041,855	8,670,698	136,712,553	214,141,817	343,893,553	38,109,400	596,144,771	732,857,324
Closing balance – net assets/liabilities	114,789,601	8,736,355	123,525,955	219,065,673	343,830,525	38,109,400	601,005,599	724,531,554



► Sava Insurance Group as at 31 December 2025 – life

EUR	Liabilities for remaining coverage – LRC			Liabilities for incurred claims – LIC		
	Excluding loss component	Loss component	Total LRC	Insurance contracts measured using the BBA or VFA	Total LIC	Total
Assets	-10,401,036	91,110	-10,309,926	7,793,333	7,793,333	-2,516,593
Liabilities	1,075,157,303	4,734,141	1,079,891,444	18,619,202	18,619,202	1,098,510,646
Opening balance – net assets/liabilities	1,064,756,267	4,825,251	1,069,581,518	26,412,535	26,412,535	1,095,994,053
Changes in the statement of profit or loss and other comprehensive income						
Insurance contract revenue, of which:	-83,026,538	0	-83,026,538	0	0	-83,026,538
Contracts under the modified retrospective approach	-25,748,344	–	-25,748,344	–	0	-25,748,344
Contracts under the fair value approach	-12,827,440	–	-12,827,440	–	0	-12,827,440
Other contracts	-44,450,755	–	-44,450,755	–	0	-44,450,755
Insurance service expenses						
Incurred claims (excluding investment components) and other incurred insurance service expenses	–	-818,061	-818,061	43,900,273	43,900,273	43,082,212
Changes related to past services (changes in fulfilment cash flows related to the liability for incurred claims)	–	–	0	-2,278,912	-2,278,912	-2,278,912
Amortisation of insurance acquisition cash flows	14,548,707	–	14,548,707	–	0	14,548,707
Changes related to future services (recognition/reversal of losses on onerous groups of contracts)	–	1,273,076	1,273,076	–	0	1,273,076
Total insurance service expenses	14,548,707	455,015	15,003,722	41,621,361	41,621,361	56,625,083
Investment components excluded from insurance revenue and insurance service expenses	-110,254,944	–	-110,254,944	110,254,944	110,254,944	0
Insurance service result	-178,732,775	455,015	-178,277,760	151,876,305	151,876,305	-26,401,455
Net finance income or expenses from insurance contracts	68,098,741	50,481	68,149,222	256,647	256,647	68,405,868
Effect of movement in exchange rates	22,947	1,093	24,040	2,812	2,812	26,853
Foreign currency translation differences	-29,415	-2,000	-31,415	-3,125	-3,125	-34,540
Total changes in the statement of profit or loss and other comprehensive income	-110,640,502	504,588	-110,135,914	152,132,640	152,132,640	41,996,726
Cash flows						
Premiums received for insurance contracts issued	226,663,005	–	226,663,005		0	226,663,005
Claims incurred and insurance service expenses paid	–	–	0	-150,426,881	-150,426,881	-150,426,881
Insurance acquisition cash flows	-23,519,772	–	-23,519,772		0	-23,519,772
Total cash flows	203,143,233	0	203,143,233	-150,426,881	-150,426,881	52,716,352
Assets	-10,103,843	6,433	-10,097,410	9,451,068	9,451,068	-646,341
Liabilities	1,167,362,841	5,323,407	1,172,686,247	18,667,225	18,667,225	1,191,353,473
Closing balance – net assets/liabilities	1,157,258,998	5,329,839	1,162,588,838	28,118,294	28,118,294	1,190,707,131

► Sava Insurance Group as at 31 December 2024 – life

EUR	Liabilities for remaining coverage – LRC			Liabilities for incurred claims – LIC		
	Excluding loss component	Loss component	Total LRC	Insurance contracts measured using the BBA or VFA	Total LIC	Total
Assets	-8,827,606	49,229	-8,778,377	7,840,227	7,840,227	-938,150
Liabilities	938,024,009	3,864,217	941,888,226	17,757,347	17,757,347	959,645,572
Opening balance – net assets/liabilities	929,196,403	3,913,446	933,109,849	25,597,573	25,597,573	958,707,422
Changes in the statement of profit or loss and other comprehensive income						
Insurance contract revenue, of which:	-75,444,466	0	-75,444,466	0	0	-75,444,466
Contracts under the modified retrospective approach	-29,154,137	–	-29,154,137	–	0	-29,154,137
Contracts under the fair value approach	-11,485,373	–	-11,485,373	–	0	-11,485,373
Other contracts	-34,804,957	–	-34,804,957	–	0	-34,804,957
Insurance service expenses						
Incurred claims (excluding investment components) and other incurred insurance service expenses	–	-824,301	-824,301	40,998,422	40,998,422	40,174,121
Changes related to past services (changes in fulfilment cash flows related to the liability for incurred claims)	–	–	0	-2,371,922	-2,371,922	-2,371,922
Amortisation of insurance acquisition cash flows	12,054,318	–	12,054,318	–	0	12,054,318
Changes related to future services (recognition/reversal of losses on onerous groups of contracts)	–	1,679,122	1,679,122	–	0	1,679,122
Total insurance service expenses	12,054,318	854,821	12,909,140	38,626,500	38,626,500	51,535,640
Investment components excluded from insurance revenue and insurance service expenses	-122,840,936	–	-122,840,936	122,840,936	122,840,936	0
Insurance service result	-186,231,084	854,821	-185,376,262	161,467,436	161,467,436	-23,908,826
Net finance income or expenses from insurance contracts	117,913,658	55,696	117,969,354	380,183	380,183	118,349,537
Effect of movement in exchange rates	-9,641	-704	-10,345	544	544	-9,801
Foreign currency translation differences	24,811	1,992	26,803	2,526	2,526	29,329
Total changes in the statement of profit or loss and other comprehensive income	-68,302,255	911,805	-67,390,450	161,850,689	161,850,689	94,460,239
Cash flows						
Premiums received for insurance contracts issued	213,766,817	–	213,766,817		0	213,766,817
Claims incurred and insurance service expenses paid	–	–	0	-152,216,718	-152,216,718	-152,216,718
Insurance acquisition cash flows	-18,723,707	–	-18,723,707		0	-18,723,707
Total cash flows	195,043,110	0	195,043,110	-152,216,718	-152,216,718	42,826,392
Other movements	8,819,009	–	8,819,009	-8,819,009	-8,819,009	0
Assets	-10,401,036	91,110	-10,309,926	7,793,333	7,793,333	-2,516,593
Liabilities	1,075,157,303	4,734,141	1,079,891,444	18,619,202	18,619,202	1,098,510,646
Closing balance – net assets/liabilities	1,064,756,267	4,825,251	1,069,581,518	26,412,535	26,412,535	1,095,994,053



Sava Re as at 31 December 2025

EUR	Liabilities for remaining coverage – LRC			Liabilities for incurred claims – LIC				Total
	Excluding loss component	Loss component	Total LRC	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA		Total LIC	
					Present value of future cash flows	Adjustment for non-financial risk		
Assets	-9,771,415	53,545	-9,717,870	4,047,855	–	–	4,047,855	-5,670,015
Liabilities	-26,915,225	448,076	-26,467,149	281,878,221	28,446,860	2,217,742	312,542,824	286,075,675
Opening balance – net assets/liabilities	-36,686,640	501,621	-36,185,019	285,926,077	28,446,860	2,217,742	316,590,679	280,405,660
Changes in the statement of profit or loss and other comprehensive income					0			
Insurance contract revenue, of which:	-201,409,636	0	-201,409,636				0	-201,409,636
Other contracts	-201,409,636		-201,409,636				0	-201,409,636
Insurance service expenses								
Incurred claims (excluding investment components) and other incurred insurance service expenses	–	-2,965,973	-2,965,973	161,080,502	914,009	67,267	162,061,779	159,095,806
Changes related to past services (changes in fulfilment cash flows related to the liability for incurred claims)	–	–	0	-33,263,346	885,901	-831,842	-33,209,286	-33,209,286
Amortisation of insurance acquisition cash flows	9,498,657	–	9,498,657	–	–	–	0	9,498,657
Changes related to future services (recognition/reversal of losses on onerous groups of contracts)	–	2,876,038	2,876,038	–	–	–	0	2,876,038
Total insurance service expenses	9,498,657	-89,935	9,408,722	127,817,157	1,799,911	-764,575	128,852,493	138,261,215
Investment components excluded from insurance revenue and insurance service expenses	-10,283,613	–	-10,283,613	10,277,902	5,712	–	10,283,613	0
Insurance service result	-202,194,593	-89,935	-202,284,528	138,095,058	1,805,622	-764,575	139,136,106	-63,148,422
Net finance income or expenses from insurance contracts	-294,500	68,203	-226,296	10,270,718	-72,688	-5,516	10,192,514	9,966,218
Effect of movement in exchange rates	4,943,786	-69,592	4,874,194	-13,846,813	-17,846	-4,768	-13,869,427	-8,995,233
Total changes in the statement of profit or loss and other comprehensive income	-197,545,307	-91,323	-197,636,630	134,518,963	1,715,089	-774,858	135,459,193	-62,177,437
Cash flows		0		0	0			
Premiums received for insurance contracts issued	187,077,489	–	187,077,489	–	–	–	0	187,077,489
Claims incurred and insurance service expenses paid	–	–	0	-110,876,036	-14,156,587	–	-125,032,623	-125,032,623
Insurance acquisition cash flows	-8,970,605	–	-8,970,605	–	–	–	0	-8,970,605
Total cash flows	178,106,885	0	178,106,885	-110,876,036	-14,156,587	0	-125,032,623	53,074,262
Assets	-25,469,316	38,296	-25,431,020	16,455,874	54,408	11,453	16,521,735	-8,909,284
Liabilities	-30,655,747	372,002	-30,283,745	293,113,129	15,950,953	1,431,431	310,495,514	280,211,769
Closing balance – net assets/liabilities	-56,125,062	410,298	-55,714,765	309,569,003	16,005,362	1,442,884	327,017,249	271,302,484



Sava Re as at 31 December 2024

EUR	Liabilities for remaining coverage – LRC			Liabilities for incurred claims – LIC				Total
	Excluding loss component	Loss component	Total LRC	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA		Total LIC	
					Present value of future cash flows	Adjustment for non-financial risk		
Assets	-9,456,970	17,249	-9,439,721	4,344,377	–	–	4,344,377	-5,095,344
Liabilities	-27,638,875	291,534	-27,347,342	282,125,269	38,081,000	2,893,796	323,100,065	295,752,723
Opening balance – net assets/liabilities	-37,095,845	308,783	-36,787,063	286,469,646	38,081,000	2,893,796	327,444,442	290,657,379
Changes in the statement of profit or loss and other comprehensive income					0			
Insurance contract revenue, of which:	-171,664,689	0	-171,664,689				0	-171,664,689
Other contracts	-171,664,689		-171,664,689				0	-171,664,689
Insurance service expenses								
Incurred claims (excluding investment components) and other incurred insurance service expenses	–	-5,320,417	-5,320,417	155,433,033	12,881,089	856,296	169,170,418	163,850,001
Changes related to past services (changes in fulfilment cash flows related to the liability for incurred claims)	–	–	0	-57,587,892	-2,646,801	-1,655,432	-61,890,125	-61,890,125
Amortisation of insurance acquisition cash flows	8,530,637	–	8,530,637	–	–	–	0	8,530,637
Changes related to future services (recognition/reversal of losses on onerous groups of contracts)	–	5,428,019	5,428,019	–	–	–	0	5,428,019
Total insurance service expenses	8,530,637	107,603	8,638,240	97,845,140	10,234,288	-799,135	107,280,293	115,918,533
Investment components excluded from insurance revenue and insurance service expenses	-6,550,079	–	-6,550,079	6,545,029	5,051	–	6,550,079	0
Insurance service result	-169,684,131	107,603	-169,576,529	104,390,169	10,239,339	-799,135	113,830,372	-55,746,157
Net finance income or expenses from insurance contracts	-284,533	76,753	-207,780	11,386,213	1,259,001	114,425	12,759,639	12,551,859
Effect of movement in exchange rates	-798,652	8,483	-790,169	2,248,486	33,529	8,656	2,290,671	1,500,502
Total changes in the statement of profit or loss and other comprehensive income	-170,767,316	192,838	-170,574,477	118,024,868	11,531,868	-676,054	128,880,682	-41,693,796
Cash flows		0		0	0			
Premiums received for insurance contracts issued	179,834,612	–	179,834,612	–	–	–	0	179,834,612
Claims incurred and insurance service expenses paid	–	–	0	-118,568,437	-21,166,008	–	-139,734,445	-139,734,445
Insurance acquisition cash flows	-8,658,091	–	-8,658,091	–	–	–	0	-8,658,091
Total cash flows	171,176,521	0	171,176,521	-118,568,437	-21,166,008	0	-139,734,445	31,442,077
Assets	-9,771,415	53,545	-9,717,870	4,047,855	–	–	4,047,855	-5,670,015
Liabilities	-26,915,225	448,076	-26,467,149	281,878,221	28,446,860	2,217,742	312,542,824	286,075,675
Closing balance – net assets/liabilities	-36,686,640	501,621	-36,185,019	285,926,077	28,446,860	2,217,742	316,590,679	280,405,660

3.7.11 Movement in assets for remaining coverage (ARC) and assets for incurred claims (AIC) – reinsurance contracts

► Sava Insurance Group as at 31 December 2025 – non-life

EUR	Assets for remaining coverage – ARC			Assets for incurred claims – AIC				Total
	Excluding loss component	Loss component	Total ARC	Reinsurance contracts measured using the BBA	Reinsurance contracts measured using the PAA		Total AIC	
					Present value of future cash flows	Adjustment for non-financial risk		
Assets	-1,262,828	-77,829	-1,340,657	-57,093,558	-17,589,054	-1,295,210	-75,977,823	-77,318,480
Liabilities	7,257,386	-2,323	7,255,063	-2,594,891	-800,469	-20,196	-3,415,556	3,839,507
Opening balance – net assets/liabilities	5,994,558	-80,152	5,914,406	-59,688,450	-18,389,523	-1,315,406	-79,393,379	-73,478,973
Changes in the statement of profit or loss and other comprehensive income								
Allocation of reinsurers’ shares of premiums								
Amounts recoverable from insurance contracts ceded to reinsurers	62,202,930	0	62,202,930	0	0	0	0	62,202,930
Reinsurers’ shares of insurance service expenses								
Insurance claims and benefits recovered from reinsurers	–	–	0	-22,206,557	-5,301,245	-74,823	-27,582,625	-27,582,625
Reinsurers’ share of operating expenses	–	–	0	–	–	–	0	0
Changes in reinsurers’ share of liability for incurred claims	–	–	0	3,333,587	-530,590	556,399	3,359,397	3,359,397
Changes in reinsurance loss-recovery component relating to onerous underlying contracts	–	-17,139	-17,139	–	–	–	0	-17,139
Total amounts recovered from reinsurers	0	-17,139	-17,139	-18,872,970	-5,831,834	481,576	-24,223,228	-24,240,368
Reinsurance investment components	5,021,582	–	5,021,582	-4,526,437	-495,145	–	-5,021,582	0
Result from reinsurance contracts held	67,224,512	-17,139	67,207,372	-23,399,407	-6,326,980	481,576	-29,244,810	37,962,562
Net finance income or expenses from reinsurance contracts	-127,980	-300	-128,280	-603,613	-299,489	-16,477	-919,579	-1,047,859
Finance effects from credit risk	-214,604	–	-214,604	80,205	-34,457	–	45,748	-168,856
Effect of movement in exchange rates	-123,008	–	-123,008	177,374	–	–	177,374	54,366
Foreign currency translation differences	3,560	278	3,838	-5	9,678	887	10,560	14,398
Total changes in the statement of profit or loss and other comprehensive income	66,762,479	-17,161	66,745,317	-23,745,446	-6,651,247	465,986	-29,930,707	36,814,611
Cash flows								
Premiums received for insurance contracts issued	-57,407,882	–	-57,407,882	–	–	–	0	-57,407,882
Recovered claims and insurance service expenses	–	–	0	16,373,017	14,503,566	–	30,876,583	30,876,583
Total cash flows	-57,407,882	0	-57,407,882	16,373,017	14,503,566	0	30,876,583	-26,531,299
Assets	2,332,931	-95,587	2,237,343	-62,028,244	-9,080,003	-812,305	-71,920,552	-69,683,209
Liabilities	13,016,224	-1,726	13,014,498	-5,032,635	-1,457,201	-37,114	-6,526,950	6,487,547
Closing balance – net assets/liabilities	15,349,155	-97,314	15,251,841	-67,060,879	-10,537,204	-849,420	-78,447,503	-63,195,662



► Sava Insurance Group as at 31 December 2024 – non-life

EUR	Assets for remaining coverage – ARC			Assets for incurred claims – AIC				
	Excluding loss component	Loss component	Total ARC	Reinsurance contracts measured using the BBA	Reinsurance contracts measured using the PAA		Total AIC	Total
					Present value of future cash flows	Adjustment for non-financial risk		
Assets	-128,434	-117,385	-245,820	-102,985,869	-3,639,000	-368,738	-106,993,607	-107,239,427
Liabilities	4,912,674	-2	4,912,672	-1,032,220	-2,383,320	-12,662	-3,428,201	1,484,470
Opening balance – net assets/liabilities	4,784,239	-117,387	4,666,852	-104,018,089	-6,022,320	-381,399	-110,421,808	-105,754,957
Changes in the statement of profit or loss and other comprehensive income								
Allocation of reinsurers’ shares of premiums								
Amounts recoverable from insurance contracts ceded to reinsurers	53,617,054	0	53,617,054	0	0	0	0	53,617,054
Reinsurers’ shares of insurance service expenses								
Reinsurers’ share of incurred claims	–	–	0	-26,686,190	-18,537,668	-1,003,988	-46,227,845	-46,227,845
Reinsurers’ share of operating expenses	–	–	0	–	–	–	0	0
Changes in reinsurers’ share of liability for incurred claims	–	–	0	23,365,151	-703,075	90,176	22,752,252	22,752,252
Changes in reinsurance loss-recovery component relating to onerous underlying contracts	–	37,620	37,620	–	–	–	0	37,620
Total amounts recovered from reinsurers	0	37,620	37,620	-3,321,038	-19,240,743	-913,812	-23,475,593	-23,437,974
Reinsurance investment components	3,486,547	–	3,486,547	-3,158,752	-327,795	–	-3,486,547	0
Result from reinsurance contracts held	57,103,601	37,620	57,141,221	-6,479,790	-19,568,539	-913,812	-26,962,141	30,179,080
Net finance income or expenses from reinsurance contracts	-195,560	–	-195,560	-3,781,168	-224,903	-19,437	-4,025,508	-4,221,068
Finance effects from credit risk	-977,363	–	-977,363	-653,971	-5,997	–	-659,968	-1,637,331
Effect of movement in exchange rates	-5,014	–	-5,014	-82,188	–	–	-82,188	-87,202
Foreign currency translation differences	5,360	-385	4,976	–	-13,960	-757	-14,718	-9,742
Total changes in the statement of profit or loss and other comprehensive income	55,931,024	37,235	55,968,259	-10,997,117	-19,813,398	-934,007	-31,744,522	24,223,737
Cash flows								
Premiums received for insurance contracts issued	-54,720,705	–	-54,720,705	–	–	–	0	-54,720,705
Recovered claims and insurance service expenses	–	–	0	55,326,756	7,446,195	–	62,772,952	62,772,952
Total cash flows	-54,720,705	0	-54,720,705	55,326,756	7,446,195	0	62,772,952	8,052,247
Assets	-1,262,828	-77,829	-1,340,657	-57,093,558	-17,589,054	-1,295,210	-75,977,823	-77,318,480
Liabilities	7,257,386	-2,323	7,255,063	-2,594,891	-800,469	-20,196	-3,415,556	3,839,507
Closing balance – net assets/liabilities	5,994,558	-80,152	5,914,406	-59,688,450	-18,389,523	-1,315,406	-79,393,379	-73,478,973



► Sava Insurance Group as at 31 December 2025 – life

EUR	Assets for remaining coverage – ARC		Assets for incurred claims – AIC		Total
	Excluding loss component	Total ARC	Reinsurance contracts measured using the BBA	Total AIC	
Assets	-116,366	-116,366	-83,908	-83,908	-200,274
Liabilities	170,029	170,029	-26,333	-26,333	143,696
Opening balance – net assets/liabilities	53,663	53,663	-110,241	-110,241	-56,578
Changes in the statement of profit or loss and other comprehensive income					
Allocation of reinsurers’ shares of premiums					
Amounts recoverable from insurance contracts ceded to reinsurers	211,496	211,496	0	0	211,496
Reinsurers’ shares of insurance service expenses					
Insurance claims and benefits recovered from reinsurers	–	0	-130,261	-130,261	-130,261
Changes in reinsurers’ share of liabilities for incurred claims	–	0	12,380	12,380	12,380
Total amounts recovered from reinsurers	0	0	-117,880	-117,880	-117,880
Result from reinsurance contracts held	211,496	211,496	-117,880	-117,880	93,616
Net finance income or expenses from reinsurance contracts	-21,538	-21,538	-128	-128	-21,666
Effect of movement in exchange rates	33	33	-10	-10	24
Foreign currency translation differences	-41	-41	36	36	-5
Total changes in the statement of profit or loss and other comprehensive income	189,949	189,949	-117,981	-117,981	71,968
Cash flows					
Premiums received for insurance contracts issued	-306,429	-306,429	–	0	-306,429
Recovered claims and insurance service expenses	–	0	144,673	144,673	144,673
Total cash flows	-306,429	-306,429	144,673	144,673	-161,756
Assets	-175,863	-175,863	-58,395	-58,395	-234,258
Liabilities	113,046	113,046	-25,154	-25,154	87,891
Closing balance – net assets/liabilities	-62,817	-62,817	-83,549	-83,549	-146,366



► Sava Insurance Group as at 31 December 2024 – life

EUR	Assets for remaining coverage – ARC		Assets for incurred claims – AIC		Total
	Excluding loss component	Total ARC	Reinsurance contracts measured using the BBA	Total AIC	
Assets	-128,968	-128,968	-113,162	-113,162	-242,131
Liabilities	166,746	166,746	-9,173	-9,173	157,574
Opening balance – net assets/liabilities	37,778	37,778	-122,335	-122,335	-84,557
Changes in the statement of profit or loss and other comprehensive income					
Allocation of reinsurers’ shares of premiums					
Amounts recoverable from insurance contracts ceded to reinsurers	253,281	253,281	0	0	253,281
Reinsurers’ shares of insurance service expenses					
Reinsurers’ share of incurred claims	–	0	-189,042	-189,042	-189,042
Changes in reinsurers’ share of liability for incurred claims	–	0	10,861	10,861	10,861
Total amounts recovered from reinsurers	0	0	-178,181	-178,181	-178,181
Result from reinsurance contracts held	253,281	253,281	-178,181	-178,181	75,100
Net finance income or expenses from reinsurance contracts	64,238	64,238	-146	-146	64,092
Effect of movement in exchange rates	-7	-7	-4	-4	-11
Foreign currency translation differences	20	20	-1	-1	19
Total changes in the statement of profit or loss and other comprehensive income	317,531	317,531	-178,331	-178,331	139,199
Cash flows					
Premiums received for insurance contracts issued	-301,645	-301,645	–	0	-301,645
Recovered claims and insurance service expenses	–	0	190,425	190,425	190,425
Total cash flows	-301,645	-301,645	190,425	190,425	-111,220
Assets	-116,366	-116,366	-83,908	-83,908	-200,274
Liabilities	170,029	170,029	-26,333	-26,333	143,696
Closing balance – net assets/liabilities	53,663	53,663	-110,241	-110,241	-56,578



► Sava Re as at 31 December 2025

EUR	Assets for remaining coverage – ARC		Assets for incurred claims – AIC				Total
	Excluding loss component	Total ARC	Reinsurance contracts measured using the BBA	Reinsurance contracts measured using the PAA		Total AIC	
				Present value of future cash flows	Adjustment for non-financial risk		
Assets	1,712,046	1,712,046	-52,623,143	-14,161,636	-889,374	-67,674,153	-65,962,107
Liabilities	4,652,625	4,652,625	-2,460,600	–	–	-2,460,600	2,192,025
Opening balance – net assets/liabilities	6,364,671	6,364,671	-55,083,742	-14,161,636	-889,374	-70,134,752	-63,770,082
Changes in the statement of profit or loss and other comprehensive income							
Allocation of reinsurers’ shares of premiums							
Amounts recoverable from insurance contracts ceded to reinsurers	44,694,866	44,694,866	0	0	0	0	44,694,866
Reinsurers’ shares of insurance service expenses							
Recoveries of incurred claims	–	0	-20,119,251	-2,400,344	–	-22,519,595	-22,519,595
Changes in amounts recoverable arising from changes in liabilities for incurred claims	–	0	3,775,667	851,372	482,129	5,109,167	5,109,167
Total amounts recovered from reinsurers	0	0	-16,343,585	-1,548,972	482,129	-17,410,428	-17,410,428
Reinsurance investment components	4,526,437	4,526,437	-4,526,437	–	–	-4,526,437	0
Result from reinsurance contracts held	49,221,302	49,221,302	-20,870,021	-1,548,972	482,129	-21,936,865	27,284,438
Net finance income or expenses from reinsurance contracts	-78,527	-78,527	-527,178	-195,060	-10,537	-732,775	-811,302
Finance effects from credit risk	-12,016	-12,016	73,407	-16,633	–	56,774	44,758
Effect of movement in exchange rates	-123,049	-123,049	177,374	–	–	177,374	54,325
Total changes in the statement of profit or loss and other comprehensive income	49,007,711	49,007,711	-21,146,423	-1,760,665	471,592	-22,435,496	26,572,215
Cash flows							
Premiums received for insurance contracts issued	-36,351,419	-36,351,419	–	–	–	0	-36,351,419
Recovered claims and insurance service expenses	–	0	13,448,565	9,620,503	–	23,069,068	23,069,068
Total cash flows	-36,351,419	-36,351,419	13,448,565	9,620,503	0	23,069,068	-13,282,351
Assets	9,731,868	9,731,868	-57,756,518	-6,301,798	-417,782	-64,476,098	-54,744,230
Liabilities	9,289,094	9,289,094	-5,025,082	–	–	-5,025,082	4,264,012
Closing balance – net assets/liabilities	19,020,963	19,020,963	-62,781,600	-6,301,798	-417,782	-69,501,180	-50,480,218



► Sava Re as at 31 December 2024

EUR	Assets for remaining coverage – ARC		Assets for incurred claims – AIC				Total
	Excluding loss component	Total ARC	Reinsurance contracts measured using the BBA	Reinsurance contracts measured using the PAA		Total AIC	
				Present value of future cash flows	Adjustment for non-financial risk		
Assets	1,849,407	1,849,407	-97,612,028	–	–	-97,612,028	-95,762,621
Liabilities	1,445,256	1,445,256	-998,408	–	–	-998,408	446,848
Opening balance – net assets/liabilities	3,294,663	3,294,663	-98,610,435	0	0	-98,610,435	-95,315,773
Changes in the statement of profit or loss and other comprehensive income							
Allocation of reinsurers’ shares of premiums							
Amounts recoverable from insurance contracts ceded to reinsurers	38,193,095	38,193,095	0	0	0	0	38,193,095
Reinsurers’ shares of insurance service expenses							
Recoveries of incurred claims	–	0	-24,220,890	-14,134,433	-885,706	-39,241,029	-39,241,029
Changes in amounts recoverable arising from changes in liabilities for incurred claims	–	0	24,538,643	–	–	24,538,643	24,538,643
Total amounts recovered from reinsurers	0	0	317,753	-14,134,433	-885,706	-14,702,386	-14,702,386
Reinsurance investment components	3,158,752	3,158,752	-3,158,752	–	–	-3,158,752	0
Result from reinsurance contracts held	41,351,847	41,351,847	-2,840,999	-14,134,433	-885,706	-17,861,138	23,490,709
Net finance income or expenses from reinsurance contracts	-120,827	-120,827	-3,668,936	-56,732	-3,667	-3,729,336	-3,850,163
Finance effects from credit risk	-852,694	-852,694	-699,074	29,529	–	-669,545	-1,522,238
Effect of movement in exchange rates	-5,014	-5,014	-82,188	–	–	-82,188	-87,202
Total changes in the statement of profit or loss and other comprehensive income	40,373,312	40,373,312	-7,291,196	-14,161,636	-889,374	-22,342,206	18,031,106
Cash flows							
Premiums received for insurance contracts issued	-37,303,304	-37,303,304	–	–	–	0	-37,303,304
Recovered claims and insurance service expenses	–	0	50,817,889	–	–	50,817,889	50,817,889
Total cash flows	-37,303,304	-37,303,304	50,817,889	0	0	50,817,889	13,514,585
Assets	1,712,046	1,712,046	-52,623,143	-14,161,636	-889,374	-67,674,153	-65,962,107
Liabilities	4,652,625	4,652,625	-2,460,600	–	–	-2,460,600	2,192,025
Closing balance – net assets/liabilities	6,364,671	6,364,671	-55,083,742	-14,161,636	-889,374	-70,134,752	-63,770,082

3.7.12 Movement in individual components of insurance contracts

► Sava Insurance Group as at 31 December 2025 – non-life

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin			Total insurance contracts measured using the BBA	Total insurance contracts measured using the PAA	Total insurance contracts
			Contracts under the fair value approach	Other contracts	Total contractual service margin			
Assets	-14,101,201	1,386,047	79	4,457,728	4,457,806	-8,257,348	-68,422	-8,325,770
Liabilities	157,470,812	19,186,931	-233,159	8,197,670	7,964,511	184,622,254	548,235,070	732,857,324
Opening balance – net assets/liabilities	143,369,611	20,572,978	-233,080	12,655,398	12,422,318	176,364,907	548,166,648	724,531,554
Changes in the statement of profit or loss and other comprehensive income								
Changes that relate to future services	-39,863,642	15,062,190	-49,143	27,395,054	27,345,911	2,544,459	-669,303,204	-666,758,745
Changes in estimates that adjust the contractual service margin	-142,546	-392,793	-66,900	1,570,123	1,503,224	967,884	0	967,884
Changes in estimates that do not adjust the contractual service margin (recognition/reversals of losses on onerous contracts)	-923,507	-49,961	17,757	445,394	463,151	-510,317	0	-510,317
Effects of contracts initially recognised in the period	-38,797,589	15,504,943	–	25,379,537	25,379,537	2,086,891	0	2,086,891
Effects of contracts measured using the PAA						0	-669,303,204	-669,303,204
Changes that relate to current service	19,337,662	-5,211,292	-170,336	-24,126,769	-24,297,105	-10,170,735	0	-10,170,735
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	-170,336	-24,126,769	-24,297,105	-24,297,105	0	-24,297,105
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	-5,211,292	–	–	–	-5,211,292	0	-5,211,292
Experience adjustment	19,337,662	–	–	–	–	19,337,662	0	19,337,662
Changes that relate to past service	-25,646,176	-11,043,178	0	0	0	-36,689,354	549,732,063	513,042,709
Changes in fulfilment cash flows relating to incurred claims	-25,646,176	-11,043,178	–	–	–	-36,689,354	549,732,063	513,042,709
Insurance result	-46,172,156	-1,192,279	-219,479	3,268,286	3,048,806	-44,315,629	-119,571,141	-163,886,770
Net finance income or expenses from insurance contracts	6,897,596	1,087,489	3,101	1,105,739	1,108,839	9,093,924	2,040,601	11,134,526
Effect of movement in exchange rates	-6,395,866	-1,509,566	–	-991,101	-991,101	-8,896,533	-171,689	-9,068,222
Foreign currency translation differences	-12,669	-716	–	-5,799	-5,799	-19,183	-82,660	-101,843
Total changes in the statement of profit or loss and other comprehensive income	-45,683,094	-1,615,072	-216,379	3,377,124	3,160,746	-44,137,421	-117,784,888	-161,922,309
Cash flows								
Premiums received for insurance contracts issued	132,866,175	–	–	–	–	132,866,175	679,480,163	812,346,338
Claims incurred and insurance service expenses paid	-68,507,749	–	–	–	–	-68,507,749	-454,833,632	-523,341,381
Insurance acquisition cash flows	-18,138,888	–	–	–	–	-18,138,888	-105,082,437	-123,221,324
Total cash flows	46,219,538	0	0	0	0	46,219,538	119,564,094	165,783,633
Assets	-17,865,968	1,904,969	14,541	5,631,147	5,645,687	-10,315,311	-37,873	-10,353,184
Liabilities	161,772,023	17,052,937	-464,000	10,401,375	9,937,376	188,762,335	549,983,726	738,746,061
Closing balance – net assets/liabilities	143,906,055	18,957,906	-449,459	16,032,522	15,583,063	178,447,024	549,945,854	728,392,878

► Sava Insurance Group as at 31 December 2024 – non-life

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin			Total insurance contracts measured using the BBA	Total insurance contracts measured using the PAA	Total insurance contracts
			Contracts under the fair value approach	Other contracts	Total contractual service margin			
Assets	-14,016,606	1,011,472	–	4,824,766	4,824,766	-8,180,368	-488,770	-8,669,139
Liabilities	146,021,197	19,286,939	99,497	6,831,271	6,930,767	172,238,903	519,137,770	691,376,674
Opening balance – net assets/liabilities	132,004,591	20,298,411	99,497	11,656,037	11,755,534	164,058,535	518,649,000	682,707,535
Changes in the statement of profit or loss and other comprehensive income								
Changes that relate to future services	-28,825,472	11,840,112	-44,268	22,677,631	22,633,363	5,648,003	-609,945,736	-604,297,733
Changes in estimates that adjust the contractual service margin	2,583,904	-357,751	-50,150	126,925	76,775	2,302,928	0	2,302,928
Changes in estimates that do not adjust the contractual service margin (recognition/reversals of losses on onerous contracts)	1,549,490	-194,200	5,882	269,690	275,572	1,630,862	0	1,630,862
Effects of contracts initially recognised in the period	-32,958,865	12,392,062	–	22,281,015	22,281,015	1,714,213	0	1,714,213
Effects of contracts measured using the PAA						0	-609,945,736	-609,945,736
Changes that relate to current service	26,257,974	-2,379,369	-292,144	-22,876,334	-23,168,478	710,127	0	710,127
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	-292,144	-22,876,334	-23,168,478	-23,168,478	0	-23,168,478
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	-2,379,369	–	–	–	-2,379,369	0	-2,379,369
Experience adjustment	26,257,974	–	–	–	–	26,257,974	0	26,257,974
Changes that relate to past service	-40,717,866	-10,573,987	0	0	0	-51,291,853	539,924,662	488,632,809
Changes in fulfilment cash flows relating to incurred claims	-40,717,866	-10,573,987	–	–	–	-51,291,853	539,924,662	488,632,809
Insurance service result	-43,285,364	-1,113,244	-336,412	-198,703	-535,115	-44,933,723	-70,021,074	-114,954,797
Net finance income or expenses from insurance contracts	5,494,358	1,158,558	3,835	1,135,887	1,139,722	7,792,638	11,963,942	19,756,580
Effect of movement in exchange rates	1,105,187	229,093	–	61,175	61,175	1,395,455	238,555	1,634,010
Foreign currency translation differences	1,646	161	–	1,002	1,002	2,809	84,236	87,044
Total changes in the statement of profit or loss and other comprehensive income	-36,684,173	274,567	-332,577	999,361	666,784	-35,742,822	-57,734,340	-93,477,162
Cash flows								
Premiums received for insurance contracts issued	127,128,401	–	–	–	–	127,128,401	632,664,621	759,793,022
Claims incurred and insurance service expenses paid	-64,310,586	–	–	–	–	-64,310,586	-450,699,548	-515,010,134
Insurance acquisition cash flows	-14,768,621	–	–	–	–	-14,768,621	-94,713,085	-109,481,706
Total cash flows	48,049,193	0	0	0	0	48,049,193	87,251,988	135,301,182
Assets	-14,101,201	1,386,047	79	4,457,728	4,457,806	-8,257,348	-68,422	-8,325,770
Liabilities	157,470,812	19,186,931	-233,159	8,197,670	7,964,511	184,622,254	548,235,070	732,857,324
Closing balance – net assets/liabilities	143,369,611	20,572,978	-233,080	12,655,398	12,422,318	176,364,907	548,166,648	724,531,554

► Sava Insurance Group as at 31 December 2025 – life

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin				Total insurance contracts measured using the BBA or VFA	Total insurance contracts
			Contracts under the modified retrospective approach	Contracts under the fair value approach	Other contracts	Total contractual service margin		
Assets	-55,934,423	11,922,359	17,605,686	–	23,889,785	41,495,471	-2,516,593	-2,516,593
Liabilities	952,584,960	24,266,221	42,566,511	6,263,511	72,829,443	121,659,465	1,098,510,646	1,098,510,646
Opening balance – net assets/liabilities	896,650,537	36,188,580	60,172,197	6,263,511	96,719,228	163,154,936	1,095,994,053	1,095,994,053
Changes in the statement of profit or loss and other comprehensive income								
Changes that relate to future services	-37,986,654	5,512,806	-897,644	6,073,881	27,526,678	32,702,916	229,068	229,068
Changes in estimates that adjust the contractual service margin	-5,964,166	-303,558	-899,981	6,064,752	128,289	5,293,059	-974,665	-974,665
Changes in estimates that do not adjust the contractual service margin (recognition/reversals of losses on onerous contracts)	236,360	26,807	2,338	9,130	106,200	117,667	380,834	380,834
Effects of contracts initially recognised in the period	-32,258,848	5,789,557	–	–	27,292,190	27,292,190	822,898	822,898
Changes that relate to current service	2,929,521	-4,648,700	-7,953,057	-3,072,663	-11,606,712	-22,632,432	-24,351,611	-24,351,611
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	-7,953,057	-3,072,663	-11,606,712	-22,632,432	-22,632,432	-22,632,432
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	-4,648,700	–	–	–	–	-4,648,700	-4,648,700
Experience adjustment	2,929,521	–	–	–	–	–	2,929,521	2,929,521
Changes that relate to past service	-1,971,177	-307,735	0	0	0	0	-2,278,912	-2,278,912
Changes in fulfilment cash flows relating to incurred claims	-1,971,177	-307,735	–	–	–	–	-2,278,912	-2,278,912
Insurance result	-37,028,311	556,371	-8,850,701	3,001,218	15,919,966	10,070,484	-26,401,455	-26,401,455
Net finance income or expenses from insurance contracts	66,619,687	-108,788	477,396	1,894	1,415,679	1,894,969	68,405,868	68,405,868
Effect of movement in exchange rates	11,164	2,771	2,534	–	10,384	12,918	26,853	26,853
Foreign currency translation differences	-10,855	-4,139	-3,713	–	-15,833	-19,545	-34,540	-34,540
Total changes in the statement of profit or loss and other comprehensive income	29,591,685	446,215	-8,374,484	3,003,113	17,330,197	11,958,825	41,996,726	41,996,726
Cash flows								
Premiums received for insurance contracts issued	226,663,005	–	–	–	–	–	226,663,005	226,663,005
Claims incurred and insurance service expenses paid	-150,426,881	–	–	–	–	–	-150,426,881	-150,426,881
Insurance acquisition cash flows	-23,519,772	–	–	–	–	–	-23,519,772	-23,519,772
Total cash flows	52,716,352	0	0	0	0	0	52,716,352	52,716,352
Assets	-55,902,127	12,440,848	14,968,394	–	27,846,544	42,814,938	-646,341	-646,341
Liabilities	1,034,860,701	24,193,948	36,829,319	9,266,623	86,202,881	132,298,824	1,191,353,473	1,191,353,473
Closing balance – net assets/liabilities	978,958,574	36,634,795	51,797,713	9,266,623	114,049,425	175,113,762	1,190,707,131	1,190,707,131

► Sava Insurance Group as at 31 December 2024 – life

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin				Total insurance contracts measured using the BBA or VFA	Total insurance contracts
			Contracts under the modified retrospective approach	Contracts under the fair value approach	Other contracts	Total contractual service margin		
Assets	-53,393,209	10,505,547	21,670,306	2,537	20,276,668	41,949,511	-938,150	-938,150
Liabilities	836,645,989	21,397,142	45,542,708	2,187,946	53,871,787	101,602,441	959,645,572	959,645,572
Opening balance – net assets/liabilities	783,252,781	31,902,689	67,213,013	2,190,483	74,148,456	143,551,952	958,707,422	958,707,422
Changes in the statement of profit or loss and other comprehensive income								
Changes that relate to future services	-45,511,143	8,087,154	1,276,817	5,940,674	30,776,730	37,994,221	570,232	570,232
Changes in estimates that adjust the contractual service margin	-16,882,036	3,389,626	1,242,585	5,939,815	5,546,166	12,728,566	-763,844	-763,844
Changes in estimates that do not adjust the contractual service margin (recognition/reversals of losses on onerous contracts)	-137,647	171,806	34,232	859	216,534	251,625	285,784	285,784
Effects of contracts initially recognised in the period	-28,491,460	4,525,723	–	–	25,014,030	25,014,030	1,048,292	1,048,292
Changes that relate to current service	2,130,192	-4,202,689	-8,856,424	-1,870,885	-9,428,790	-20,156,099	-22,228,595	-22,228,595
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	-8,856,424	-1,870,885	-9,428,790	-20,156,099	-20,156,099	-20,156,099
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	-4,202,689	–	–	–	–	-4,202,689	-4,202,689
Experience adjustment	2,130,192	–	–	–	–	–	2,130,192	2,130,192
Changes that relate to past service	-1,837,125	-413,337	0	0	0	0	-2,250,462	-2,250,462
Changes in fulfilment cash flows relating to incurred claims	-1,837,125	-413,337	–	–	–	–	-2,250,462	-2,250,462
Insurance service result	-45,218,076	3,471,128	-7,579,607	4,069,789	21,347,941	17,838,122	-23,908,826	-23,908,826
Net finance income or expenses from insurance contracts	115,782,001	813,299	535,404	3,239	1,215,594	1,754,236	118,349,537	118,349,537
Effect of movement in exchange rates	-1,184	-1,261	-1,806	–	-5,550	-7,356	-9,801	-9,801
Foreign currency translation differences	8,622	2,726	5,193	–	12,788	17,981	29,329	29,329
Total changes in the statement of profit or loss and other comprehensive income	70,571,364	4,285,891	-7,040,816	4,073,027	22,570,773	19,602,984	94,460,239	94,460,239
Cash flows								
Premiums received for insurance contracts issued	213,766,817	–	–	–	–	–	213,766,817	213,766,817
Claims incurred and insurance service expenses paid	-152,216,718	–	–	–	–	–	-152,216,718	-152,216,718
Insurance acquisition cash flows	-18,723,707	–	–	–	–	–	-18,723,707	-18,723,707
Total cash flows	42,826,392	0	0	0	0	0	42,826,392	42,826,392
Assets	-55,934,423	11,922,359	17,605,686	–	23,889,785	41,495,471	-2,516,593	-2,516,593
Liabilities	952,584,960	24,266,221	42,566,511	6,263,511	72,829,443	121,659,465	1,098,510,646	1,098,510,646
Closing balance – net assets/liabilities	896,650,537	36,188,580	60,172,197	6,263,511	96,719,228	163,154,936	1,095,994,053	1,095,994,053

► Sava Re as at 31 December 2025

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin				Total insurance contracts measured using the BBA	Total insurance contracts measured using the PAA	Total insurance contracts
			Contracts under the modified retrospective approach	Contracts under the fair value approach	Other contracts	Total contractual service margin			
Assets	-7,600,553	955,021	2,005	–	997,501	999,506	-5,646,027	-23,988	-5,670,015
Liabilities	222,559,060	26,015,711	295,828	117,799	8,199,676	8,613,303	257,188,073	28,887,602	286,075,675
Opening balance – net assets/liabilities	214,958,506	26,970,731	297,833	117,799	9,197,177	9,612,808	251,542,046	28,863,614	280,405,660
Changes in the statement of profit or loss and other comprehensive income									
Changes that relate to future services	-49,487,570	19,089,351	0	0	33,274,258	33,274,258	2,876,038	-16,475,264	-13,599,226
Changes in estimates that adjust the contractual service margin	-2,781,293	-514,678	–	–	4,599,604	4,599,604	1,303,633	0	1,303,633
Changes in estimates that do not adjust the contractual service margin (recognition/reversals of losses on onerous contracts)	-681,227	-25,176	–	–	357,040	357,040	-349,362	0	-349,362
Effects of contracts initially recognised in the period	-46,025,051	19,629,204	–	–	28,317,614	28,317,614	1,921,768	0	1,921,768
Effects of contracts measured using the PAA							0	-16,475,264	-16,475,264
Changes that relate to current service	23,501,253	-7,366,840	0	0	-33,446,088	-33,446,088	-17,311,674	0	-17,311,674
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	–	–	-33,446,088	-33,446,088	-33,446,088	0	-33,446,088
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	-7,366,840	–	–	–	0	-7,366,840	0	-7,366,840
Experience adjustment	23,501,253	–	–	–	–	0	23,501,253	0	23,501,253
Changes that relate to past service	-20,374,677	-12,888,669	0	0	0	0	-33,263,346	1,025,824	-32,237,522
Changes in fulfilment cash flows relating to incurred claims	-20,374,677	-12,888,669	–	–	–	0	-33,263,346	1,025,824	-32,237,522
Insurance result	-46,360,994	-1,166,158	0	0	-171,830	-171,830	-47,698,982	-15,449,440	-63,148,422
Net finance income or expenses from insurance contracts	7,634,275	1,262,124	–	–	1,148,023	1,148,023	10,044,422	-78,204	9,966,218
Effect of movement in exchange rates	-6,453,896	-1,527,622	–	–	-991,101	-991,101	-8,972,620	-22,613	-8,995,233
Total changes in the statement of profit or loss and other comprehensive income	-45,180,616	-1,431,656	0	0	-14,908	-14,908	-46,627,179	-15,550,257	-62,177,437
Cash flows									
Premiums received for insurance contracts issued	170,261,409	–	–	–	–	0	170,261,409	16,816,080	187,077,489
Claims incurred and insurance service expenses paid	-110,876,036	–	–	–	–	0	-110,876,036	-14,156,587	-125,032,623
Insurance acquisition cash flows	-8,811,430	–	–	–	–	0	-8,811,430	-159,174	-8,970,605
Total cash flows	50,573,943	0	0	0	0	0	50,573,943	2,500,319	53,074,262
Assets	-11,466,597	1,442,440	2,005	2	1,760,557	1,762,564	-8,261,594	-647,690	-8,909,284
Liabilities	231,818,431	24,096,636	295,828	117,797	7,421,712	7,835,337	263,750,404	16,461,365	280,211,769
Closing balance – net assets/liabilities	220,351,834	25,539,076	297,833	117,799	9,182,269	9,597,900	255,488,810	15,813,675	271,302,484

► Sava Re as at 31 December 2024

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin				Total insurance contracts measured using the BBA	Total insurance contracts measured using the PAA	Total insurance contracts
			Contracts under the modified retrospective approach	Contracts under the fair value approach	Other contracts	Total contractual service margin			
Assets	-7,068,622	673,921	–	–	1,313,223	1,313,223	-5,081,479	-13,866	-5,095,344
Liabilities	221,012,919	27,123,439	297,833	117,799	7,792,354	8,207,985	256,344,343	39,408,380	295,752,723
Opening balance – net assets/liabilities	213,944,297	27,797,360	297,833	117,799	9,105,576	9,521,208	251,262,865	39,394,514	290,657,379
Changes in the statement of profit or loss and other comprehensive income									
Changes that relate to future services	-54,612,418	16,641,924	0	0	43,218,412	43,218,412	5,247,917	-9,152,609	-3,904,692
Changes in estimates that adjust the contractual service margin	-11,767,614	-1,329,713	–	–	15,151,078	15,151,078	2,053,750	0	2,053,750
Changes in estimates that do not adjust the contractual service margin (recognition/reversals of losses on onerous contracts)	966,306	-212,349	–	–	757,118	757,118	1,511,075	0	1,511,075
Effects of contracts initially recognised in the period	-43,811,109	18,183,986	–	–	27,310,216	27,310,216	1,683,092	0	1,683,092
Effects of contracts measured using the PAA							0	-9,152,609	-9,152,609
Changes that relate to current service	46,692,313	-5,883,899	0	0	-44,616,850	-44,616,850	-3,808,436	0	-3,808,436
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	–	–	-44,616,850	-44,616,850	-44,616,850	0	-44,616,850
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	-5,883,899	–	–	–	0	-5,883,899	0	-5,883,899
Experience adjustment	46,692,313	–	–	–	–	0	46,692,313	0	46,692,313
Changes that relate to past service	-44,126,944	-13,460,948	0	0	0	0	-57,587,892	9,554,864	-48,033,029
Changes in fulfilment cash flows relating to incurred claims	-44,126,944	-13,460,948	–	–	–	0	-57,587,892	9,554,864	-48,033,029
Insurance service result	-52,047,049	-2,702,924	0	0	-1,398,438	-1,398,438	-56,148,411	402,254	-55,746,156
Net finance income or expenses from insurance contracts	8,116,293	1,633,277	–	–	1,428,863	1,428,863	11,178,433	1,373,426	12,551,859
Effect of movement in exchange rates	1,154,124	243,018	–	–	61,175	61,175	1,458,317	42,185	1,500,502
Total changes in the statement of profit or loss and other comprehensive income	-42,776,633	-826,628	0	0	91,600	91,600	-43,511,661	1,817,865	-41,693,796
Cash flows									
Premiums received for insurance contracts issued	170,897,667	–	–	–	–	0	170,897,667	8,936,945	179,834,612
Claims incurred and insurance service expenses paid	-118,568,437	–	–	–	–	0	-118,568,437	-21,166,008	-139,734,445
Insurance acquisition cash flows	-8,538,388	–	–	–	–	0	-8,538,388	-119,703	-8,658,091
Total cash flows	43,790,843	0	0	0	0	0	43,790,843	-12,348,766	31,442,077
Assets	-7,600,553	955,021	2,005	–	997,501	999,506	-5,646,027	-23,988	-5,670,015
Liabilities	222,559,060	26,015,711	295,828	117,799	8,199,676	8,613,303	257,188,073	28,887,602	286,075,675
Closing balance – net assets/liabilities	214,958,506	26,970,731	297,833	117,799	9,197,177	9,612,808	251,542,046	28,863,614	280,405,660

3.7.13 Movement in individual components of reinsurance contracts

► Sava Insurance Group as at 31 December 2025 – non-life

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin				Total reinsurance contracts measured using the BBA	Total reinsurance contracts measured using the PAA	Total reinsurance contracts
			Contracts under the modified retrospective approach	Contracts under the fair value approach	Other contracts	Total contractual service margin			
Assets	-48,206,300	-5,060,681	3	14,865	-4,493,853	-4,478,985	-57,745,966	-19,572,514	-77,318,480
Liabilities	3,392,439	-416,305	–	–	-1,101,974	-1,101,974	1,874,160	1,965,347	3,839,507
Opening balance – net assets/liabilities	-44,813,861	-5,476,986	3	14,865	-5,595,827	-5,580,959	-55,871,806	-17,607,167	-73,478,973
Changes in the statement of profit or loss and other comprehensive income									
Changes that relate to future services	21,257,966	-3,479,324	42	-134,983	-17,701,232	-17,836,173	-57,531	25,627,761	25,570,231
Changes in estimates that adjust the contractual service margin	2,317,409	227,779	42	-134,983	-2,410,247	-2,545,188	0	0	0
Changes in estimates relating to recognition of and reversals of losses on onerous underlying contracts	–	–	–	–	2,165	2,165	2,165	0	2,165
Changes in recoveries of losses on onerous underlying contracts that adjust the contractual service margin	–	–	–	–	-59,696	-59,696	-59,696	0	-59,696
Effects of contracts initially recognised in the period	18,940,557	-3,707,102	–	–	-15,233,455	-15,233,455	0	0	0
Effects of contracts measured using the PAA							0	25,627,761	25,627,761
Changes that relate to current service	-4,529,220	1,632,424	-2	162,288	17,159,992	17,322,278	14,425,482	0	14,425,482
Amount of the contractual service margin recognised in profit or loss	–	–	-2	162,288	17,159,992	17,322,278	17,322,278		17,322,278
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	1,632,424	–	–	–	0	1,632,424		1,632,424
Experience adjustment	-4,529,220	–	–	–	–	0	-4,529,220		-4,529,220
Changes that relate to past service	1,842,713	1,490,874	0	0	0	0	3,333,587	-5,366,738	-2,033,151
Changes in fulfilment cash flows relating to incurred claims	1,842,713	1,490,874	–	–	–	0	3,333,587	-5,366,738	-2,033,151
Result from reinsurance contracts held	18,571,459	-356,026	40	27,306	-541,240	-513,894	17,701,539	20,261,023	37,962,562
Net finance income or expenses from reinsurance contracts	-177,017	-115,335	–	109	-439,350	-439,241	-731,593	-316,266	-1,047,859
Finance effects from credit risk	-134,399	–	–	–	–	0	-134,399	-34,457	-168,856
Effect of movement in exchange rates	-23,005	28,196	–	–	49,134	49,134	54,325	41	54,366
Foreign currency translation differences	–	-5	–	–	–	0	-5	14,403	14,398
Total changes in the statement of profit or loss and other comprehensive income	18,237,038	-443,170	40	27,415	-931,456	-904,002	16,889,867	19,924,744	36,814,611
Cash flows									
Premiums received for insurance contracts issued	-28,960,956	–	–	–	–	0	-28,960,956	-28,446,927	-57,407,882
Recovered claims and insurance service expenses	16,373,017	–	–	–	–	0	16,373,017	14,503,566	30,876,583
Total cash flows	-12,587,939	0	0	0	0	0	-12,587,939	-13,943,360	-26,531,299
Assets	-44,003,943	-5,734,958	43	42,280	-5,626,942	-5,584,619	-55,323,520	-14,359,689	-69,683,209
Liabilities	4,839,182	-185,198	–	–	-900,342	-900,342	3,753,642	2,733,905	6,487,547
Closing balance – net assets/liabilities	-39,164,762	-5,920,155	43	42,280	-6,527,284	-6,484,961	-51,569,878	-11,625,784	-63,195,662

► Sava Insurance Group as at 31 December 2024 – non-life

EUR	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin				Total reinsurance contracts measured using the BBA	Total reinsurance contracts measured using the PAA	Total reinsurance contracts
			Contracts under the modified retrospective approach	Contracts under the fair value approach	Other contracts	Total contractual service margin			
Assets	-85,862,362	-11,203,129	11	10,897	-4,389,028	-4,378,119	-101,443,611	-5,795,816	-107,239,427
Liabilities	1,288,698	-103,824	–	–	-642,758	-642,758	542,116	942,355	1,484,470
Opening balance – net assets/liabilities	-84,573,664	-11,306,953	11	10,897	-5,031,786	-5,020,877	-100,901,495	-4,853,461	-105,754,957
Changes in the statement of profit or loss and other comprehensive income									
Changes that relate to future services	21,346,353	-3,646,879	4	-39,102	-17,741,347	-17,780,446	-80,972	18,827,836	18,746,864
Changes in estimates that adjust the contractual service margin	6,108,153	505,324	4	-39,102	-6,574,379	-6,613,477	0	0	0
Changes in estimates relating to recognition of and reversals of losses on onerous underlying contracts	–	–	–	–	4,872	4,872	4,872	0	4,872
Changes in recoveries of losses on onerous underlying contracts that adjust the contractual service margin	–	–	–	–	-85,844	-85,844	-85,844	0	-85,844
Effects of contracts initially recognised in the period	15,238,200	-4,152,203	–	–	-11,085,996	-11,085,996	0	0	0
Effects of contracts measured using the PAA							0	18,827,836	18,827,836
Changes that relate to current service	-11,949,658	2,424,930	-12	42,899	17,670,037	17,712,924	8,188,196	0	8,188,196
Amount of the contractual service margin recognised in profit or loss	–	–	-12	42,899	17,670,037	17,712,924	17,712,924		17,712,924
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	2,424,930	–	–	–	0	2,424,930		2,424,930
Experience adjustment	-11,949,658	–	–	–	–	0	-11,949,658		-11,949,658
Changes that relate to past service	15,777,431	7,587,720	0	0	0	0	23,365,151	-20,121,132	3,244,020
Changes in fulfilment cash flows relating to incurred claims	15,777,431	7,587,720	–	–	–	0	23,365,151	-20,121,132	3,244,020
Result from reinsurance contracts held	25,174,126	6,365,771	-8	3,797	-71,311	-67,522	31,472,376	-1,293,296	30,179,080
Net finance income or expenses from reinsurance contracts	-2,965,327	-518,846	–	171	-492,727	-492,556	-3,976,728	-244,340	-4,221,068
Finance effects from credit risk	-1,631,334	–	–	–	–	0	-1,631,334	-5,997	-1,637,331
Effect of movement in exchange rates	-70,240	-16,958	–	–	-4	-4	-87,202	0	-87,202
Foreign currency translation differences	–	–	–	–	–	0	0	-9,742	-9,742
Total changes in the statement of profit or loss and other comprehensive income	20,507,226	5,829,968	-8	3,968	-564,041	-560,082	25,777,111	-1,553,375	24,223,737
Cash flows									
Premiums received for insurance contracts issued	-36,074,178	–	–	–	–	0	-36,074,178	-18,646,526	-54,720,705
Recovered claims and insurance service expenses	55,326,756	–	–	–	–	0	55,326,756	7,446,195	62,772,952
Total cash flows	19,252,578	0	0	0	0	0	19,252,578	-11,200,331	8,052,247
Assets	-48,206,300	-5,060,681	3	14,865	-4,493,853	-4,478,985	-57,745,966	-19,572,514	-77,318,480
Liabilities	3,392,439	-416,305	–	–	-1,101,974	-1,101,974	1,874,160	1,965,347	3,839,507
Closing balance – net assets/liabilities	-44,813,861	-5,476,986	3	14,865	-5,595,827	-5,580,959	-55,871,806	-17,607,167	-73,478,973



► Sava Insurance Group as at 31 December 2025 – life

EUR	Present value of future cash flows	Adjustment for non- financial risk	Contractual service margin			Total reinsurance contracts measured using the BBA	Total reinsurance contracts
			Contracts under the fair value approach	Other contracts	Total contractual service margin		
Assets	443,756	35,393	208,632	-888,056	-679,424	-200,274	-200,274
Liabilities	996,130	-131,717	-183,695	-537,021	-720,717	143,696	143,696
Opening balance – net assets/liabilities	1,439,886	-96,324	24,937	-1,425,077	-1,400,140	-56,578	-56,578
Changes in the statement of profit or loss and other comprehensive income							
Changes that relate to future services	114,600	34,985	-86,409	-63,176	-149,585	0	0
Changes in estimates that adjust the contractual service margin	38,938	45,394	-81,146	-3,186	-84,332	0	0
Effects of contracts initially recognised in the period	75,662	-10,409	-5,263	-59,990	-65,253	0	0
Changes that relate to current service	-101,913	6,257	123,672	53,219	176,891	81,235	81,235
Amount of the contractual service margin recognised in profit or loss	–	–	123,672	53,219	176,891	176,891	176,891
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	6,257	–	–	0	6,257	6,257
Experience adjustment	-101,913	–	–	–	0	-101,913	-101,913
Changes that relate to past service	12,380	0	0	0	0	12,380	12,380
Changes in fulfilment cash flows relating to incurred claims	12,380	–	–	–	0	12,380	12,380
Result from reinsurance contracts held	25,068	41,242	37,263	-9,957	27,306	93,616	93,616
Net finance income or expenses from reinsurance contracts	-9,615	2,594	-658	-13,986	-14,645	-21,666	-21,666
Effect of movement in exchange rates	1,528	-240	–	-1,265	-1,265	24	24
Foreign currency translation differences	-2,214	339	–	1,869	1,869	-5	-5
Total changes in the statement of profit or loss and other comprehensive income	14,766	43,936	36,605	-23,338	13,266	71,968	71,968
Cash flows							
Premiums received for insurance contracts issued	-306,429	–	–	–	0	-306,429	-306,429
Recovered claims and insurance service expenses	144,673	–	–	–	0	144,673	144,673
Reinsurance acquisition cash flows	–	–	–	–	0	0	0
Total cash flows	-161,756	0	0	0	0	-161,756	-161,756
Assets	1,011,087	-45,676	248,746	-1,448,416	-1,199,669	-234,258	-234,258
Liabilities	281,808	-6,712	-187,205	–	-187,205	87,891	87,891
Closing balance – net assets/liabilities	1,292,896	-52,388	61,541	-1,448,416	-1,386,874	-146,366	-146,366



► Sava Insurance Group as at 31 December 2024 – life

EUR	Present value of future cash flows	Adjustment for non- financial risk	Contractual service margin			Total reinsurance contracts measured using the BBA	Total reinsurance contracts
			Contracts under the fair value approach	Other contracts	Total contractual service margin		
Assets	489,865	46,923	109,137	-888,056	-778,918	-242,131	-242,131
Liabilities	320,842	-6,721	-156,548	–	-156,548	157,574	157,574
Opening balance – net assets/liabilities	810,707	40,202	-47,411	-888,056	-935,466	-84,557	-84,557
Changes in the statement of profit or loss and other comprehensive income							
Changes that relate to future services	748,649	-134,099	-51,304	-563,246	-614,550	0	0
Changes in estimates that adjust the contractual service margin	642,517	-126,680	-8,138	-507,698	-515,837	0	0
Effects of contracts initially recognised in the period	106,132	-7,419	-43,165	-55,548	-98,713	0	0
Changes that relate to current service	-83,765	-3,465	123,892	27,577	151,469	64,239	64,239
Amount of the contractual service margin recognised in profit or loss	–	–	123,892	27,577	151,469	151,469	151,469
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	-3,465	–	–	0	-3,465	-3,465
Experience adjustment	-83,765	–	–	–	0	-83,765	-83,765
Changes that relate to past service	10,861	0	0	0	0	10,861	10,861
Changes in fulfilment cash flows relating to incurred claims	10,861	–	–	–	0	10,861	10,861
Result from reinsurance contracts held	675,745	-137,564	72,589	-535,669	-463,081	75,100	75,100
Net finance income or expenses from reinsurance contracts	64,487	1,072	-241	-1,226	-1,467	64,092	64,092
Finance effects from credit risk	–	–	–	–	0	0	0
Effect of movement in exchange rates	-396	69	–	315	315	-11	-11
Foreign currency translation differences	562	-102	–	-441	-441	19	19
Total changes in the statement of profit or loss and other comprehensive income	740,399	-136,526	72,348	-537,021	-464,674	139,199	139,199
Cash flows							
Premiums received for insurance contracts issued	-301,645	–	–	–	0	-301,645	-301,645
Recovered claims and insurance service expenses	190,425	–	–	–	0	190,425	190,425
Reinsurance acquisition cash flows	–	–	–	–	0	0	0
Total cash flows	-111,220	0	0	0	0	-111,220	-111,220
Assets	443,756	35,393	208,632	-888,056	-679,424	-200,274	-200,274
Liabilities	996,130	-131,717	-183,695	-537,021	-720,717	143,696	143,696
Closing balance – net assets/liabilities	1,439,886	-96,324	24,937	-1,425,077	-1,400,140	-56,578	-56,578



► Sava Re as at 31 December 2025

EUR	Present value of future cash flows	Adjustment for non- financial risk	Contractual service margin		Total reinsurance contracts measured using the BBA	Total reinsurance contracts measured using the PAA	Total reinsurance contracts
			Other contracts	Total contractual service margin			
Assets	-44,372,090	-4,533,413	-3,939,618	-3,939,618	-52,845,122	-13,116,985	-65,962,107
Liabilities	3,018,701	-349,022	-939,138	-939,138	1,730,540	461,485	2,192,025
Opening balance – net assets/liabilities	-41,353,390	-4,882,436	-4,878,756	-4,878,756	-51,114,582	-12,655,500	-63,770,082
Changes in the statement of profit or loss and other comprehensive income							
Changes that relate to future services	16,675,834	-2,663,462	-14,012,372	-14,012,372	0	15,106,256	15,106,255
Changes in estimates that adjust the contractual service margin	2,248,775	78,105	-2,326,879	-2,326,879	0		0
Effects of contracts initially recognised in the period	14,427,060	-2,741,567	-11,685,493	-11,685,493	0		0
Effects of contracts measured using the PAA					0	15,106,256	15,106,256
Changes that relate to current service	-5,355,097	1,054,185	13,770,271	13,770,271	9,469,359	0	9,469,359
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	13,770,271	13,770,271	13,770,271		13,770,271
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	1,054,185	–	0	1,054,185		1,054,185
Experience adjustment	-5,355,097	–	–	0	-5,355,097		-5,355,097
Changes that relate to past service	2,473,661	1,302,006	0	0	3,775,667	-1,066,844	2,708,823
Changes in fulfilment cash flows relating to incurred claims	2,473,661	1,302,006	–	0	3,775,667	-1,066,844	2,708,823
Result from reinsurance contracts held	13,794,398	-307,272	-242,101	-242,101	13,245,026	14,039,412	27,284,438
Net finance income or expenses from reinsurance contracts	-150,944	-93,021	-361,740	-361,740	-605,705	-205,597	-811,302
Finance effects from credit risk	61,391	–	–	0	61,391	-16,633	44,758
Effect of movement in exchange rates	-23,005	28,196	49,134	49,134	54,325	0	54,325
Total changes in the statement of profit or loss and other comprehensive income	13,681,841	-372,102	-554,707	-554,707	12,755,033	13,817,182	26,572,215
Cash flows							
Premiums received for insurance contracts issued	-21,419,123	–	–	0	-21,419,123	-14,932,296	-36,351,419
Recovered claims and insurance service expenses	13,448,565	–	–	0	13,448,565	9,620,503	23,069,068
Total cash flows	-7,970,558	0	0	0	-7,970,558	-5,311,793	-13,282,351
Assets	-40,281,263	-5,073,062	-4,543,214	-4,543,214	-49,897,539	-4,846,691	-54,744,230
Liabilities	4,639,157	-181,476	-890,248	-890,248	3,567,433	696,579	4,264,012
Closing balance – net assets/liabilities	-35,642,106	-5,254,538	-5,433,463	-5,433,463	-46,330,106	-4,150,111	-50,480,218



► Sava Re as at 31 December 2024

EUR	Present value of future cash flows	Adjustment for non- financial risk	Contractual service margin		Total reinsurance contracts measured using the BBA	Total reinsurance contracts measured using the PAA	Total reinsurance contracts
			Other contracts	Total contractual service margin			
Assets	-81,217,678	-10,728,485	-3,816,458	-3,816,458	-95,762,621	0	-95,762,621
Liabilities	1,110,414	-82,220	-581,346	-581,346	446,848	0	446,848
Opening balance – net assets/liabilities	-80,107,264	-10,810,704	-4,397,804	-4,397,804	-95,315,773	0	-95,315,773
Changes in the statement of profit or loss and other comprehensive income							
Changes that relate to future services	17,647,299	-2,914,685	-14,732,614	-14,732,614	0	9,864,590	9,864,590
Changes in estimates that adjust the contractual service margin	5,740,259	495,328	-6,235,586	-6,235,586	0	0	0
Effects of contracts initially recognised in the period	11,907,041	-3,410,013	-8,497,028	-8,497,028	0	0	0
Effects of contracts measured using the PAA					0	9,864,590	9,864,590
Changes that relate to current service	-12,389,275	1,854,172	14,642,719	14,642,719	4,107,615	0	4,107,615
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	–	–	14,642,719	14,642,719	14,642,719	0	14,642,719
Change in the risk adjustment for non-financial risk that does not relate to future service or past service	–	1,854,172	–	0	1,854,172	0	1,854,172
Experience adjustment	-12,389,275	–	–	0	-12,389,275		-12,389,275
Changes that relate to past service	17,045,056	7,493,587	0	0	24,538,643	-15,020,139	9,518,504
Changes in fulfilment cash flows relating to incurred claims	17,045,056	7,493,587	–	0	24,538,643	-15,020,139	9,518,504
Result from reinsurance contracts held	22,303,080	6,433,073	-89,895	-89,895	28,646,258	-5,155,549	23,490,709
Net finance income or expenses from reinsurance contracts	-2,910,864	-487,847	-391,052	-391,052	-3,789,763	-60,400	-3,850,163
Finance effects from credit risk	-1,551,767	–	–	0	-1,551,767	29,529	-1,522,238
Effect of movement in exchange rates	-70,240	-16,958	-4	-4	-87,202	0	-87,202
Total changes in the statement of profit or loss and other comprehensive income	17,770,209	5,928,269	-480,952	-480,952	23,217,526	-5,186,420	18,031,106
Cash flows							
Premiums received for insurance contracts issued	-29,834,224	–	–	0	-29,834,224	-7,469,080	-37,303,304
Recovered claims and insurance service expenses	50,817,889	–	–	0	50,817,889	0	50,817,889
Total cash flows	20,983,665	0	0	0	20,983,665	-7,469,080	13,514,585
Assets	-44,372,090	-4,533,413	-3,939,618	-3,939,618	-52,845,122	-13,116,985	-65,962,107
Liabilities	3,018,701	-349,022	-939,138	-939,138	1,730,540	461,485	2,192,025
Closing balance – net assets/liabilities	-41,353,390	-4,882,436	-4,878,756	-4,878,756	-51,114,582	-12,655,500	-63,770,082



3.7.14 Effects of (re)insurance contracts initially recognised in the period (BBA, VFA)

EUR 31 December 2025	Sava Insurance Group				Sava Re	
	Non-life		Life		Non-life	
	Contracts issued		Contracts issued		Contracts issued	
	Profitable	Onerous	Profitable	Onerous	Profitable	Onerous
Insurance contracts						
Claims incurred and other insurance service expenses	84,531,002	20,107,798	149,139,716	13,271,242	124,688,363	15,973,810
Insurance acquisition cash flows	16,446,704	4,089,412	27,725,826	2,938,805	8,722,311	1,081,164
Present value of expected cash outflows	100,977,706	24,197,210	176,865,542	16,210,047	133,410,674	17,054,973
Present value of expected cash inflows	-138,683,728	-25,288,779	-209,638,437	-15,696,001	-178,338,142	-18,152,555
Adjustment for non-financial risk	12,326,484	3,178,460	5,479,974	309,582	16,609,855	3,019,350
Contractual service margin	25,379,537	–	27,292,190	–	28,317,614	–
Total at initial recognition	0	2,086,891	-730	823,628	0	1,921,768

EUR 31 December 2025	Sava Insurance Group		Sava Re	
	Non-life		Life	
	Contracts issued		Contracts issued	
	Contracts recognised without loss recovery	Contracts recognised with loss recovery	Contracts recognised without loss recovery	Contracts recognised with loss recovery
Reinsurance contracts				
Premiums	-23,327,491	-354,096	-65,237	-20,499,226
Present value of expected cash outflows	-23,327,491	-354,096	-65,237	-20,499,226
Present value of expected cash inflows	41,912,252	709,891	140,897	34,926,286
Adjustment for non-financial risk	-3,595,459	-111,643	-10,409	-2,741,567
Contractual service margin	-14,989,302	-244,153	-65,252	-11,685,493
Loss component	–	-82,850	–	–
Total at initial recognition	0	-82,850	0	0



EUR 31 December 2024	Sava Insurance Group				Sava Re	
	Non-life		Life		Non-life	
	Contracts issued		Contracts issued		Contracts issued	
	Profitable	Onerous	Profitable	Onerous	Profitable	Onerous
Insurance contracts						
Claims incurred and other insurance service expenses	63,466,189	15,342,693	124,398,506	11,321,132	101,338,775	14,128,879
Insurance acquisition cash flows	13,956,048	1,780,987	18,453,308	2,183,604	8,331,635	1,026,949
Present value of expected cash outflows	77,422,238	17,123,680	142,851,814	13,504,736	109,670,410	15,155,827
Present value of expected cash inflows	-109,449,582	-18,055,201	-172,131,796	-12,716,214	-152,579,164	-16,058,182
Adjustment for non-financial risk	9,746,329	2,645,734	4,265,952	259,770	15,598,539	2,585,447
Contractual service margin	22,281,015	–	25,014,030	–	27,310,216	–
Total at initial recognition	0	1,714,213	0	1,048,292	0	1,683,092

EUR 31 December 2024	Sava Insurance Group		Sava Re	
	Non-life		Life	
	Contracts issued		Contracts issued	
	Contracts recognised without loss recovery	Contracts recognised with loss recovery	Contracts recognised without loss recovery	Contracts recognised with loss recovery
Reinsurance contracts				
Premiums	-15,654,254	-380,202	-72,133	-13,448,815
Present value of expected cash outflows	-15,654,254	-380,202	-72,133	-13,448,815
Present value of expected cash inflows	30,521,961	750,694	178,265	25,355,855
Adjustment for non-financial risk	-4,033,935	-118,267	-7,419	-3,410,013
Contractual service margin	-10,833,772	-252,225	-98,713	-8,497,028
Loss component	–	-136,040	–	–
Total at initial recognition	0	-136,040	0	0

3.7.15 Expected CSM release

► Sava Insurance Group as at 31 December 2025 – non-life

EUR	< 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5–10 years	> 10 years	Total
Insurance contracts	8,880,946	1,702,665	1,274,659	1,065,041	874,367	1,347,660	437,725	15,583,063
Reinsurance contracts	-6,086,182	-119,278	-84,863	-92,442	-102,105	-27	-63	-6,484,961
Total	2,794,764	1,583,386	1,189,796	972,599	772,262	1,347,633	437,662	9,098,102

► Sava Insurance Group as at 31 December 2024 – non-life

EUR	< 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5–10 years	> 10 years	Total
Insurance contracts	7,068,587	1,319,818	978,979	780,952	636,069	1,247,727	390,185	12,422,318
Reinsurance contracts	-5,518,536	-53,299	-8,901	-223	–	–	–	-5,580,959
Total	1,550,051	1,266,520	970,078	780,728	636,069	1,247,727	390,185	6,841,359

► Sava Insurance Group as at 31 December 2025 – life

EUR	< 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5–10 years	> 10 years	Total
Insurance contracts	21,887,074	19,060,968	16,737,465	14,846,518	13,263,447	46,344,500	42,973,790	175,113,762
Reinsurance contracts	-181,258	-144,838	-128,883	-116,781	-106,167	-384,998	-323,950	-1,386,874
Total	21,705,816	18,916,130	16,608,582	14,729,737	13,157,280	45,959,502	42,649,840	173,726,887

► Sava Insurance Group as at 31 December 2024 – life

EUR	< 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5–10 years	> 10 years	Total
Insurance contracts	19,608,395	17,266,579	15,342,519	13,677,926	12,264,655	43,815,971	41,178,892	163,154,936
Reinsurance contracts	-161,805	-137,129	-124,315	-112,387	-102,841	-387,658	-374,006	-1,400,140
Total	19,446,590	17,129,450	15,218,204	13,565,539	12,161,814	43,428,313	40,804,886	161,754,796

► Sava Re as at 31 December 2025

EUR	< 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5–10 years	> 10 years	Total
Insurance contracts	9,292,235	175,452	41,263	39,587	32,743	14,477	2,143	9,597,900
Reinsurance contracts	-5,408,540	-22,001	-2,922	–	–	–	–	-5,433,463
Total	3,883,696	153,451	38,341	39,587	32,743	14,477	2,143	4,164,438

► Sava Re as at 31 December 2024

EUR	< 1 year	1–2 years	2–3 years	3–4 years	4–5 years	5–10 years	> 10 years	Total
Insurance contracts	9,362,094	194,908	16,829	9,078	6,774	18,204	4,921	9,612,808
Reinsurance contracts	-4,868,283	-9,394	-1,080	–	–	–	–	-4,878,756
Total	4,493,811	185,514	15,750	9,078	6,774	18,204	4,921	4,734,052

3.7.16 Finance income or expenses from (re)insurance contracts

EUR 31 December 2025	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Net finance income or expenses from insurance contracts				
Changes in the fair value of the portfolio of insurance contracts with direct participation features	–	-64,057,715	-64,057,715	–
Accrued interest under current financial assumptions	–	-99,097	-99,097	–
Accrued interest at locked-in interest rate	-13,797,069	-783,403	-14,580,472	-9,510,433
Changes in interest rates and other financial assumptions	2,611,321	-3,463,824	-852,502	-503,549
Foreign exchange gains/losses	9,119,616	-27,779	9,091,837	9,042,997
Foreign currency translation differences	101,670	33,637	135,307	–
Total net finance income or expenses from insurance contracts	-1,964,461	-68,398,181	-70,362,642	-970,985
Net finance income or expenses from reinsurance contracts				
Accrued interest at locked-in interest rate	1,748,005	-176	1,747,829	1,515,137
Changes in interest rates and other financial assumptions	-700,588	21,841	-678,747	-704,278
Foreign exchange gains/losses	-53,878	9	-53,869	-53,878
Foreign currency translation differences	-14,439	-27	-14,466	–
Net finance income or expenses from reinsurance contracts	979,100	21,648	1,000,748	756,981
Finance effects from credit risk	168,856	–	168,856	-44,758
Total net finance income or expenses from reinsurance contracts	1,147,956	21,648	1,169,604	712,223
Total	-816,505	-68,376,534	-69,193,038	-258,762
Recognised in				
Amounts recognised in profit or loss	-2,814,470	-67,655,452	-70,469,921	949,065
Amounts recognised in other comprehensive income	1,997,965	-721,082	1,276,883	-1,207,827
Finance income or expenses from insurance contracts				
Net finance income or expenses from insurance contracts	-1,964,461	-68,398,181	-70,362,642	-970,985
Recognised in profit or loss	-4,677,453	-67,655,286	-72,332,738	-467,436
Recognised in other comprehensive income (excluding the effect of exchange rate differences)	2,662,543	-778,361	1,884,181	-455,785
Effects of exchange rate differences in other comprehensive income	-51,394	926	-50,468	-47,764
Foreign currency translation differences	101,843	34,540	136,383	–
Net finance income or expenses from reinsurance contracts	1,147,956	21,648	1,169,604	712,223
Recognised in profit or loss	1,862,983	-166	1,862,817	1,416,501
Recognised in other comprehensive income (excluding the effect of exchange rate differences)	-700,141	21,841	-678,300	-703,831
Effects of exchange rate differences in other comprehensive income	-488	-33	-521	-447
Foreign currency translation differences	-14,398	5	-14,393	–

EUR 31 December 2024	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Net finance income or expenses from insurance contracts				
Changes in the fair value of the portfolio of insurance contracts with direct participation features	–	-99,737,541	-99,737,541	–
Accrued interest under current financial assumptions	–	-135,126	-135,126	–
Accrued interest at locked-in interest rate	-13,010,357	-7,626,513	-20,636,870	-9,780,174
Changes in interest rates and other financial assumptions	-6,770,464	-10,851,426	-17,621,890	-2,801,470
Foreign exchange gains/losses	-1,609,606	10,958	-1,598,648	-1,470,717
Foreign currency translation differences	-87,207	-29,418	-116,625	–
Total net finance income or expenses from insurance contracts	-21,477,634	-118,369,065	-139,846,699	-14,052,361
Net finance income or expenses from reinsurance contracts				
Accrued interest at locked-in interest rate	2,532,137	-609	2,531,528	2,198,879
Changes in interest rates and other financial assumptions	1,687,080	-63,478	1,623,601	1,649,432
Foreign exchange gains/losses	89,054	7	89,061	89,054
Foreign currency translation differences	9,742	-19	9,724	–
Net finance income or expenses from reinsurance contracts	4,318,013	-64,099	4,253,913	3,937,365
Finance effects from credit risk	1,637,331	–	1,637,331	1,522,238
Total net finance income or expenses from reinsurance contracts	5,955,343	-64,099	5,891,244	5,459,604
Total	-15,522,291	-118,433,164	-133,955,455	-8,592,757
Recognised in				
Amounts recognised in profit or loss	-10,361,442	-103,909,280	-114,270,722	-7,440,719
Amounts recognised in other comprehensive income	-5,160,849	-14,523,884	-19,684,733	-1,152,038
Finance income or expenses from insurance contracts				
Net finance income or expenses from insurance contracts	-21,477,634	-118,369,065	-139,846,699	-14,052,361
Recognised in profit or loss	-14,619,963	-103,908,678	-118,528,641	-11,250,891
Recognised in other comprehensive income (excluding the effect of exchange rate differences)	-6,746,223	-14,429,900	-21,176,123	-2,771,685
Effects of exchange rate differences in other comprehensive income	-24,241	-1,069	-25,310	-29,785
Foreign currency translation differences	-87,207	-29,418	-116,625	–
Net finance income or expenses from reinsurance contracts	5,955,343	-64,099	5,891,244	5,459,604
Recognised in profit or loss	4,258,522	-602	4,257,920	3,810,171
Recognised in other comprehensive income (excluding the effect of exchange rate differences)	1,688,949	-63,483	1,625,466	1,651,302
Effects of exchange rate differences in other comprehensive income	-1,869	4	-1,865	-1,869
Foreign currency translation differences	9,742	-19	9,724	–



3.7.17 Receivables

► Receivables by type

Sava Insurance Group						
EUR	31 December 2025			31 December 2024		
	Gross amount	Allowance	Receivables	Gross amount	Allowance	Receivables
Current tax assets	315,608	–	315,608	2,168,191	–	2,168,191
Other short-term receivables arising out of insurance business (outside the scope of IFRS 17)	4,880,836	-1,165,918	3,714,918	4,706,992	-1,110,947	3,596,045
Receivables from financing	1,351,430	-166,943	1,184,488	1,046,122	-166,967	879,156
Trade and other receivables	13,565,972	-1,352,290	12,213,682	13,898,853	-1,659,249	12,239,604
Trade and other receivables	19,798,238	-2,685,151	17,113,087	19,651,968	-2,937,162	16,714,805
Total	20,113,846	-2,685,151	17,428,695	21,820,158	-2,937,162	18,882,996

Sava Re						
EUR	31 December 2025			31 December 2024		
	Gross amount	Allowance	Receivables	Gross amount	Allowance	Receivables
Current tax assets	0	0	0	671,315	0	671,315
Receivables from financing	207	–	207	67,406	–	67,406
Trade and other receivables	219,711	–	219,711	634,406	-341,035	293,372
Trade and other receivables	219,918	0	219,918	701,812	-341,035	360,778
Total	219,918	0	219,918	1,373,128	-341,035	1,032,093



► Trade and other receivables

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Receivables arising out of advances for intangible assets	147,877	208,113	–	–
Short-term trade receivables	7,232,844	7,611,592	155,863	147,546
Short-term receivables due from government and other institutions	370,034	647,412	30,045	107,941
Short-term receivables due from employees	41,368	53,839	288	416
Receivables arising out of advances for property, plant and equipment	150,334	111,485	–	–
Other current receivables	4,271,224	3,607,163	33,513	37,470
Other short-term receivables	12,213,682	12,239,604	219,710	293,372

► Net receivables ageing analysis

Sava Insurance Group					
EUR					
31 December 2025	Not past due	Past due up to 180 days	Past due from 180 days to 1 year	Past due over 1 year	Total
Current tax assets	315,608	0	0	0	315,608
Other short-term receivables arising out of insurance business (outside the scope of IFRS 17)	2,311,137	1,366,428	1,549	35,804	3,714,918
Receivables arising out of investments	1,166,016	–	–	18,471	1,184,488
Trade and other receivables	11,028,347	1,162,090	5,334	17,911	12,213,682
Trade and other receivables	14,505,501	2,528,517	6,883	72,186	17,113,087
Total	14,821,109	2,528,517	6,883	72,186	17,428,695



Sava Insurance Group

EUR 31 December 2024	Not past due	Past due up to 180 days	Past due from 180 days to 1 year	Past due over 1 year	Total
Current tax assets	2,168,191	0	0	0	2,168,191
Other short-term receivables arising out of insurance business (outside the scope of IFRS 17)	1,900,472	1,616,096	26,688	52,789	3,596,045
Receivables from financing	860,920	–	–	18,236	879,156
Trade and other receivables	10,842,340	1,306,077	78,288	12,900	12,239,604
Trade and other receivables	13,603,731	2,922,174	104,975	83,925	16,714,805
Total	15,771,922	2,922,174	104,975	83,925	18,882,996

Sava Re

EUR 31 December 2025	Not past due	Total
Receivables arising out of investments	208	208
Trade and other receivables	219,710	219,710
Trade and other receivables	219,918	219,918
Total	219,918	219,918

Sava Re

EUR 31 December 2024	Not past due	Total
Current tax assets	671,315	671,315
Receivables from financing	67,406	67,406
Trade and other receivables	293,372	293,372
Trade and other receivables	360,778	360,778
Total	1,032,093	1,032,093



► Movement in allowance for receivables

Sava Insurance Group						
EUR						
31 December 2025	31 December 2024	Additions	Collection	Write-off	Exchange differences	31 December 2025
Other short-term receivables arising out of insurance business (outside the scope of IFRS 17)	-1,110,947	-168,067	85,941	25,677	1,477	-1,165,918
Receivables arising out of investments	-166,966	–	–	–	24	-166,942
Trade and other receivables	-1,659,249	-83,644	39,444	347,010	4,149	-1,352,290
Trade and other receivables	-2,937,162	-251,711	125,385	372,688	5,651	-2,685,151
Total	-2,937,162	-251,711	125,385	372,688	5,651	-2,685,151

Sava Insurance Group						
EUR						
31 December 2024	31 December 2023	Additions	Reversals	Write-off	Exchange differences	31 December 2024
Other short-term receivables arising out of insurance business (outside the scope of IFRS 17)	-1,148,176	-86,664	119,884	5,773	-1,764	-1,110,947
Receivables from financing	-166,900	0	0	0	-66	-166,966
Trade and other receivables	-2,097,132	-39,246	464,045	17,697	-4,615	-1,659,249
Trade and other receivables	-3,412,208	-125,910	583,929	23,470	-6,445	-2,937,162
Total	-3,412,208	-125,910	583,929	23,470	-6,445	-2,937,162

Sava Re			
EUR			
	31 December 2024	Write-off	31 December 2025
Trade and other receivables	-341,035	341,035	0
Trade and other receivables	-341,035	341,035	0
Total	-341,035	341,035	0



3.7.18 Other assets

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Inventories	93,444	132,658	–	–
Other short-term deferred costs (expenses) and accrued revenue	7,246,118	4,924,685	1,339,985	994,736
Total	7,339,562	5,057,343	1,339,985	994,736

The Group’s inventory consists of strict record forms, green card forms, office supplies and sanitary materials, none of which are subject to pledge.

Other current deferred costs (expenses) and accrued revenue consist of prepaid costs for services (maintenance, development, user fees, costs of electronic media and marketing services).

3.7.19 Cash and cash equivalents

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Cash in hand	116,447	51,681	–	–
Cash in bank accounts	21,649,477	24,319,455	4,920,388	7,144,088
Call and overnight deposits, and deposits of up to 3 months	21,929,615	27,978,629	2,162,566	7,580,006
Total	43,695,540	52,349,765	7,082,955	14,724,094

The decrease in cash and cash equivalents reflects the transfer of funds to financial investments.

The availability of rouble (RUB) cash is limited due to EU sanctions. The currency is actively traded and is equivalent to EUR 737,756 at 31 December 2025 (31 December 2024: EUR 592,161).

3.7.20 Non-current assets held for sale

Sava Insurance Group		
EUR	31 December 2025	31 December 2024
Balance as at 1 January	1,225,892	259,649
Additions	–	1,157,000
Reclassification	–	-190,757
Disposal	-1,200,373	–
Exchange differences	-168	–
Balance as at 31 December	25,352	1,225,892

In 2024, the Company reclassified its business premises as non-current assets held for sale, which were then sold in 2025. In 2025, the Group realised a gain from the sale of the aforementioned assets of EUR 11,604 (2024: EUR 576,175).

3.7.21 Share capital

As at 31 December 2025, the parent’s share capital was divided into 17,219,662 shares (the same as at 31 December 2024) and amounted to EUR 71,856,376. All shares are ordinary registered shares of the same class. Their holders are entitled to participate in the Company’s control and profits (dividends). Each share carries one vote in general meeting and entitles the bearer to a proportionate share of the dividend distribution.

Shares are recorded in the Central Securities Clearing Corporation (KDD) under the POSR ticker symbol.

As at year-end 2025, the Company’s shareholders’ register listed 4,675 shareholders (31 December 2024: 4,422 shareholders). The Company’s shares are listed in the prime market of the Ljubljana Stock Exchange.



3.7.22 Capital reserves

► Movement in capital reserves

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Balance as at 1 January	42,490,942	42,702,320	54,239,757	54,239,757
Acquisition of non-controlling interests by company	0	-128,014		
– TBS Team 24	–	-128,014		
Coverage of losses from previous years	0	-83,363		
– Asistim	–	-83,363		
Balance as at 31 December	42,490,942	42,490,942	54,239,757	54,239,757

3.7.23 Profit reserves

EUR	Sava Insurance Group			Sava Re		
	31 December 2025	31 December 2024	Distributable/ non-distributable	31 December 2025	31 December 2024	Distributable/ non-distributable
Legal reserves and reserves provided for by the articles of association	12,271,580	12,210,226	non-distributable	14,986,525	14,986,525	non-distributable
Capital redemption reserve	24,938,709	24,938,709	non-distributable	24,938,709	24,938,709	non-distributable
Other profit reserves	306,780,392	270,872,856	distributable	303,907,661	268,151,390	distributable
Total	343,990,680	308,021,790		343,832,895	308,076,624	

Profit reserves are retained from previous years’ profits, primarily to offset potential future losses. In accordance with the Slovenian Companies Act (ZGD-1), the management board, when adopting the 2025 annual report, allocated half of the net profit amounting to EUR 35,756,270.66 to “other profit reserves” (2024: EUR 26,117,165.13).

3.7.24 Treasury shares

As at 31 December 2025, the Company held a total of 1,721,966 own shares (2024: 1,721,966) traded on the Ljubljana Stock Exchange under the ticker symbol “POSR” (accounting for 10% less one share of the issued shares) for a value of EUR 24,938,709 (2024: EUR 24,938,709).

Treasury shares are a contra account of equity. Treasury shares are not pledged.

3.7.25 Accumulated other comprehensive income

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Accumulated other comprehensive income from financial investments	-43,010,546	-56,075,854	-4,076,899	-7,749,916
Accumulated other comprehensive income on insurance contracts	29,248,501	27,591,860	-488,724	-95,956
Accumulated other comprehensive income on reinsurance contracts	399,593	926,752	305,849	855,186
Provisions for employees	1,839,805	1,821,822	148,864	166,588
Total	-11,522,648	-25,735,420	-4,110,909	-6,824,097

The movement in accumulated other comprehensive income from insurance and reinsurance contracts is described in note [3.7.16 “Finance income or expenses from \(re\)insurance contracts”](#). Provisions for employees comprise actuarial gains and losses arising from recognising provisions for severance pay upon retirement. Movements are shown in section [3.7.31 “Other provisions”](#).

3.7.26 Profit or loss for the period

The net consolidated profit for 2025 totalled EUR 114.1 million (2024: EUR 87.8 million).

The Company ended the 2025 financial year with a net profit of EUR 71.5 million (2024: EUR 52.2 million).

► Earnings or loss per share

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Net profit or loss for the period	114,052,599	87,846,542	71,512,541	52,234,329
Net profit or loss attributable to owners of the controlling company	113,911,439	87,655,725	–	–
Weighted average number of shares outstanding	15,497,696	15,497,696	15,497,696	15,497,696
Earnings or loss per share	7.35	5.66	–	–

The Company’s earnings per share for the financial year 2025 were EUR 4.61 (2024: EUR 3.37).

► Comprehensive income per share

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Comprehensive income for the period	128,950,003	90,388,937	74,225,729	55,176,547
Comprehensive income for the owners of the controlling company	128,797,468	90,199,818	–	–
Weighted average number of shares outstanding	15,497,696	15,497,696	15,497,696	15,497,696
Comprehensive income per share	8.31	5.82	–	–

The Company’s comprehensive income per share for the financial year 2025 was EUR 4.79 (2024: EUR 3.56).

The weighted number of shares takes into account the annual average calculated on the basis of monthly averages of ordinary shares less the number of treasury shares. The weighted average number of shares outstanding in the financial period was 15,497,696 and the same as in 2024. The parent does not have potentially dilutive capital instruments, which is why basic earnings per share equal diluted earnings per share.

3.7.27 Retained earnings

As at 31 December 2025, the Company’s retained earnings were EUR 8.8 million lower than they were on 31 December 2024 (2024: decrease of EUR 2.4 million).

In 2025, the Company paid out EUR 34,869,816 in dividends (2024: EUR 27,120,968). The distributable profit for 2025 totals EUR 57.4 million (2024: EUR 56.5 million).

In 2024, the Group’s retained earnings increased due to the recognition of profits for the period of EUR 61.5 million (2024: an increase of EUR 39.7 million) and the payment of dividends of EUR 34.9 million (2024: EUR 27.3 million).

► Statement of distributable profit or loss

Sava Re		
EUR	2025	2024
Net profit or loss for the period	71,512,541.33	52,234,330.27
Retained earnings	21,672,990.98	30,425,641.84
Carry-forward of the previous year	21,672,990.98	30,425,641.84
Additions to other reserves as per resolution of the management and supervisory boards	-35,756,270.66	-26,117,165.13
Distributable profit	57,429,261.65	56,542,806.98
– to shareholders	–	34,869,816.00
– to be carried forward to the next year	–	21,672,990.98

3.7.28 Foreign currency translation reserve

Sava Insurance Group		
EUR	31 December 2025	31 December 2024
Foreign currency translation reserve	3,028,054	2,965,039
Total	3,028,054	2,965,039

The translation reserve relates to exchange differences arising from the translation or consolidation of the financial statements of subsidiaries. Translation differences mainly relate to the change in the value of the Serbian dinar and the Nort Macedonian denar.



3.7.29 Non-controlling interests in equity

► Non-controlling interests in equity

Sava Insurance Group		
EUR	31 December 2025	31 December 2024
Sava Osiguruvanje (MKD)	537,370	470,090
Sava Station (MNE)	12,250	13,661
TBS Team 24	176,197	132,112
Vita S Holding (MKD)	314,839	233,219
PZU Vita S (MKD)	-62,780	-
Total	977,875	849,083

3.7.30 Subordinated liabilities

The parent company has two subordinated bonds in issue. The first was issued in October 2019, maturing in 2039, with ISIN code XS2063427574 and an early recall option for 7 November 2029. The second was issued in October 2024 and matures in 2029, with ISIN code XS2884012332.

The total issue size of the first subordinated bond is EUR 75.0 million. Until the early recall option of the bond, the annual interest rate is fixed at 3.75%, and the coupon is payable annually. If the issuer does not exercise the early recall option, the annual interest rate after the date of the early recall will be 4.683% over the three-month Euribor, with coupons payable quarterly.

The bond is admitted to trading on the regulated market of the Luxembourg Stock Exchange. As at 31 December 2025, the market price of the bond was 91.616% and the market value EUR 68,712,000 (31 December 2024: price 86.862% and market value EUR 65,146,500). The book value of the bond as at 31 December 2025 was EUR 75,121,348 (31 December 2024: EUR 75,053,218). The effective interest rate on the first bond issued (calculated from the early recall option) is 3.86%.

The total issue size of the second subordinated bond is EUR 50.0 million. The annual interest rate is fixed at 5.2% until the bond matures, and the coupon is payable annually.

The bond is admitted to trading on the regulated market of the Luxembourg Stock Exchange. As at 31 December 2025, the market price of the bond was 99.945% and the market value EUR 49,972,500 (31 December 2024: price 99.66% and market value EUR 49,830,000). The book value of the bond as at 31 December 2025 was EUR 50,120,667 (31 December 2024: EUR 50,005,256). The effective interest rate on the second bond issued is 5.5%.

Sava Re				
EUR	31 December 2024	Additions	Decrease	31 December 2025
XS2063427574	75,053,218	2,880,630	-2,812,500	75,121,348
XS2884012332	50,005,256	2,715,411	-2,600,000	50,120,667
Total	125,058,474	5,596,041	-5,412,500	125,242,015

The increase includes accrued interest until the end of 2025 and amortisation of issuance costs until maturity. The decrease represents interest paid (coupon).

Finance costs consist of interest on subordinated debt of EUR 5,596,041 (2024: EUR 3,569,778) and interest on leases of EUR 423,447 (2024: EUR 399,695).

3.7.31 Other provisions

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Provision for severance pay upon retirement	5,075,048	4,825,115	366,197	321,119
Provision for jubilee benefits	3,121,005	2,994,345	208,946	153,144
Other provisions	812,572	762,958	-	-
Total	9,008,625	8,582,417	575,143	474,263



► Movement in the provision for severance pay upon retirement and jubilee benefits

EUR	Sava Insurance Group			Sava Re		
	Provision for severance pay upon retirement	Provision for jubilee benefits	Total	Provision for severance pay upon retirement	Provision for jubilee benefits	Total
31 December 2024	4,825,115	2,994,345	7,819,459	321,119	153,144	474,263
Interest expense (IS)	102,200	68,770	170,970	7,339	-6,236	1,104
Current service cost (IS)	375,443	363,819	739,261	34,257	25,495	59,751
Past service cost (IS)	–	19,924	19,924	–	19,924	19,924
Payout of benefits (-)	-231,730	-386,169	-617,899	-14,242	-19,306	-33,548
Actuarial losses (IS)	15,642	60,355	75,997	–	35,925	35,925
Actuarial losses (SFP)	-9,908	–	-9,908	17,724	–	17,724
Exchange differences	-1,714	-38	-1,752	–	–	–
Balance as at 31 December 2025	5,075,048	3,121,005	8,196,053	366,197	208,946	575,143

EUR	Sava Insurance Group			Sava Re		
	Provision for severance pay upon retirement	Provision for jubilee benefits	Total	Provision for severance pay upon retirement	Provision for jubilee benefits	Total
31 December 2023	4,660,639	2,688,742	7,349,381	270,203	149,457	419,660
Interest expense (IS)	148,426	88,573	237,000	9,193	5,245	14,438
Current service cost (IS)	369,199	325,073	694,271	35,185	20,969	56,153
Past service cost (IS)	11,411	40,279	51,690	–	–	–
Payout of benefits (-)	-391,877	-362,986	-754,863	-5,760	-12,723	-18,483
Actuarial losses (IS)	34,441	214,639	249,080	–	-9,804	-9,804
Actuarial losses (SFP)	-7,373	–	-7,373	12,298	–	12,298
Exchange differences	249	25	273	–	–	–
Balance as at 31 December 2024	4,825,115	2,994,345	7,819,459	321,119	153,144	474,263



The main assumptions used in the calculation of provisions for jubilee benefits and severance pay upon retirement are as follows: The interest rate curves used for discounting are those published by EIOPA for the calculation of capital adequacy. The expected increase in salaries and jubilee benefits is calculated using real growth based on historical data for individual companies (Sava Re: 0.8%) and long-term inflation of 2.1%. The expected early departure rates used vary by age group and are based on the historical departure rates of each company (Sava Re: 3.8% under 35 years, 3.3% between 35 and 45 years, 4.7% over 45 years). Expected mortality is determined on the basis of the population mortality tables of the country of incorporation of each Group company.

Below we provide a sensitivity analysis of the provision for severance pay upon retirement and the provision for jubilee benefits.

Sava Insurance Group	Provision for severance pay upon retirement		Provision for jubilee benefits	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Impact on the level of provisions (EUR)				
Decrease in discount rate of 1%	518,935	509,640	251,447	243,312
Increase in discount rate of 1%	-444,794	-436,522	-220,814	-212,112
Decrease in real income growth of 0.5%	-232,005	-228,952	-97,778	-94,609
Increase in real income growth of 0.5%	248,945	241,962	103,263	100,267
Decrease in staff turnover of 10%	120,595	177,664	63,715	90,715
Increase in staff turnover of 10%	-113,536	-170,868	-60,921	-86,189
Decrease in mortality rate of 10%	37,468	32,141	13,519	12,845
Increase in mortality rate of 10%	-37,097	-36,252	-13,416	-12,746

Sava Re	Provision for severance pay upon retirement		Provision for jubilee benefits	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Impact on the level of provisions (EUR)				
Decrease in discount rate of 1%	40,557	35,877	15,327	11,969
Increase in discount rate of 1%	-34,844	-30,633	-13,504	-10,482
Decrease in real income growth of 0.5%	-18,293	-16,200	0	0
Increase in real income growth of 0.5%	19,943	17,632	0	0
Decrease in staff turnover of 10%	19,541	19,521	6,709	5,685
Increase in staff turnover of 10%	-18,308	-18,081	-6,387	-5,364
Decrease in mortality rate of 10%	2,998	2,492	502	365
Increase in mortality rate of 10%	-2,967	-2,466	-500	-363

Sava Insurance Group					
EUR	31 December 2024	Additions	Uses and reversals	Exchange differences	31 December 2025
Other provisions	762,958	239,500	-189,878	-8	812,572
Total	762,958	239,500	-189,878	-8	812,572

Sava Insurance Group					
EUR	31 December 2023	Additions	Uses and reversals	Exchange differences	31 December 2024
Other provisions	724,874	146,575	-108,505	15	762,958
Total	724,874	146,575	-108,505	15	762,958

Other provisions include provisions for the guarantee fund, lawsuits and the deferred part of management board bonuses.



3.7.32 Other financial liabilities

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Other financial liabilities	520,763	431,656	–	–

Other financial liabilities relate to a loan payable to a subsidiary in Serbia with a maturity of up to one year.

3.7.33 Current tax liabilities

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Current income tax liabilities	8,673,399	1,471,324	217,813	–

Current tax liabilities recognised in accordance with tax legislation at the end of the financial year are settled by the Group companies within the statutory period of less than one year.

3.7.34 Other liabilities

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Diverse other liabilities	39,527,748	34,734,486	7,866,112	3,372,076
Short-term provisions (deferred income and accrued expenses)	19,677,668	15,681,610	3,014,790	2,667,846
Other liabilities	59,205,416	50,416,096	10,880,902	6,039,922

Sava Insurance Group			
EUR	Contractual maturity		
2025	Over 1 year	Up to 1 year	Total
Other liabilities	35,444	59,169,971	59,205,416

Sava Insurance Group			
EUR	Contractual maturity		
2024	Over 1 year	Up to 1 year	Total
Other liabilities	312,500	50,103,596	50,416,096

Sava Re		
EUR	Contractual maturity	
2025	Up to 1 year	Total
Other liabilities	10,880,902	10,880,902

Sava Re			
EUR	Contractual maturity		
2024	Over 1 year	Up to 1 year	Total
Other liabilities	312,500	5,727,422	6,039,922

Other liabilities mainly comprise liabilities that are settled by the companies within the financial year, so all such liabilities are classified as due within one year.

Diverse other liabilities and short-term provisions (deferred income and accrued expenses) are unsecured.



► Diverse other liabilities

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Current liabilities due to employees	5,141,786	4,861,104	830,829	751,651
Diverse other current liabilities arising from insurance business (outside the scope of IFRS 17)	12,953,924	12,090,438	–	–
Short-term trade liabilities	10,871,745	9,918,493	674,751	702,740
Diverse other current liabilities	10,560,293	7,864,452	6,360,532	1,917,685
Total	39,527,748	34,734,486	7,866,112	3,372,076

Diverse other current liabilities arising from insurance business outside the scope of IFRS 17 mainly comprise commissions payable to insurance intermediaries.

Diverse other current liabilities mainly comprise investment settlement liabilities, payroll contributions and taxes, VAT and securities received, as well as part of the purchase price for the subsidiary ASP, which is due for payment in 2026.

► Current accrued costs (expenses) and deferred revenue

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Accrued costs and expenses due to other companies	14,299,636	11,271,810	2,532,687	2,206,418
Other accrued costs (expenses) and deferred revenue	5,378,033	4,409,800	482,103	461,428
Total	19,677,668	15,681,610	3,014,790	2,667,846

Short-term provisions mainly comprise accrued charges for unused vacation days, employee and management bonuses, as well as commissions payable to intermediaries.

Other accrued costs (expenses) and deferred revenue mainly comprise provisions for employee bonuses and the share of premiums paid into a damage prevention fund under the Montenegrin Insurance Act.

► Change in short-term provisions

Sava Insurance Group					
EUR	31 December 2024	Additions	Uses	Exchange differences	31 December 2025
Short-term accrued expenses	11,271,810	18,206,051	-15,166,378	-664	14,299,636
Other accrued costs (expenses) and deferred revenue	4,409,800	4,273,681	-2,849,300	-5,970	5,378,032
Total	15,681,610	22,479,733	-18,015,678	-6,634	19,677,668

Sava Insurance Group					
EUR	31 December 2023	Additions	Uses	Exchange differences	31 December 2024
Short-term accrued expenses	9,535,739	31,839,936	-30,104,398	533	11,271,810
Other accrued costs (expenses) and deferred revenue	3,337,732	4,627,052	-3,558,511	3,527	4,409,800
Total	12,873,471	36,466,987	-33,662,909	4,060	15,681,610

Sava Re					
EUR	31 December 2024	Additions	Uses		31 December 2025
Short-term accrued expenses	2,206,418	3,513,939	-3,187,670		2,532,688
Other accrued costs (expenses) and deferred revenue	461,428	20,675	–		482,103
Total	2,667,846	3,534,614	-3,187,670		3,014,790

Sava Re					
EUR	31 December 2023	Additions	Uses		31 December 2024
Short-term accrued expenses	1,569,772	2,939,468	-2,302,822		2,206,418
Other accrued costs (expenses) and deferred revenue	381,884	79,544	–		461,428
Total	1,951,655	3,019,013	-2,302,822		2,667,846



3.7.35 Fair values of assets and liabilities

► Financial assets by level of the fair value hierarchy

Sava Insurance Group						
EUR						
31 December 2025	Carrying amount	Fair value				Difference between FV and CA
		Level 1	Level 2	Level 3	Total fair value	
Investments measured at fair value	2,464,552,086	2,250,994,979	136,288,024	77,269,082	2,464,552,086	0
Investments measured at fair value through profit or loss	949,122,137	860,872,219	10,980,836	77,269,082	949,122,137	0
Mandatorily measured at fair value through profit or loss, not held for trading	949,122,137	860,872,219	10,980,836	77,269,082	949,122,137	0
Debt instruments	8,539,729	2,915,584	5,624,145	–	8,539,729	0
Equity instruments	863,569,118	857,956,635	5,356,691	255,792	863,569,118	0
Investments in alternative funds	77,013,290	–	–	77,013,290	77,013,290	0
Investments measured at fair value through other comprehensive income	1,515,429,949	1,390,122,761	125,307,188	–	1,515,429,949	0
Debt instruments	1,497,609,345	1,372,302,157	125,307,188	–	1,497,609,345	0
Equity instruments	17,820,604	17,820,604	–	–	17,820,604	0
Investments not measured at fair value	96,720,317	44,571,551	14,090,771	38,060,851	96,723,173	2,857
Investments measured at amortised cost	96,720,317	44,571,551	14,090,771	38,060,851	96,723,173	2,857
Debt instruments (bonds)	59,343,424	44,571,551	14,090,771	–	58,662,322	-681,102
Deposits and CDs	30,880,266	–	–	31,429,346	31,429,346	549,080
Loans granted	6,496,627	–	–	6,631,505	6,631,505	134,879



Sava Insurance Group

EUR

31 December 2024

	Carrying amount	Fair value				Difference between FV and CA
		Level 1	Level 2	Level 3	Total fair value	
Investments measured at fair value	2,253,357,492	2,068,244,982	112,495,412	72,617,098	2,253,357,492	0
Investments measured at fair value through profit or loss	814,694,920	732,157,318	9,920,504	72,617,098	814,694,920	0
Mandatorily measured at fair value through profit or loss, not held for trading	814,694,920	732,157,318	9,920,504	72,617,098	814,694,920	0
Debt instruments	9,355,534	3,840,413	5,515,122	–	9,355,534	0
Equity instruments	732,978,080	728,316,905	4,405,382	255,792	732,978,080	0
Investments in alternative funds	72,361,306	–	–	72,361,306	72,361,306	0
Investments measured at fair value through other comprehensive income	1,438,662,572	1,336,087,664	102,574,908	0	1,438,662,572	0
Debt instruments	1,420,696,781	1,318,121,873	102,574,908	–	1,420,696,781	0
Equity instruments	17,965,791	17,965,791	–	–	17,965,791	0
Investments not measured at fair value	75,722,712	37,572,932	9,612,220	28,486,422	75,671,574	-51,138
Investments measured at amortised cost	75,722,712	37,572,932	9,612,220	28,486,422	75,671,574	-51,138
Debt instruments (bonds)	47,754,988	37,572,932	9,612,220	–	47,185,152	-569,836
Deposits and CDs	27,299,953	–	–	27,786,346	27,786,346	486,393
Loans granted	667,771	–	–	700,076	700,076	32,305



Sava Re

EUR

31 December 2025

	Carrying amount	Fair value				Difference between FV and CA
		Level 1	Level 2	Level 3	Total fair value	
Investments measured at fair value	488,386,700	418,148,802	41,708,454	28,529,444	488,386,701	0
Investments measured at fair value through profit or loss	40,976,925	7,281,039	5,166,443	28,529,444	40,976,925	0
Mandatorily measured at fair value through profit or loss, not held for trading	40,976,925	7,281,039	5,166,443	28,529,444	40,976,925	0
Debt instruments	2,034,389	–	2,034,389	–	2,034,389	0
Equity instruments	10,413,093	7,281,039	3,132,054	–	10,413,093	0
Investments in alternative funds	28,529,444	–	–	28,529,444	28,529,444	0
Investments measured at fair value through other comprehensive income	447,409,775	410,867,764	36,542,012	0	447,409,775	0
Debt instruments	447,409,775	410,867,764	36,542,012	–	447,409,775	0
Investments not measured at fair value	11,108,935	2,091,787	0	9,181,564	11,273,351	164,416
Investments measured at amortised cost	11,108,935	2,091,787	0	9,181,564	11,273,351	164,416
Debt instruments (bonds)	2,076,283	2,091,787	–	–	2,091,787	15,504
Deposits and CDs	998,213	–	–	1,018,083	1,018,083	19,870
Loans granted	8,034,439	–	–	8,163,480	8,163,480	129,042



Sava Re

EUR

31 December 2024

	Carrying amount	Fair value				Difference between FV and CA
		Level 1	Level 2	Level 3	Total fair value	
Investments measured at fair value	438,708,282	387,021,609	25,717,787	25,968,887	438,708,282	0
Investments measured at fair value through profit or loss	38,507,315	7,792,840	4,745,588	25,968,887	38,507,315	0
Mandatorily measured at fair value through profit or loss, not held for trading	38,507,315	7,792,840	4,745,588	25,968,887	38,507,315	0
Debt instruments	2,006,571	–	2,006,571	–	2,006,571	0
Equity instruments	10,531,858	7,792,840	2,739,018	–	10,531,858	0
Investments in alternative funds	25,968,886	–	–	25,968,886	25,968,886	0
Investments measured at fair value through other comprehensive income	400,200,967	379,228,769	20,972,198	0	400,200,967	0
Debt instruments	400,200,967	379,228,769	20,972,198	–	400,200,967	0
Investments not measured at fair value	5,677,769	2,146,747	0	3,644,427	5,791,174	113,404
Investments measured at amortised cost	5,677,769	2,146,747	0	3,644,427	5,791,174	113,404
Debt instruments (bonds)	2,076,258	2,146,747	–	–	2,146,747	70,489
Deposits and CDs	1,022,920	–	–	1,041,806	1,041,806	18,886
Loans granted	2,578,592	–	–	2,602,621	2,602,621	24,030

As at 31 December 2025, a large proportion of the debt securities portfolio is valued at the CBBT bid price, which represents the unadjusted quoted price and thus meets the criteria for a tier 1 classification. Mutual funds and listed equity securities that meet the criteria of an active market, as well as debt securities valued at BVAL bid prices that meet the relevant price quality criteria, are also classified into this level.

As at 31 December 2025, level 1 investments represented 91.3% (31 December 2024: 91.8%) of the value of the Group's financial investments measured at fair value.

Debt securities for which no CBBT bid price exists at the classification date, but a BVAL bid price of lower quality is available, are classified into level 2. We classify into the same level investments valued based on an internal model that uses directly and indirectly observable market inputs, such as the risk-free interest rate curve, yield of similar financial instruments, and credit and liquidity risk premiums. Equity securities valued using stock exchange prices that meet the criteria for a non-functioning market are also classified into this level.

The Group classifies into level 3 shares measured at cost, loans granted measured at amortised cost and investments in alternative funds, such as real-estate funds, infrastructure funds, private debt funds, private

equity funds and the like. Alternative funds are valued by fund managers in the form of fund unit values or as the value of invested assets, being the best approximation of fair value. Assets are valued based on material non-public information on assets invested in funds. The Group has only limited access to input data as used by fund managers, which is why the Group does not carry out own valuations nor is it possible for the Group to run sensitivity analyses.

In order to value fund assets, managers of such funds generally use methods that comply with International Private Equity and Venture Capital Valuation standards, such as discounting of cash flows and the multiples method.

Valuation techniques for all items described above are defined in accounting policies. The method is described for investment property in section [3.4.11 "Investment property"](#), for investments in subsidiaries and associates in section [3.4.12 "Investments in subsidiaries and associates"](#) and for financial investments in section [3.4.13 "Financial investments"](#).

The fair value of the Company's investment property as at 31 December 2025 was EUR 11,641,626 (31 December 2024: EUR 10,007,145), and EUR 28,569,253 in the Group (31 December 2024: EUR 28,519,381). The Company and the Group classify investment property as level 3 assets.





► **Movements in level 3 financial assets measured at fair value**

Sava Insurance Group		
	Equity instruments	Investments in alternative funds
EUR	31 December 2025	31 December 2025
Opening balance	255,792	72,361,306
Additions	–	7,407,264
Disposals	–	-1,567,124
Revaluation to fair value	–	-1,188,156
Closing balance	255,792	77,013,290
Income	–	1,580,140
Unrealised gains/losses	–	57,281

Sava Insurance Group

	Equity instruments	Investments in alternative funds
EUR	31 December 2024	31 December 2024
Opening balance	245,792	71,228,050
Exchange differences	–	1
Additions	–	3,443,404
Disposals	–	-4,238,814
Revaluation to fair value	–	1,928,665
Reclassification between levels (from L1 or L2 to L3)	10,000	–
Closing balance	255,792	72,361,306
Income	–	1,293,910
Unrealised gains/losses	–	640,457

Sava Re		
	Investments in alternative funds	Investments in alternative funds
EUR	31 December 2025	31 December 2024
Opening balance	25,968,886	24,968,877
Additions	3,543,995	1,751,995
Disposals	-540,784	-1,815,119
Revaluation to fair value	-442,654	1,063,135
Closing balance	28,529,444	25,968,886
Income	656,013	2,126,983
Unrealised gains/losses	465,681	-215,887



► **Reclassification of assets and financial liabilities between levels**

Sava Insurance Group			
EUR			
31 December 2025	Level 1	Level 2	
Investments measured at fair value through other comprehensive income	-5,928,305	5,928,305	
Debt instruments	-5,928,305	5,928,305	
Reclassification from level 1 to level 2	-11,913,999	11,913,999	
Reclassification from level 2 to level 1	5,985,694	-5,985,694	

Sava Insurance Group			
EUR			
31 December 2024	Level 1	Level 2	Level 3
Investments measured at fair value through profit or loss	287,827	-297,827	10,000
Mandatorily measured at fair value through profit or loss, not held for trading	287,827	-297,827	10,000
Debt instruments	297,827	-297,827	–
Debt securities reclassified from level 2 into level 1	297,827	-297,827	–
Equity instruments	-10,000	–	10,000
Equity instruments reclassified from level 1 into level 3	-10,000	–	10,000
Investments measured at fair value through other comprehensive income	175,089	-175,089	0
Debt instruments	175,089	-175,089	–
Reclassification from level 1 into level 2	-6,351,179	6,351,179	–
Reclassification from level 2 into level 1	6,526,268	-6,526,268	–

Sava Re			
EUR			
31 December 2025	Level 1	Level 2	Level 3
Investments measured at fair value through other comprehensive income	-3,626,467	3,626,467	0
Debt instruments	-3,626,467	3,626,467	–
Reclassification from level 1 into level 2	-7,610,425	7,610,425	–
Reclassification from level 2 into level 1	3,983,958	-3,983,958	–

Sava Re			
EUR			
31 December 2024	Level 1	Level 2	Level 3
Investments measured at fair value through other comprehensive income	1,045,393	-1,045,393	0
Debt instruments	1,045,393	-1,045,393	–
Reclassification from level 1 into level 2	-3,579,936	3,579,936	–
Reclassification from level 2 into level 1	4,625,328	-4,625,328	–

3.7.36 Insurance revenue and insurance service expenses

EUR	Sava Insurance Group						Sava Re	
	2025			2024			2025	2024
	Non-life	Life	Total	Non-life	Life	Total	Non-life	
Insurance revenue	810,587,722	83,026,538	893,614,261	725,769,172	75,444,466	801,213,638	201,409,636	171,664,689
Amounts recoverable from insurance contracts ceded to reinsurers	-62,202,930	-211,496	-62,414,426	-53,617,054	-253,281	-53,870,334	-44,694,866	-38,193,095
Total insurance service expenses	-646,700,952	-56,625,083	-703,326,035	-610,814,375	-51,535,640	-662,350,015	-138,261,215	-115,918,533
Total amounts recovered from reinsurers	24,240,368	117,880	24,358,248	23,437,974	178,181	23,616,154	17,410,428	14,702,386

3.7.36.1 Analysis of insurance revenue (contracts for which the PAA has not been applied)

EUR 2025	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Insurance contracts measured using the BBA or VFA				
Amounts relating to changes in the liability for remaining coverage:	126,864,973	68,477,831	195,342,805	175,426,203
Expected claims expenses and other insurance service expenses	83,105,823	41,727,553	124,833,377	119,771,955
Release of the risk adjustment for non-financial risk for risk expired	14,091,617	4,919,627	19,011,245	18,321,797
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	24,297,105	22,632,432	46,929,537	33,446,088
Other amounts (e.g., experience adjustments for premium receipts)	5,370,427	-801,781	4,568,647	3,886,365
Refund of insurance acquisition cash flows	14,419,545	14,548,707	28,968,252	9,508,169
Total	141,284,519	83,026,538	224,311,057	184,934,372
Insurance contracts measured using the PAA	669,303,204	0	669,303,204	16,475,264
Insurance revenue	810,587,722	83,026,538	893,614,261	201,409,636

EUR 2024	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Insurance contracts measured using the BBA or VFA				
Amounts relating to changes in the liability for remaining coverage:	104,456,230	63,390,148	167,846,378	154,101,154
Expected claims expenses and other insurance service expenses	64,751,163	39,163,716	103,914,879	99,140,770
Release of the risk adjustment for non-financial risk for risk expired	11,180,591	4,482,385	15,662,976	16,627,725
Amount of the contractual service margin recognised in profit or loss to reflect the transfer of services	23,168,478	20,156,099	43,324,577	44,616,850
Other amounts (e.g., experience adjustments for premium receipts)	5,355,998	-412,052	4,943,945	-6,284,191
Refund of insurance acquisition cash flows	11,367,206	12,054,318	23,421,524	8,410,926
Total	115,823,436	75,444,466	191,267,902	162,512,080
Insurance contracts measured using the PAA	609,945,736	0	609,945,736	9,152,609
Insurance revenue	725,769,172	75,444,466	801,213,638	171,664,689



3.7.36.2 Insurance service expenses

EUR 2025	Sava Insurance Group				Sava Re		
	Non-life			Life	Non-life		
	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA	Total	Insurance contracts measured using the BBA or VFA	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA	Total
Insurance service expenses	-76,342,569	-367,497,043	-443,839,611	-19,686,811	-123,896,306	-692,528	-124,588,834
Diverse other expenses from insurance contracts	-20,626,321	-182,235,020	-202,861,341	-36,938,272	-13,339,084	-333,296	-13,672,380
Amortisation of insurance acquisition cash flows	-14,419,545	-102,119,980	-116,539,525	-14,548,707	-9,508,169	9,512	-9,498,657
Losses on onerous contracts	51,829	-1,106,079	-1,054,251	-455,015	89,935	–	89,935
Operating expenses of insurance contracts, excluding acquisition costs	-6,258,604	-79,008,961	-85,267,565	-21,934,550	-3,920,850	-342,808	-4,263,658
Insurance service expenses	-96,968,889	-549,732,063	-646,700,952	-56,625,083	-137,235,390	-1,025,824	-138,261,215

EUR 2024	Sava Insurance Group				Sava Re		
	Non-life			Life	Non-life		
	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA	Total	Insurance contracts measured using the BBA or VFA	Insurance contracts measured using the BBA	Insurance contracts measured using the PAA	Total
Insurance service expenses	-53,911,445	-376,828,642	-430,740,087	-17,867,109	-94,815,999	-9,216,291	-104,032,290
Diverse other expenses from insurance contracts	-16,978,268	-163,096,020	-180,074,287	-33,668,531	-11,547,670	-338,572	-11,886,242
Amortisation of insurance acquisition cash flows	-11,367,206	-92,123,284	-103,490,489	-12,054,318	-8,410,926	-119,711	-8,530,637
Losses on onerous contracts	-243,356	2,292,627	2,049,271	-854,821	-107,603	–	-107,603
Operating expenses of insurance contracts, excluding acquisition costs	-5,367,707	-73,265,363	-78,633,069	-20,759,391	-3,029,141	-218,861	-3,248,003
Insurance service expenses	-70,889,713	-539,924,662	-610,814,375	-51,535,640	-106,363,669	-9,554,864	-115,918,533



3.7.37 Reinsurance revenue and reinsurance service expenses

EUR 2025	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Reinsurers' share of insurance revenue, of which:	-62,202,930	-211,496	-62,414,426	-44,694,866
Contracts measured using the BBA	-36,575,169	-211,496	-36,786,664	-29,588,610
Contracts measured using the PAA	-25,627,761	–	-25,627,761	-15,106,256
Reinsurers' share of claims, of which:	24,240,368	117,880	24,358,248	17,410,428
Contracts measured using the BBA	18,873,630	117,880	18,991,510	16,343,585
Contracts measured using the PAA	5,366,738	–	5,366,738	1,066,844
Net reinsurance revenue / service expenses	-37,962,562	-93,616	-38,056,178	-27,284,438

EUR 2024	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Reinsurers' share of insurance revenue, of which:	-53,617,054	-253,281	-53,870,334	-38,193,095
Contracts measured using the BBA	-34,789,218	-253,281	-35,042,498	-28,328,505
Contracts measured using the PAA	-18,827,836	–	-18,827,836	-9,864,590
Reinsurers' share of claims, of which:	23,437,974	178,181	23,616,154	14,702,386
Contracts measured using the BBA	3,316,842	178,181	3,495,023	-317,753
Contracts measured using the PAA	20,121,132	–	20,121,132	15,020,139
Net reinsurance revenue / service expenses	-30,179,080	-75,100	-30,254,180	-23,490,709



EUR 2025	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Reinsurers' share of insurance revenue				
Expected recovery for insurance service expenses incurred in the period	-40,930,304	-76,511	-41,006,815	-27,643,331
Changes in the risk adjustment for non-financial risk	-3,253,929	-6,257	-3,260,186	-2,515,219
Finance income/expenses recognised in profit or loss	-18,018,697	-128,728	-18,147,425	-14,536,315
Allocation of reinsurers' shares of premiums	-62,202,930	-211,496	-62,414,426	-44,694,866
Reinsurers' share of claims and other insurance service expenses in the period	27,582,625	130,261	27,712,886	22,519,595
Changes in amounts recoverable arising from changes in liabilities for incurred claims	-3,359,397	-12,380	-3,371,777	-5,109,167
Changes in fulfilment cash flows which relate to onerous underlying contracts	17,139	–	17,139	–
Reinsurers' shares of insurance service expenses	24,240,368	117,880	24,358,248	17,410,428
Net reinsurance revenue / service expenses	-37,962,562	-93,616	-38,056,178	-27,284,438

EUR 2024	Sava Insurance Group			Sava Re
	Non-life	Life	Total	Non-life
Reinsurers' share of insurance revenue				
Expected recovery for insurance service expenses incurred in the period	-32,040,503	-120,011	-32,160,514	-20,281,079
Changes in the risk adjustment for non-financial risk	-3,997,917	3,465	-3,994,452	-3,274,385
Finance income/expenses recognised in profit or loss	-17,578,634	-136,734	-17,715,368	-14,637,630
Allocation of reinsurers' shares of premiums	-53,617,054	-253,281	-53,870,334	-38,193,095
Reinsurers' share of claims and other insurance service expenses in the period	46,227,845	189,042	46,416,887	39,241,029
Changes in amounts recoverable arising from changes in liabilities for incurred claims	-22,752,252	-10,861	-22,763,113	-24,538,643
Changes in fulfilment cash flows which relate to onerous underlying contracts	-37,620	–	-37,620	–
Reinsurers' shares of insurance service expenses	23,437,974	178,181	23,616,154	14,702,386
Net reinsurance revenue / service expenses	-30,179,080	-75,100	-30,254,180	-23,490,709



3.7.38 Investment income and expenses

Investment income by IFRS category

► Investment income by IFRS category for 2025

Sava Insurance Group									
EUR	Interest income	Change in fair value of FVTPL investments	Gains on disposal of FVTPL investments	Gains on disposal of investments of other IFRS categories	Income from dividends and shares of other investments	Exchange gains	Change in expected credit losses (ECL)	Diverse other income	Total
Investments measured at amortised cost	4,062,331	0	0	0	0	879,193	481,058	25	5,422,606
Debt instruments	1,992,644	–	–	–	–	81,531	11,332	25	2,085,531
Cash and cash equivalents	491,125	–	–	–	–	797,445	–	–	1,288,569
Deposits and CDs	1,183,169	–	–	–	–	217	444,245	–	1,627,630
Loans	395,395	–	–	–	–	–	25,481	–	420,875
Investments measured at fair value through profit or loss	322,481	178,968,216	705,492	0	385,711	449,821	0	1,580,140	182,411,861
Mandatorily measured at fair value through profit or loss, not held for trading	322,481	178,968,216	705,492	0	385,711	449,821	0	1,580,140	182,411,861
Debt instruments	322,481	304,731	165	–	–	–	–	–	627,377
Equity instruments	–	176,143,895	705,327	–	385,711	87,887	–	–	177,322,820
Investments in alternative funds	–	2,519,590	–	–	–	361,934	–	1,580,140	4,461,664
Investments measured at fair value through other comprehensive income	28,263,112	0	0	248,911	760,676	4,617,792	392,568	100,076	34,383,136
Debt instruments	28,263,112	–	–	248,911	–	4,617,792	392,568	25,947	33,548,330
Equity instruments	–	–	–	–	760,676	–	–	74,130	834,806
Investment property	0	0	0	0	0	0	0	1,886,464	1,886,464
Investment property	–	–	–	–	–	–	–	1,886,464	1,886,464
Total investment income, of which	32,647,924	178,968,216	705,492	248,911	1,146,388	5,946,806	873,625	3,566,705	224,104,067
Income on assets held for the benefit of policyholders who bear the investment risk	617,882	169,988,231	502,967	3,079	7,574	34,884	20,182	6,000	171,180,798



► Investment income by IFRS category for 2024

Sava Insurance Group

EUR	Interest income	Change in fair value of FVTPL investments	Gains on disposal of FVTPL investments	Gains on disposal of investments of other IFRS categories	Income from dividends and shares of other investments	Exchange gains	Change in expected credit losses (ECL)	Diverse other income	Total
Investments measured at amortised cost	3,309,114	0	0	31,148	0	691,589	575,099	0	4,606,950
Debt instruments	1,788,864	–	–	31,148	–	31,909	31,766	–	1,883,687
Cash and cash equivalents	424,466	–	–	–	–	659,493	–	–	1,083,958
Deposits and CDs	1,055,068	–	–	–	–	187	502,679	–	1,557,934
Loans	40,716	–	–	–	–	–	40,653	–	81,370
Investments measured at fair value through profit or loss	567,340	143,959,767	1,449,491	0	344,716	1,289,311	0	2,942,770	150,553,394
Mandatorily measured at fair value through profit or loss, not held for trading	567,340	143,959,767	1,449,491	0	344,716	1,289,311	0	2,942,770	150,553,394
Debt instruments	567,340	730,230	6,629	–	–	–	–	–	1,304,198
Equity instruments	–	139,276,561	1,442,862	–	344,716	211,965	–	–	141,276,105
Investments in alternative funds	–	3,952,976	–	–	–	1,077,345	–	2,942,770	7,973,091
Investments measured at fair value through other comprehensive income	24,293,303	0	0	374,734	708,807	7,152,054	963,197	16,417	33,508,513
Debt instruments	24,293,303	–	–	374,734	–	7,152,054	963,197	3,055	32,786,343
Equity instruments	–	–	–	–	708,807	–	–	13,363	722,170
Investment property	0	0	0	0	0	0	0	1,700,920	1,700,920
Investment property	–	–	–	–	–	–	–	1,700,920	1,700,920
Total investment income, of which	28,169,757	143,959,767	1,449,491	405,882	1,053,524	9,132,954	1,538,296	4,660,107	190,369,777
Income on assets held for the benefit of policyholders who bear the investment risk	621,021	135,520,354	1,357,058	10,556	16,296	94,618	117,487	0	137,737,389



► Investment income by IFRS category for 2025

Sava Re

EUR	Interest income	Change in fair value of FVTPL investments	Gains on disposal of FVTPL investments	Gains on disposal of investments of other IFRS categories	Income from dividends and shares of other investments	Exchange gains	Change in expected credit losses (ECL)	Diverse other income	Total
Investments measured at amortised cost	767,410	0	0	0	0	777,356	39,539	0	1,584,305
Debt instruments	102,539	–	–	–	–	–	6	–	102,545
Cash and cash equivalents	115,036	–	–	–	–	777,356	–	–	892,392
Deposits and CDs	70,972	–	–	–	–	–	21,126	–	92,099
Loans	478,863	–	–	–	–	–	18,406	–	497,269
Investments measured at fair value through profit or loss	87,500	4,306,372	100,720	0	196,857	333,189	0	656,013	5,680,652
Mandatorily measured at fair value through profit or loss, not held for trading	87,500	4,306,372	100,720	0	196,857	333,189	0	656,013	5,680,652
Debt instruments	87,500	70,009	–	–	–	–	–	–	157,509
Equity instruments	–	3,084,224	100,720	–	196,857	61,376	–	–	3,443,177
Investments in alternative funds	–	1,152,140	–	–	–	271,813	–	656,013	2,079,966
Investments measured at fair value through other comprehensive income	9,236,458	0	0	117,082	0	4,448,022	46,921	10,000	13,858,483
Debt instruments	9,236,458	–	–	117,082	–	4,448,022	46,921	10,000	13,858,483
Investment property	0	0	0	0	0	0	0	964,284	964,284
Investment property	–	–	–	–	–	–	–	964,284	964,284
Total investment income	10,091,368	4,306,372	100,720	117,082	196,857	5,558,568	86,459	1,630,297	22,087,724



► Investment income by IFRS category for 2024

Sava Re

EUR	Interest income	Change in fair value of FVTPL investments	Gains on disposal of FVTPL investments	Gains on disposal of investments of other IFRS categories	Income from dividends and shares of other investments	Exchange gains	Change in expected credit losses (ECL)	Diverse other income	Total
Investments measured at amortised cost	493,225	0	0	0	0	624,552	38,401	0	1,156,178
Debt instruments	103,216	–	–	–	–	–	25	–	103,241
Cash and cash equivalents	176,587	–	–	–	–	624,552	–	–	801,139
Deposits and CDs	71,167	–	–	–	–	–	6,061	–	77,228
Loans	142,256	–	–	–	–	–	32,315	–	174,571
Investments measured at fair value through profit or loss	139,055	3,806,392	5,020	0	140,821	936,642	0	1,270,639	6,298,569
Mandatorily measured at fair value through profit or loss, not held for trading	139,055	3,806,392	5,020	0	140,821	936,642	0	1,270,639	6,298,569
Debt instruments	139,055	180,822	1,275	–	–	–	–	–	321,151
Equity instruments	–	1,782,383	3,745	–	140,821	136,474	–	–	2,063,423
Investments in alternative funds	–	1,843,187	–	–	–	800,169	–	1,270,639	3,913,995
Investments measured at fair value through other comprehensive income	7,187,066	0	0	91,912	0	6,911,565	162,388	0	14,352,930
Debt instruments	7,187,066	–	–	91,912	–	6,911,565	162,388	–	14,352,930
Investment property	0	0	0	0	0	0	0	959,359	959,359
Investment property	–	–	–	–	–	–	–	959,359	959,359
Total investment income	7,819,346	3,806,392	5,020	91,912	140,821	8,472,760	200,788	2,229,998	22,767,037



Investment expenses by IFRS category

► Investment expenses by IFRS category for 2025

Sava Insurance Group

EUR	Interest expenses	Change in fair value of FVTPL investments	Losses on disposal of FVTPL investments	Losses on disposal of investments of other IFRS categories	Exchange losses	Change in expected credit losses (ECL)	Other	Total
Investments measured at amortised cost	2,525	0	0	36	1,797,160	752,896	141,856	2,694,473
Debt instruments	–	–	–	36	57,590	117,382	115,350	290,358
Cash and cash equivalents	–	–	–	–	1,739,504	–	–	1,739,504
Deposits and CDs	2,525	–	–	–	66	507,459	26,506	536,557
Loans granted	–	–	–	–	–	128,054	–	128,054
Investments measured at fair value through profit or loss	0	111,276,266	631,789	0	1,918,384	0	8,137	113,834,575
Mandatorily measured at fair value through profit or loss, not held for trading	0	111,276,266	631,789	0	1,918,384	0	8,137	113,834,575
Debt instruments	–	137,966	101	–	–	–	–	138,067
Equity instruments	–	108,649,571	631,688	–	337,433	–	–	109,618,692
Investments in alternative funds	–	2,488,728	–	–	1,580,951	–	8,137	4,077,816
Investments measured at fair value through other comprehensive income	0	0	0	3,754,751	12,249,622	763,735	139,979	16,908,087
Debt instruments	–	–	–	3,754,751	12,249,622	763,735	13,307	16,781,415
Other investments	–	–	–	–	–	–	126,672	126,672
Investment property	0	0	0	0	0	0	611,408	611,408
Investment property	–	–	–	–	–	–	611,408	611,408
Total investment expenses, of which	2,525	111,276,266	631,789	3,754,788	15,965,166	1,516,631	901,379	134,048,543
Expenses related to assets held for the benefit of policyholders who bear the investment risk	0	106,285,063	587,671	770	135,339	11,687	0	107,020,530



► Investment expenses by IFRS category for 2024

Sava Insurance Group

EUR	Interest expenses	Change in fair value of FVTPL investments	Losses on disposal of FVTPL investments	Losses on disposal of investments of other IFRS categories	Exchange losses	Change in expected credit losses (ECL)	Other	Total
Investments measured at amortised cost	1,835	0	0	3,044	1,311,548	571,218	95,091	1,982,736
Debt instruments	–	–	–	3,044	45,929	35,329	78,427	162,729
Cash and cash equivalents	–	–	–	–	1,265,103	–	–	1,265,103
Deposits and CDs	1,835	–	–	–	516	499,036	16,664	518,052
Loans granted	–	–	–	–	–	36,852	–	36,852
Investments measured at fair value through profit or loss	0	43,222,306	159,873	0	642,376	0	438	44,024,992
Mandatorily measured at fair value through profit or loss, not held for trading	0	43,222,306	159,873	0	642,376	0	438	44,024,992
Debt instruments	–	159,627	–	–	33,167	–	–	192,793
Equity instruments	–	40,470,205	159,873	–	100,027	–	438	40,730,543
Investments in alternative funds	–	2,592,474	–	–	509,182	–	–	3,101,656
Investments measured at fair value through other comprehensive income	0	0	0	243,085	5,882,067	384,512	129,443	6,639,106
Debt instruments	–	–	–	243,085	5,882,067	384,512	10,622	6,520,285
Other investments	–	–	–	–	–	–	118,821	118,821
Investment property	0	0	0	0	0	0	608,912	608,912
Investment property	–	–	–	–	–	–	608,912	608,912
Total investment expenses, of which	1,835	43,222,306	159,873	246,129	7,835,991	955,729	833,883	53,255,746
Expenses related to assets held for the benefit of policyholders who bear the investment risk	0	38,299,957	159,697	18,185	43,624	35,731	438	38,557,633



► Investment expenses by IFRS category for 2025

Sava Re							
EUR	Change in fair value of FVTPL investments	Losses on disposal of FVTPL investments	Losses on disposal of investments of other IFRS categories	Exchange losses	Change in expected credit losses (ECL)	Other	Total
Investments measured at amortised cost	0	0	0	1,662,114	145,549	0	1,807,663
Debt instruments	–	–	–	–	20	–	20
Cash and cash equivalents	–	–	–	1,662,114	–	–	1,662,114
Deposits and CDs	–	–	–	–	22,111	–	22,111
Loans granted	–	–	–	–	123,418	–	123,418
Investments measured at fair value through profit or loss	2,248,629	9,621	0	1,411,265	0	0	3,669,515
Mandatorily measured at fair value through profit or loss, not held for trading	2,248,629	9,621	0	1,411,265	0	0	3,669,515
Debt instruments	42,191	–	–	–	–	–	42,191
Equity instruments	1,519,979	9,621	–	231,117	–	–	1,760,717
Investments in alternative funds	686,459	–	–	1,180,148	–	–	1,866,607
Investments measured at fair value through other comprehensive income	0	0	1,452,919	12,011,384	206,509	276	13,671,088
Debt instruments	–	–	1,452,919	12,011,384	206,509	276	13,671,088
Investment property	0	0	0	0	0	265,130	265,130
Investment property	–	–	–	–	–	265,130	265,130
Total investment expenses	2,248,629	9,621	1,452,919	15,084,763	352,058	265,406	19,413,396



► Investment expenses by IFRS category for 2024

Sava Re

EUR	Change in fair value of FVTPL investments	Losses on disposal of FVTPL investments	Losses on disposal of investments of other IFRS categories	Exchange losses	Change in expected credit losses (ECL)	Other	Total
Investments measured at amortised cost	0	0	0	1,221,389	31,782	0	1,253,172
Debt instruments	–	–	–	–	8	–	8
Cash and cash equivalents	–	–	–	1,221,389	–	–	1,221,389
Deposits and CDs	–	–	–	–	4,488	–	4,488
Loans granted	–	–	–	–	27,286	–	27,286
Investments measured at fair value through profit or loss	2,604,587	160	0	442,865	0	0	3,047,611
Mandatorily measured at fair value through profit or loss, not held for trading	2,604,587	160	0	442,865	0	0	3,047,611
Debt instruments	48,917	–	–	–	–	–	48,917
Equity instruments	1,352,940	160	–	65,374	–	–	1,418,474
Investments in alternative funds	1,202,730	–	–	377,491	–	–	1,580,221
Investments measured at fair value through other comprehensive income	0	0	46,895	5,842,972	72,089	241	5,962,197
Debt instruments	–	–	46,895	5,842,972	72,089	241	5,962,197
Investment property	0	0	0	0	0	236,804	236,804
Investment property	–	–	–	–	–	236,804	236,804
Total investment expenses	2,604,587	160	46,895	7,507,225	103,871	237,046	10,499,785

Investment income and expenses by source of funds

The Group records investment income and expenses separately by source of funds, i.e. separately for own fund assets, non-life insurance register assets and life insurance register assets. Own fund investments support the Group's equity; non-life insurance register assets support (re)insurance contract liabilities relating to non-life business, whereas life insurance register assets support (re)insurance contract liabilities relating to life insurance business.

► Investment income – non-life insurance business

EUR	Sava Insurance Group		Sava Re	
	Liability fund	Liability fund	Liability fund	Liability fund
	2025	2024	2025	2024
Interest income	15,869,003	13,339,584	6,716,889	6,225,685
Change in fair value and gains on disposal of FVTPL assets	8,632,208	7,691,602	4,196,856	3,584,520
Gains on disposal of investments of other IFRS categories	150,445	151,804	117,082	91,912
Income from dividends and shares of other investments	345,786	282,091	164,506	100,903
Exchange gains	5,756,558	8,965,606	5,558,255	8,470,560
Change in expected credit losses (ECL)	552,871	848,348	61,669	166,215
Diverse other income	2,938,267	4,466,653	1,615,732	2,220,164
Total investment income – liability fund	34,245,138	35,745,688	18,430,990	20,859,958
	Capital fund	Capital fund	Capital fund	Capital fund
	2025	2024	2025	2024
Interest income	6,165,309	4,043,422	3,374,479	1,593,661
Change in fair value and gains on disposal of FVTPL assets	369,154	424,745	210,236	226,893
Gains on disposal of investments of other IFRS categories	94,903	95,507	–	–
Income from dividends and shares of other investments	32,351	39,918	32,351	39,918
Exchange gains	608	2,286	313	2,200
Change in expected credit losses (ECL)	38,581	92,067	24,790	34,574
Diverse other income	513,077	156,811	14,565	9,834
Total investment income – capital fund	7,213,983	4,854,755	3,656,734	1,907,079
Total investment income – non-life business	41,459,121	40,600,443	22,087,724	22,767,037



► Investment income – life insurance business

Sava Insurance Group EUR	Long-term business fund	Long-term business fund
	2025	2024
Interest income	7,435,873	7,658,165
Change in fair value and gains on disposal of FVTPL assets	120,586	312,712
Gains on disposal of investments of other IFRS categories	484	96,659
Income from dividends and shares of other investments	760,676	715,219
Exchange gains	45,561	11,681
Change in expected credit losses (ECL)	232,444	392,589
Diverse other income	105,937	36,633
Total investment income from long-term business funds – life insurance (excluding investment assets of policyholders who bear the investment risk)	8,701,561	9,223,658
	Long-term business fund	Long-term business fund
	2025	2024
Interest income	617,882	621,021
Change in fair value and gains on disposal of FVTPL assets	170,491,198	136,877,412
Gains on disposal of investments of other IFRS categories	3,079	10,556
Income from dividends and shares – other investments	7,574	16,296
Exchange gains	34,884	94,618
Change in expected credit losses (ECL)	20,182	117,487
Diverse other income	6,000	–
Total investment income from long-term business funds – life insurance (investment assets of policyholders who bear the investment risk)	171,180,798	137,737,389
	Capital fund	Capital fund
	2025	2024
Interest income	2,559,858	2,507,564
Change in fair value and gains on disposal of FVTPL assets	60,562	102,786
Gains on disposal of investments of other IFRS categories	–	51,356
Income from dividends and shares – other investments	–	–
Exchange gains	109,196	58,764
Change in expected credit losses (ECL)	29,547	87,805
Diverse other income	3,425	11
Total investment income – capital fund	2,762,587	2,808,286
Total investment income – life business	182,644,946	149,769,334

► Expenses for financial assets and liabilities – non-life business

EUR	Sava Insurance Group		Sava Re	
	Liability fund	Liability fund	Liability fund	Liability fund
	2025	2024	2025	2024
Interest expenses	2,525	1,835	–	–
Change in fair value and losses on disposal of FVTPL assets	4,780,898	4,391,618	2,160,441	2,526,387
Losses on disposal of investments of other IFRS categories	2,959,195	133,265	1,446,358	46,895
Exchange losses	15,699,060	7,699,535	15,083,301	7,506,058
Change in expected credit losses (ECL)	879,302	629,724	201,371	69,184
Other	553,166	547,742	259,622	231,262
Total investment expenses – liability fund	24,874,146	13,403,718	19,151,093	10,379,787
	Capital fund	Capital fund	Capital fund	Capital fund
	2025	2024	2025	2024
Change in fair value and losses on disposal of FVTPL assets	157,888	137,647	97,808	78,359
Losses on disposal of investments of other IFRS categories	496,383	10,029	6,560	–
Exchange losses	1,575	1,413	1,462	1,167
Change in expected credit losses (ECL)	184,682	56,417	150,687	34,687
Other	88,750	83,301	5,784	5,784
Total investment expenses – capital fund	929,278	288,807	262,303	119,998
Total investment expenses – non-life business	25,803,424	13,692,526	19,413,396	10,499,785

► Expenses for financial assets and liabilities – life business

Sava Insurance Group	Long-term business fund	Long-term business fund
EUR	2025	2024
Change in fair value and losses on disposal of FVTPL assets	95,800	393,239
Losses on disposal of investments of other IFRS categories	295,187	71,492
Exchange losses	27,825	28,563
Change in expected credit losses (ECL)	385,674	217,275
Other	144,309	124,356
Total investment expenses for long-term business funds – life insurance (excluding investment assets of policyholders who bear the investment risk)	948,796	834,926
	Long-term business fund	Long-term business fund
	2025	2024
Change in fair value and losses on disposal of FVTPL assets	106,872,733	38,459,654
Losses on disposal of investments of other IFRS categories	770	18,185
Exchange losses	135,339	43,624
Change in expected credit losses (ECL)	11,687	35,731
Other	–	438
Total investment expenses for long-term business funds – life insurance (investment assets of policyholders who bear the investment risk)	107,020,530	38,557,633
	Capital fund	Capital fund
	2025	2024
Change in fair value and losses on disposal of FVTPL assets	735	20
Losses on disposal of investments of other IFRS categories	3,252	13,157
Exchange losses	101,367	62,857
Change in expected credit losses (ECL)	55,286	16,582
Other	115,154	78,046
Total investment expenses – capital fund	275,794	170,662
Total investment expenses – life business	108,245,119	39,563,221

► Net investment income from non-life and life business

	Sava Insurance Group		Sava Re	
EUR	2025	2024	2025	2024
Non-life insurance	15,655,697	26,907,917	2,674,328	12,267,252
Life insurance (excluding investment assets of policyholders who bear the investment risk)	10,239,559	11,026,356	–	–
Life insurance (investment assets of policyholders who bear the investment risk)	64,160,268	99,179,757	–	–
Total	90,055,524	137,114,030	2,674,328	12,267,252

The Group's net investment income in 2025 was EUR 90.1 million (2024: EUR 137.1 million) and includes the income on investments supporting the liabilities of life insurance policyholders who bear the investment risk (direct participating contracts).

The income on the investments supporting the liabilities of life policyholders who bear the investment risk in 2025 was EUR 64.2 million (2024: EUR 99.2 million). The majority of the net income relates to the change in the fair value of unit-linked life insurance mutual funds (2025: EUR 63.7 million, 31 December 2024: EUR 99.2 million).

The net income on the Group's investments for 2025, net of exchange differences and income on investments supporting the liabilities of life policyholders who bear the investment risk, is EUR 35.8 million (2024: EUR 36.7 million). The most significant part of this is interest income of EUR 32.6 million (2024: EUR 27.5 million).

Net investment income of Sava Re for 2025 was EUR 2.7 million (2024: EUR 12.3 million). The net investment income was lower in 2025, mainly due to higher negative foreign exchange differences. Excluding foreign exchange differences, the 2025 net investment income of EUR 12.2 million would have been higher than the one in 2024 of EUR 11.3 million, mainly due to higher interest income.



3.7.39 Asset management revenue

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Entry fee income	3,247,824	3,010,097	–	–
Exit fee income	24,600	25,488	–	–
Management fee income	24,261,171	20,624,748	33,514	4,034
Total	27,533,595	23,660,332	33,514	4,034

3.7.40 Operating expenses

The Group monitors operating expenses by nature. Compared to 2024, these expenses rose by 14.1%, or EUR 43.5 million (2024: EUR 56.2 million).

The Company’s operating expenses increased by 18.4%, or EUR 11.9 million (2024: EUR 11.0 million).

► Operating expenses by nature

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Acquisition costs (commissions)	145,912,127	124,594,176	50,796,369	43,152,474
Depreciation/amortisation of operating assets	13,447,046	12,208,794	1,465,711	756,973
Personnel costs	120,856,464	108,915,203	14,439,231	13,210,765
– Salaries and wages	90,424,573	82,174,535	11,352,534	10,489,906
– Social and pension insurance costs	12,935,771	11,748,620	1,907,396	1,732,638
– Other personnel costs	17,496,120	14,992,048	1,179,300	988,222
Costs of services provided by natural persons not performing business, including charges and levies	1,189,068	1,204,273	523,547	521,308
Other operating expenses	69,873,685	60,902,408	9,420,648	7,068,393
Total	351,278,389	307,824,855	76,645,506	64,709,913

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Attributable expenses	284,793,815	250,901,769	57,623,869	48,527,528
Non-attributable expenses	37,108,195	31,079,973	19,021,637	16,182,385
Expenses of non-insurance companies	29,376,380	25,843,113	–	–
Total	351,278,390	307,824,855	76,645,506	64,709,913

The main items of other operating expenses, excluding audit expenses, are as follows.

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Other operating expenses	68,825,101	60,047,842	9,088,025	6,779,036
– Cost of materials	1,560,962	1,572,893	103,462	76,452
– Energy costs	1,794,823	1,929,204	130,186	137,087
– Rental costs	5,358,208	4,858,347	1,353,619	1,149,934
– Employee reimbursements and training costs	2,311,978	2,112,575	580,163	464,794
– Cost of other services	18,371,969	17,246,453	2,478,567	1,732,561
– Transaction costs	2,973,535	2,715,485	358,642	273,659
– Costs of intellectual and personal services	21,451,595	15,639,258	2,535,107	1,658,755
– Insurance premiums	1,159,169	694,449	199,431	205,817
– Cost of advertising, promotion and entertainment	8,865,896	7,888,665	345,045	284,118
– Provisions for pensions and other provisions	1,596,486	1,743,245	90,677	135,698
– Cost of donations, sponsorship, membership fees	3,380,481	3,647,270	913,128	660,162
Total	68,825,101	60,047,842	9,088,025	6,779,036

► Audit fees

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Audit of annual report	777,471	587,299	170,470	123,011
Other assurance services	252,429	267,267	162,152	166,346
Total	1,048,584	854,566	332,623	289,357

The cost of auditing the annual report includes audit costs incurred by each Group company, and additionally for the Company, in addition to the cost of auditing the separate financial statements, the cost of auditing the consolidated financial statements of the Sava Insurance Group. Other audit services relate to assurance services for reports drawn up by the Company and the Group under Solvency II requirements, and for other reports for which the auditor provides assurance services (letter of comfort, sustainability report, related parties report, ESEF compliance report, reporting to the Insurance Supervision Agency, remuneration report, approval of financial statements for foreign regulators and similar).

3.7.41 Income and expenses relating to investments in subsidiaries and associates

In 2025, the Group generated income from profit distributions of associates of EUR 937,540 (2024: EUR 1,781,075).

No impairment losses on goodwill were recognised in 2024 or 2025.

In 2025, the Company recognised EUR 60,406,533 (2024: EUR 39,035,925) of dividend income and profit distributions. In 2025 and 2024, no impairment losses on shares of subsidiaries were recognised.

3.7.42 Other operating income and expenses

► Other operating income and expenses

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Income from outsourced internal audit services	–	–	465,295	395,705
Penalties and damages received	520,459	452,528	–	–
Income from positive foreign exchange differences	67,978	580,129	3,939	535,533
Revenue from other services	5,004,395	5,184,983	72,288	108,329
Operating revenue	11,830,937	9,811,469	–	–
Insurance revenue outside the scope of IFRS 17	2,065,219	2,149,282	–	–
Other income	19,488,987	18,178,391	541,523	1,039,567
Expenses for negative foreign exchange differences	-100,243	-923,306	-5,863	-883,894
Expenses for other services	-3,123,756	-3,962,805	-491,472	-194,526
Expenses of non-insurance companies	-29,376,380	-25,843,113	–	–
Other expenses	-32,600,379	-30,729,224	-497,336	-1,078,420
Net other operating income and expenses	-13,111,392	-12,550,833	44,187	-38,853

Income from other services includes gains from selling property, plant and equipment assets, income from roadworthiness testing services and related administrative services, extraordinary interest income (interest on unpaid premiums, realised enforcement proceedings, bankruptcy proceedings, pre-enforcement reminders, and compensations relating to paid claims), and income from the use of holiday units.

Operating income mainly includes income from assistance services.

Expenses for other services include allowances for and impairment losses on other receivables; expenses on the impairment of property, plant and equipment assets not directly used in insurance activities; expenses related to discounts for the early payment of property insurance premiums; and other extraordinary expenses.



3.7.43 Income tax expense

► Tax expense recognised in the income statement

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Income tax expense	30,475,949	23,273,185	3,882,269	3,990,564
Deferred tax expense	-560,812	-1,317,327	-52,284	98,626
Total tax expense recognised in the income statement	29,915,137	21,955,857	3,829,985	4,089,191

► Tax expense recognised in other comprehensive income – items that will not be reclassified to profit or loss

Sava Insurance Group		2025			2024		
EUR		Before taxes	Tax	After taxes	Before taxes	Tax	After taxes
Other comprehensive income		2,425,730	-4,697	2,421,034	1,935,866	-2,124	1,933,742
Total		2,425,730	-4,697	2,421,034	1,935,866	-2,124	1,933,742

Sava Re		2025			2024		
EUR		Before taxes	Tax	After taxes	Before taxes	Tax	After taxes
Other comprehensive income		-17,724	–	-17,724	-12,298	–	-12,298
Total		-17,724	0	-17,724	-12,298	0	-12,298

► Tax expense recognised in other comprehensive income – items that will be reclassified to profit or loss

Sava Insurance Group		2025			2024		
EUR		Before taxes	Tax	After taxes	Before taxes	Tax	After taxes
Net gains/losses on financial instruments at FVOCI		11,662,622	-3,763,374	7,899,248	23,709,774	-5,366,442	18,343,331
Net finance income or expenses from insurance contracts		1,833,713	-177,072	1,656,641	-21,201,880	2,393,184	-18,808,696
Net finance income or expenses from reinsurance contracts		-678,825	151,063	-527,761	1,623,603	-502,281	1,121,323
Realised net gains/losses on financial investments at FVOCI		3,505,840	–	3,505,840	-131,650	–	-131,650
Other comprehensive income		16,323,350	-3,789,383	12,533,967	3,999,847	-3,475,539	524,309

Sava Re		2025			2024		
EUR		Before taxes	Tax	After taxes	Before taxes	Tax	After taxes
Net gains/losses on financial instruments at FVOCI		3,373,159	-1,035,979	2,337,180	4,984,894	-1,086,773	3,898,121
Net finance income or expenses from insurance contracts		-503,549	110,781	-392,768	-2,801,470	616,323	-2,185,146
Net finance income or expenses from reinsurance contracts		-704,278	154,941	-549,337	1,649,432	-362,875	1,286,557
Realised net gains/losses on financial investments at FVOCI		1,335,837	–	1,335,837	-45,016	–	-45,016
Other comprehensive income		3,501,169	-770,257	2,730,912	3,787,841	-833,325	2,954,516



► Tax rate reconciliation

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Profit or loss before tax	143,967,736	109,802,399	75,342,526	56,323,520
Income tax expense at statutory tax rate (local)	43,536,089	31,458,293	16,575,356	12,391,174
Adjustment to actual rates	-1,952,284	-1,420,645	–	–
Tax effect of income deductible for tax purposes	-14,120,705	-8,239,754	-13,385,665	-8,654,276
Tax effect of expenses not tax deductible	1,967,884	1,100,746	221,592	99,882
Tax effect of income that increases tax base	700,583	454,107	667,310	430,993
Tax relief	-1,248,371	-1,076,589	-196,324	-277,209
Temporarily unrecognised deferred tax	-560,812	-1,321,284	-52,284	98,626
Other	-359,533	1,000,983	–	–
Total income tax expense in the income statement	29,915,137	21,955,857	3,829,985	4,089,190
Effective tax rate	20.78%	20.00%	5.08%	7.26%

Pillar Two international tax reform disclosure

Under Article 17 of the Slovenian Minimum Tax Act (MTA), the Sava Insurance Group is considered an international group of companies in the initial phase of its international activities. The Sava Insurance Group is considered to have constituent entities in a maximum of six jurisdictions and the sum of the carrying amounts of the property, plant and equipment assets of all constituent entities located in all jurisdictions other than the reference jurisdiction does not exceed EUR 50 million. The reference jurisdiction is the jurisdiction in which the constituent entities have the highest total value of property,

plant and equipment assets in a financial year. In the case of the Sava Insurance Group, this is Slovenia. Therefore, under the MTA, the Sava Insurance Group is entitled to a tax reduction, including the domestic top-up tax in Slovenia, which will be reduced to zero over the five-year transitional period. As a result, no tax expense has been calculated hereunder for the 2025 financial year.

In accordance with paragraph 4A of IAS 12, the Group and the Company have not recognised deferred tax assets and liabilities for the minimum tax (under Pillar Two Rules).

3.8 Contingent assets and liabilities

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Outstanding recourse receivables	35,878,875	37,425,326	–	–
Receivables from the cancellation of subordinated financial instruments	37,960,300	37,960,300	10,038,000	10,038,000
Other contingent receivables	2,591,572	2,766,185	6,480	225,565
Contingent assets	76,430,747	78,151,810	10,044,480	10,263,565

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Guarantees issued	20,753,814	11,263,641	6,413,800	3,536,146
Other contingent liabilities	13,336,271	1,940,520	11,207,026	507,000
Contingent liabilities	34,090,085	13,204,162	17,620,826	4,043,146

For 2025 and 2024, the Group and the Company recognised contingent assets equal to their cancelled subordinated instruments, in respect of which they continue to take action to protect their interests. In December 2016, claims were filed against the issuing banks of the subordinated financial instruments held by the Group and the Company prior to their cancellation.

Securities given mostly represent contingent liabilities arising from investments in alternative funds. At the time of signing the subscription, which represents a commitment to make future payments into the alternative fund, the Company recognises the amount of the commitment as a contingent liability, which is then reduced by the amount drawn at each call. Other contingent liabilities increased in 2025 due to commitments to contribute additional capital and long-term sponsorship agreements.



3.9 Related party disclosures

The Group makes separate disclosures for the following groups of related parties:

- owners and related enterprises,
- key management personnel: management board, supervisory board including its committees, and employees not subject to the tariff section of the collective agreement,
- subsidiary companies,
- associates.

Owners and related enterprises

The Group’s largest shareholders are Slovenian Sovereign Holding and the Republic of Slovenia, with a combined 35% stake. The ultimate beneficial owner of Slovenian Sovereign Holding is the Republic of Slovenia.

► Remuneration of management board members in 2025

EUR	Gross salary – fixed amount	Gross salary – variable amount	Benefits in kind – insurance premiums	Benefits in kind – use of company car	Total
Marko Jazbec	219,442	58,500	222	8,498	286,662
Polona Pirš	197,842	52,650	5,427	5,295	261,214
Peter Skvarča	197,842	80,865	5,247	5,553	289,507
David Benedek	197,842	52,650	3,172	4,673	258,337
Total	812,968	244,665	14,068	24,018	1,095,719

► Remuneration of management board members in 2024

EUR	Gross salary – fixed amount	Gross salary – variable amount	Benefits in kind – insurance premiums	Benefits in kind – use of company car	Total
Marko Jazbec	217,800	64,800	466	10,066	293,132
Polona Pirš	196,200	58,136	5,600	6,707	266,643
Peter Skvarča	196,200	57,915	5,471	2,989	262,574
David Benedek	195,758	45,430	3,497	5,711	250,397
Total	805,958	226,281	15,033	25,473	1,072,746

► Liabilities to management board members based on gross remuneration

EUR	31 December 2025	31 December 2024
Marko Jazbec	18,000	18,000
Polona Pirš	16,200	16,200
Peter Skvarča	16,200	16,200
David Benedek	16,200	16,200
Total	66,600	66,600

As at 31 December 2025, the Company recognised liabilities for potential payment of the variable part of the pay of the management board members for the years 2022, 2023 and 2024, subject to certain conditions being met in the amount of EUR 566,934.

As at 31 December 2025, the Company had no receivables due from the management board members. Management board members are not remunerated for their functions in subsidiary companies. They have other entitlements under employment contracts, i.e., an allowance for annual leave of EUR 2,803, severance pay upon retirement and contributions to a voluntary supplementary pension scheme. The management board members are not entitled to jubilee benefits for years of service in the Company.



► Remuneration of the supervisory board and its committees in 2025

EUR		Attendance fees	Remuneration for performing the function	Reimbursement of expenses and training	Total
Supervisory board members					
Davor Ivan Gjivoje Jr	chair of the SB	2,200	19,500	58,214	79,914
Klemen Babnik (from 18/7/2025)	deputy chair of the SB	2,475	13,589	–	16,064
Mojca Androjna (from 18/7/2025)	SB member	1,100	5,888	17	7,005
Nataša Damjanovič (from 18/7/2025)	SB member	1,100	5,888	17	7,005
Edita Rituper	SB member	2,475	13,000	–	15,475
Blaž Garbajs	SB member	2,475	13,000	–	15,475
Keith William Morris (until 17/7/2025)	deputy chair of the SB	1,375	7,849	3,525	12,749
Matej Gomboši (until 17/7/2025)	SB member	1,375	7,112	1,074	9,561
Total supervisory board members		14,575	85,826	62,847	163,248
Audit committee members					
Mojca Androjna (from 18/7/2025)	chair	880	2,208	17	3,105
Blaž Garbajs	member	1,980	3,250	–	5,230
Simona Krašovec Lavrič	external member	1,980	7,560	–	9,540
Dragan Martinović	external member	1,980	7,560	2	9,542
Matej Gomboši (until 17/7/2025)	chair	1,100	2,667	1,074	4,841
Total audit committee members		7,920	23,245	1,093	32,258
Members of the nominations and remuneration committee					
Klemen Babnik	chair	660	4,875	–	5,535
Davor Ivan Gjivoje Jr	member	1,100	3,675	36,384	41,159
Mojca Androjna (from 18/7/2025)	member	220	1,472	4	1,696
Nataša Damjanovič (from 18/7/2025)	member	220	1,472	4	1,696
Edita Rituper	member	1,320	3,250	–	4,570
Blaž Garbajs	member	1,320	3,250	–	4,570
Keith William Morris (until 17/7/2025)	member	1,100	1,778	3,525	6,403
Matej Gomboši (until 17/7/2025)	member	440	1,778	429	2,647
Total members of the nominations and remuneration committee		6,380	21,550	40,346	68,276
Members of the risk committee					
Nataša Damjanovič (from 18/7/2025)	chair	440	2,208	8	2,656
Davor Ivan Gjivoje Jr	member	1,320	3,250	43,661	48,231
Slaven Mičković	external member	1,320	7,560	–	8,880
Janez Komelj	external member	1,320	7,560	–	8,880
Keith William Morris (until 17/7/2025)	chair	880	2,667	2,820	6,367
Total risk committee members		5,280	23,245	46,489	75,014
Members of the fit and proper committee					
Nataša Damjanovič (from 18/7/2025)	chair	660	2,208	12	2,880
Klemen Babnik	member	880	3,250	–	4,130
Rok Saje	external member	1,100	3,245	–	4,345
Klara Hauko	external member	1,100	3,245	–	4,345
Davor Ivan Gjivoje Jr	alternate member	220	849	7,277	8,346
Keith William Morris (until 17/7/2025)	chair	440	2,667	1,410	4,517
Total members of the fit and proper committee		4,400	15,464	8,699	28,563

► Remuneration of the supervisory board and its committees in 2024

EUR		Attendance fees	Remuneration for performing the function	Reimbursement of expenses and training	Benefits in kind – insurance premiums	Total
Supervisory board members						
Davor Ivan Gjivoje Jr	chair	2,145	19,500	64,995	103	86,743
Keith William Morris	deputy chair	2,420	14,300	5,862	103	22,685
Klemen Babnik	SB member	2,420	13,000	55	103	15,578
Matej Gomboši	SB member	2,420	13,000	2,183	103	17,706
Edita Rituper	SB member	2,420	13,000	–	103	15,523
Blaž Garbajs	member	2,420	13,000	–	103	15,523
Total supervisory board members		14,245	85,800	73,095	618	173,758
Audit committee members						
Matej Gomboši	chair	2,420	4,875	2,729	–	10,024
Blaž Garbajs	member	2,200	3,250	–	–	5,450
Katarina Sitar Šuštar (until 22 October 2024)	external member	1,320	6,627	169	–	8,116
Dragan Martinović	external member	1,760	8,058	–	–	9,818
Simona Korošec Lavrič (from 21 November 2024)	external member	220	840	18	–	1,078
Total audit committee members		7,920	23,650	2,916	0	34,486
Members of the nominations and remuneration committee						
Klemen Babnik	chair	1,320	4,875	37	–	6,232
Davor Ivan Gjivoje Jr	member	880	3,656	33,331	–	37,867
Keith William Morris	member	1,540	3,250	4,663	–	9,453
Matej Gomboši	member	1,320	3,250	1,488	–	6,058
Edita Rituper	member	1,320	3,250	–	–	4,570
Blaž Garbajs	member	1,540	3,250	–	–	4,790
Total members of the nominations and remuneration committee		7,920	21,531	39,519	0	68,970
Members of the risk committee						
Keith William Morris	chair	1,100	4,875	3,331	–	9,306
Davor Ivan Gjivoje Jr	member	1,100	3,250	41,664	–	46,014
Slaven Mičković	external member	880	7,518	–	–	8,398
Janez Komelj	external member	880	7,169	–	–	8,049
Total risk committee members		3,960	22,812	44,995	0	71,767
Members of the fit and proper committee						
Keith William Morris	chair	880	4,875	2,665	–	8,420
Klemen Babnik	member	660	3,250	19	–	3,929
Rok Saje	external member	836	3,250	–	–	4,086
Klara Hauko	external member	880	3,250	–	–	4,130
Davor Ivan Gjivoje Jr	alternate member	–	812	–	–	812
Total members of the fit and proper committee		3,256	15,437	2,684	0	21,377

As at 31 December 2025, the Company had no receivables due from the supervisory board members and had no liabilities due to any members of the supervisory board or its committees based on gross remuneration.



Subsidiaries

► Investments in and amounts due from Group companies

Sava Re		
EUR	31 December 2025	31 December 2024
Loans granted to Group companies	1,826,340	2,341,628
Other short-term receivables	96,399	115,137
Total	1,922,739	2,456,765

► Liabilities to Group companies

Sava Re		
EUR	31 December 2025	31 December 2024
Other current liabilities	11,817	12,583

Other current liabilities include liabilities that are settled by the companies within the financial year, so all such liabilities are classified as liabilities with a maturity of up to one year.

► Income and expenses relating to Group companies

Sava Re		
EUR	2025	2024
Insurance revenue	81,252,544	72,317,796
Insurance service expenses	-55,534,542	-56,559,226
Finance result from insurance contracts	-2,494,011	-3,302,066
Other operating expenses	-316,216	-290,947
Dividend income	60,472,532	39,035,925
Other income	465,295	395,705
Interest income	100,742	119,764
Total	83,946,344	51,716,951



Associate companies

► Operating income and expenses relating to associate companies

Sava Re		
EUR	2025	2024
Interest income	362,329	–

Majority state-owned companies

Disclosures relating to state-owned companies are prepared for state-owned companies that are monthly updated on the website of SSH – Equity Investments.

► Receivables due from the state and majority state-owned companies

EUR	Sava Insurance Group		Sava Re	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Interests in companies	2,436,052	1,935,724	2,436,052	1,935,724
Debt securities and loans	67,501,296	63,519,019	16,820,416	16,244,093
Receivables due from policyholders	825,532	659,912	–	–
Total	70,762,880	66,114,655	19,256,468	18,179,816

► Liabilities to majority state-owned companies

EUR	Sava Insurance Group	
	31 December 2025	31 December 2024
Liabilities for shares in claims	1,478	–

► Income and expenses relating to majority state-owned companies

EUR	Sava Insurance Group		Sava Re	
	2025	2024	2025	2024
Dividend income	123,206	56,535	123,206	56,535
Interest income at effective interest rate	1,086,881	1,137,034	279,143	267,488
Other investment income	8,545	3,745	8,545	3,745
Other investment expenses	-3,411	-30,767	-3,411	-3,405
Gross premiums written	4,391,286	7,748,982	–	–
Gross claims payments	-3,950,454	-5,538,820	–	–
Total	1,656,053	3,376,710	407,484	324,363

► Characteristics of loans granted to subsidiaries

Sava Re				
Borrower	Principal	Type of loan	Maturity	Interest rate
Sava Osiguruvanje (MKD)	1,300,000	ordinary	20 October 2038	4.31%
Sava Pokojninska (SVN)	500,000	subordinated	28 June 2027	6.00%
Total	1,800,000			

► Characteristics of loans granted to associates

Sava Re				
Borrower	Principal	Type of loan	Maturity	Interest rate
DCB Bled	5,750,000	subordinated	15 May 2035	10.00%

4 Significant events after the reporting date

- On 28 November 2025, the Insurance Supervision Agency issued an order to three companies – Adris Grupa d.d., Croatia Osiguranje d.d. and Erste d.o.o. – requiring them to dispose of their shares as unauthorised holders of a qualifying holding in Sava Re. It found that these companies were deemed to be joint holders of a qualifying holding of 23.89% in Sava Re, for which they had not obtained the Agency's authorisation. The Agency ordered the unauthorised holders to dispose of all Sava Re shares through which they reached or exceeded a 20% holding in the share capital within three months of receiving the order. Until the disposal of these shares, the companies may not exercise the voting rights attached to them; these rights are temporarily attributed to the voting rights of other shareholders in proportion to their holdings. The order became final in 2026. In February 2026, an action in an administrative dispute was filed against the order, together with a motion for an interim injunction. Also in February, the Administrative Court of the Republic of Slovenia temporarily stayed, pending a final decision, the enforcement of the part of the order relating to the obligation to dispose of the shares, while the other provisions of the order, including the restriction of voting rights, remained in force.
- On 25 February 2026, Sava Re received a notice of resignation from Davor I. Gjivoje Jr from his positions as a member and chairman of the Company's supervisory board. The resignation took effect on the same day. At its session on 5 March 2026, the supervisory board appointed Klemen Babnik as the new chairman and Mojca Androjna as deputy chair of the supervisory board, both from among its members.
- In light of developments in the Middle East at the time this report was prepared, we have prepared an analysis of the Group's exposure to the region based on currently available information. The analysis has shown that the Group has no significant business exposure in the region. The impact of the events in the region on global financial markets remains unpredictable. The effects of the changed conditions in financial markets on the Company's and Group's equity and financial statements are evident from the sensitivity analyses relating to individual financial risks, which are presented in section [C.3.6.4](#). The impacts of the realisation of a downside financial scenario on solvency have been tested by the Group and the Company in the Own Risk and Solvency Assessment (ORSA), which has demonstrated the robustness of the capital adequacy of both the Group and the Company. We consider the unstable geopolitical situation as one of the most significant strategic risks for the Group and the Company, and we have addressed it as one of the principal challenges in the area of risk in sections [C.3.6.1.1](#) and [C.3.6.6](#).





5 Appendices to the financial statements with notes (unaudited)

Appendix A – Glossary of selected terms and calculation methodologies for indicators

AC investments. Investments measured at amortised cost.	FVTPL (Fair Value Through Profit or Loss) investments. Financial investments measured at fair value through profit or loss.
AOCI. Accumulated other comprehensive income.	Emerging risks. New risks, or risks that have been identified previously but which arise in new or unknown circumstances and the impact of which is not fully understood.
CSRD (Corporate Sustainability Reporting Directive). The EU Directive on corporate sustainability reporting sets out mandatory standards and an expanded scope of disclosures on environmental, social and governance (ESG) factors.	NSLT health insurance. Health insurance provided on a technical basis similar to that of non-life insurance.
ESRS (European Sustainability Reporting Standards). Uniform European standards for sustainability reporting, adopted on the basis of Directive (EU) 2022/2464 on corporate sustainability reporting (CSRD).	Business volume. Gross premiums written and non-insurance revenue.
Exchange Traded Fund (ETF). Closed-end investment fund.	Own risk and solvency assessment (ORSA). Own assessment of the risks associated with a company’s or the Group’s business and strategic plan and assessment of the adequacy of own funds to cover them.
EURIBOR (Euro Interbank Offered Rate). The European Interbank Offered Rate is the average interest rate at which euro area banks lend money.	Contractual Service Margin (CSM). An estimate of the unearned profit on groups of insurance contracts that has not been recognised in the income statement at a reporting date because it relates to future services.
FVOCI investments. Investments measured at fair value through other comprehensive income.	SCR. Solvency Capital Requirement.
IBOR (Interbank Offered Rate). An interbank reference interest rate is the average interest rate at which banks borrow money (e.g., LIBOR, EURIBOR).	SLT health insurance. Health insurance provided on a technical basis similar to that of life insurance.
ICT. Information and communication technology.	Solvency ratio. The ratio of eligible own funds to the solvency capital requirement, expressed as a percentage. A solvency ratio greater than 100% indicates that the company has sufficient resources to meet the solvency capital requirement.
Combined ratio. The sum of the loss ratio and the expense ratio. The Group’s ratio is calculated for the reinsurance and non-life insurance operating segments. Sava Re’s ratio does not include expenses arising from holding activities.	Loss ratio. Insurance service expenses, excluding operating expenses, plus net result from reinsurance contracts held as a percentage of insurance revenue. The Group’s ratio is calculated for the reinsurance and non-life insurance operating segments.
Gross premiums written. The total premiums from all policies written or renewed during a given period, regardless of what portions have been earned.	AI. Artificial Intelligence.
MGF. My Guaranteed Fund (Slo. Moj zajemčeni sklad).	Ultimate loss. Total amount of loss after all claims have been paid. Prior to final settlement, the estimated ultimate loss includes reported claims and provisions for incurred but not reported (IBNR) claims.
Investment portfolio. It includes investment property; investments in associates and subsidiaries; financial investments other than unit-linked assets; and cash and cash equivalents other than those related to unit-linked life insurance contracts.	Highly liquid assets. Highly liquid investments include L1A assets (ECB methodology), investments in US bonds, investments in sovereign and supranational issuers rated AA+ or better, and cash and cash equivalents.



Appendix B – Fund assets not included in the consolidated financial statements of the Sava Insurance Group

Name and type of fund	Sava Insurance Group company managing the fund	Net asset value as at 31 December 2025
Infond Umbrella Fund	Sava Infond, Družba za Upravljanje d.o.o.	1,042,325,027
Infond Dividendni, equity sub-fund of developed markets	Sava Infond, Družba za Upravljanje d.o.o.	9,169,324
Infond Družbeno Odgovorni, equity sub-fund of developed markets	Sava Infond, Družba za Upravljanje d.o.o.	26,477,329
Infond Evropa, equity sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	13,157,577
Infond Globalni Defenzivni, mixed sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	26,407,228
Infond Globalni Delniški, equity sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	127,057,046
Infond Globalni Fleksibilni, mixed flexible subfund	Sava Infond, Družba za Upravljanje d.o.o.	30,986,162
Infond Globalni Uravnoteženi, mixed sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	102,449,589
Infond Kitajska, equity sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	6,161,887
Infond Kratkoročne Obveznice (Infond Short-Term Bonds) – EUR, bond sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	120,330,301
Infond Megatrendi, equity sub-fund of developed markets	Sava Infond, Družba za Upravljanje d.o.o.	11,440,467
Infond Naložbeni Cilj 2040, target date fund	Sava Infond, Družba za Upravljanje d.o.o.	5,885,050
Infond Obvezniški (Infond Bonds) – EUR, bond sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	10,097,180
Infond Razviti Trgi, equity sub-fund of developed markets	Sava Infond, Družba za Upravljanje d.o.o.	124,611,579
Infond Select, equity sub-fund of developed markets	Sava Infond, Družba za Upravljanje d.o.o.	29,489,754
Infond Surovine in Energija, bond sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	7,925,167
Infond Tehnologija, equity sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	291,411,836
Infond Trgi v Razvoju, equity sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	40,198,831
Infond ZDA, equity sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	23,749,717
Infond Zdravstvo, equity sub-fund	Sava Infond, Družba za Upravljanje d.o.o.	35,319,003
Sava Penziski Fond Mandatory Fund	Sava Penzisko Društvo a.d.	1,310,805,478
Sava Penzija Plus Voluntary Fund	Sava Penzisko Društvo a.d.	39,370,765



Appendix C – Discount rates

► **Term structure of interest rates for IFRS 17 measurement of non-life and life insurance contracts without an investment component using the BBA and PAA methods (%)**

Currency	EUR		USD		MKD		RSD	
Date of measurement / year	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
1	2.16	2.41	3.55	4.35	2.16	2.41	4.80	4.65
2	2.33	2.33	3.43	4.25	2.33	2.33	5.00	4.55
3	2.50	2.37	3.45	4.22	2.50	2.37	5.09	4.50
4	2.63	2.41	3.51	4.19	2.63	2.41	5.01	4.64
5	2.74	2.44	3.58	4.17	2.74	2.44	5.15	4.88
6	2.83	2.48	3.66	4.21	2.83	2.48	5.32	5.13
7	2.93	2.51	3.73	4.20	2.93	2.51	5.45	5.34
8	3.01	2.54	3.81	4.23	3.01	2.54	5.55	5.51
9	3.08	2.57	3.88	4.21	3.08	2.57	5.67	5.62
10	3.16	2.59	3.96	4.23	3.16	2.59	5.82	5.69
15	3.41	2.66	4.28	4.33	3.41	2.66	6.10	5.74
20	3.52	2.60	4.46	4.35	3.52	2.60	6.01	5.62
25	3.56	2.61	4.52	4.30	3.56	2.61	5.83	5.47
30	3.55	2.67	4.52	4.21	3.55	2.67	5.65	5.33
35	3.54	2.73	4.47	4.14	3.54	2.73	5.50	5.21
40	3.52	2.78	4.38	4.06	3.52	2.78	5.37	5.11
45	3.50	2.83	4.29	3.99	3.50	2.83	5.26	5.03
50	3.49	2.88	4.21	3.93	3.49	2.88	5.16	4.96



► **Term structure of interest rates for IFRS 17 measurement of life insurance contracts with an investment component using the BBA and VFA methods (%)**

Currency	EUR		RSD	
Date of measurement / year	31 December 2025	31 December 2024	31 December 2025	31 December 2024
1	2.21	2.50	5.11	4.97
2	2.42	2.45	5.36	4.89
3	2.61	2.50	5.46	4.85
4	2.75	2.56	5.36	5.01
5	2.87	2.60	5.52	5.27
6	2.97	2.64	5.71	5.55
7	3.07	2.67	5.84	5.79
8	3.15	2.70	5.95	5.97
9	3.23	2.73	6.08	6.08
10	3.30	2.75	6.24	6.16
15	3.56	2.83	6.51	6.17
20	3.67	2.76	6.37	5.99
25	3.70	2.77	6.15	5.79
30	3.69	2.81	5.93	5.61
35	3.66	2.85	5.74	5.46
40	3.63	2.90	5.58	5.33
45	3.60	2.93	5.44	5.22
50	3.57	2.97	5.33	5.13



► Term structure of interest rates for IFRS 17 measurement of reinsurance held and issued using the BBA and PAA methods (%)

Currency	EUR		USD		KRW		CNY		INR	
Date of measurement / year	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
1	2.16	2.41	3.55	4.35	2.68	2.85	1.01	1.25	6.38	7.76
2	2.33	2.33	3.43	4.25	2.93	2.78	1.09	1.27	6.57	7.54
3	2.50	2.37	3.45	4.22	3.08	2.79	1.14	1.29	6.80	7.52
4	2.63	2.41	3.51	4.19	3.17	2.81	1.19	1.33	6.95	7.52
5	2.74	2.44	3.58	4.17	3.23	2.83	1.22	1.38	7.07	7.52
6	2.83	2.48	3.66	4.21	3.27	2.84	1.23	1.42	7.13	7.51
7	2.93	2.51	3.73	4.20	3.29	2.85	1.24	1.46	7.15	7.47
8	3.01	2.54	3.81	4.23	3.30	2.87	1.26	1.51	7.15	7.42
9	3.08	2.57	3.88	4.21	3.32	2.89	1.30	1.58	7.13	7.37
10	3.16	2.59	3.96	4.23	3.31	2.88	1.35	1.66	7.10	7.32
15	3.41	2.66	4.28	4.33	3.29	2.70	1.73	2.08	6.90	7.04
20	3.52	2.60	4.46	4.35	3.11	2.61	2.11	2.44	6.70	6.80
25	3.56	2.61	4.52	4.30	3.03	2.64	2.41	2.73	6.52	6.60
30	3.55	2.67	4.52	4.21	3.03	2.70	2.66	2.95	6.37	6.43
35	3.54	2.73	4.47	4.14	3.04	2.76	2.85	3.12	6.25	6.30
40	3.52	2.78	4.38	4.06	3.06	2.81	3.00	3.26	6.15	6.20
45	3.50	2.83	4.29	3.99	3.08	2.86	3.13	3.38	6.06	6.11
50	3.49	2.88	4.21	3.93	3.09	2.90	3.23	3.47	6.00	6.04

**Annual report
of the Sava Insurance Group
and Sava Re d.d. for 2025**

Published by Sava Re d.d.

Texts by Sava Re d.d. and AV studio d.o.o.
Designed and produced by AV studio d.o.o.
Original version in Slovenian.
Translation by Sava Re.

Ljubljana, April 2026

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