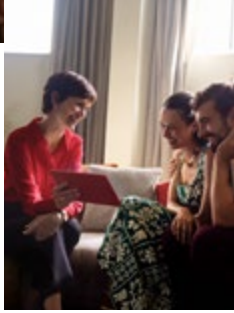
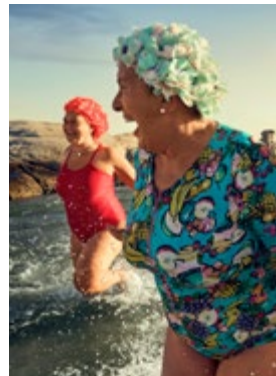


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Annual Report 2025



THE MANAGEMENT BODIES

as at 31 December 2025

Supervisory Board

Gregor Pilgram (Chairman)
Carlo Schiavetto (Deputy Chairman)
Miroslav Singer (Member)
Andrea Leskovská (Member)
Suzana Meglič (Member)
Matjaž Pavlin (Member)

Management Board

Vanja Hrovat (President)
Mitja Feri (Member)
Katarina Guzej (Member)

GENERALI zavarovalnica d.d.

Kržičeva ulica 3
1000 Ljubljana, Slovenija
T: +386 (0)1 47 57 100
info.si@generalis.com
www.generalis.si

GENERALI ZAVAROVALNICA D.D.



In this Annual Report, the name GENERALI zavarovalnica d.d. is also used in the following forms: Generali zavarovalnica, Generali d.d., Insurance Company or Company.

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Visit www.generalisj for more information on GENERALI zavarovalnica d.d.
Visit www.generalicom for more information on the Generali Group.

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LETTER FROM THE PRESIDENT OF THE MANAGEMENT BOARD

Generali entered a new strategic period, the Lifetime Partner 27: Driving Excellence, in which we focus on developing all key areas – from business growth and stability to improving customer experience, introducing advanced digital solutions and strengthening sustainable practices. The results we achieved in the past year confirm that we are well on our way to achieving the ambitious goals of the new strategy and creating lasting value for everyone we serve.

ANNUAL REPORT 2025





GENERALI ZAVAROVALNICA D.D.

Dear policyholders and co-workers, distinguished business partners.

In 2025, we entered the 2025–2027 strategic period with the new Lifelong Partner 27: Driving Excellence strategic plan. The main focus of the Plan is to create financial, economic and social value for all stakeholders, realize the vision of a lifetime partnership and drive excellence in all areas in which our Insurance Company operates.

Excellence in operating model and core capabilities

Financial strength, balanced portfolio and stable results achieved in previous years represent the starting point for the implementation of new strategic tasks. We ended 2025 with a positive operating result and a net profit of EUR 33.1 million, reaching the previous year's level. In this way we maintain a high level of financial stability and create a reliable basis for further investments in development, innovation and projects that strengthen our long-term sustainability and competitive advantage.

In accordance with the new Generali Group strategic plan, we have focused on key capabilities that increase profitability. The Company totalled EUR 453.9 million of gross written premiums, ranking third on the Slovenian insurance market. We achieved premium growth in all three business segments (non-life, health and life insurance) and recorded significantly better claims results compared to previous years. Accordingly, the non-life insurance combined ratio decreased to 92%, confirming better claims development, cost optimization and thus higher profitability of the insurance part of the business. Fewer natural and extreme weather events than in previous years also contributed to the better claims result.

Excellence in customer relationships

As a leading global insurer and asset manager, supporting more than 75 million customers worldwide, Generali is focused on creating value for all stakeholders.

By consistently implementing our strategic orientations, we have upgraded our customer solutions, strengthened business stability and built a culture of responsibility, collaboration and open communication in 2025.

With a view to make contact with us simpler, more personalized and consistent, we upgraded the Generali ZAME program with the ZAME Circle initiative and added new functionalities and content that offer customers greater transparency over their insurance and a better user experience. We renovated the My Generali mobile application, which allows customers to review policies faster, communicate easily with advisors and access key documents. In addition to the existing ones, we established new communication channel options (Viber, WhatsApp), ensuring that customers can reach us where it suits them best.

We further simplified online claims reporting to ensure fast claims settlement. We also invested a lot of effort in developing assistance services, which are increasingly popular among our policyholders.

STATEMENT

**GENERALI IS
FOCUSED ON
CREATING
VALUE FOR ALL
STAKEHOLDERS**



For example, in the Halo Doktor service, which forms part of the Specialists with Assistance insurance upgraded in 2025 with a higher sum insured for specialist examinations and diagnostic tests, we recorded 35% more remote consultations with doctors than in the previous year.

High customer satisfaction*, which we have been monitoring for many years with the help of external surveys and our own systems, remains one of our most important strengths. With an improved satisfaction measurement methodology, regular surveys and an internal panel of policyholders, in 2025 we gained even clearer insight into the factors that shape the experience with our services.

We also keep the Generali brand strong - with high recognition and preference, which has been growing stronger over the years. In 2025, we introduced a new creative platform HERE AND NOW to the market, emphasizing proximity, clarity and responsiveness. For the seventh year in a row, we received the Superbrands title, which confirms that Slovenian consumers see us as a reliable, high-quality and trustworthy brand.

People powered

Our success is based on the knowledge, dedication and development orientation of our employees. That is why we paid great attention to their empowerment in 2025. The TOP Investor in Education award is proof that we consistently invest in the professional development and education of our employees. The Family-Friendly Company certificate continuously confirms that Generali zavarovalnica is an environment where employees can more easily balance their personal and professional lives. Special attention was paid to simplifying work processes and reducing bureaucratic obstacles, thus creating conditions for greater productivity and more time for tasks that bring added value to customers and the organization.

2026 will see us reach a significant milestone: the relocation of our headquarters and a part of our employees from several locations across Ljubljana to the new Vilharia office building. This is an investment that goes beyond spatial planning. The new location will create a modern, sustainable and more connected work environment that will encourage agile forms of collaboration, knowledge exchange and development of innovation.

AI and data driven

Artificial intelligence, data solutions and digital tools made a significant contribution to the development of our business in 2025. We introduced the new website generali.si, which has become a modern, intuitive and user-friendly digital hub for our services. We constantly upgraded digital tools for employees and partners, including the use of robotic process automation (RPA) solutions, while ensuring high data security, stable information systems and the protection of customers and employees when using digital solutions.

Aware of the extraordinary potential that artificial intelligence brings, we established an AI council to coordinate and accelerate the introduction of AI into our

business processes. We started developing an advanced AI tool for handling health claims, which will enable faster, more accurate and more consistent claim processing and prepare the groundwork for entering the Insurance in a Box information systems unification project.

Sustainability rooted

Sustainability remains one of the key foundations of our strategy. We deliver on our commitments through responsible products, governance and community engagement. For the third consecutive year, we were awarded the Green Star certificate for successfully embedding ESG principles into our operations – this time with the highest five-star rating. We widened our range of sustainable investments and strengthened the importance of the RESPONSIBLE FUTURE (ODGOVORNA PRIHODNOST), an investment-linked life insurance product that promotes sustainable development.

The global SME EnterPRIZE initiative encourages small and medium-sized enterprises to implement sustainable business practices. The growing number of applications, the growing visibility of the project and strong media support point to an increasing importance of sustainability within the Slovenian economic environment.

As a socially responsible company, we remain active in areas that contribute to the quality of life in the community. Through The Human Safety Net movement, we support initiatives to help the most vulnerable. In 2025, together with the Varna pot Institute, we opened the Safe Mobility Park in Ljubljana and designed the high-profile preventive traffic campaign Great Speed, Great Void. With the Generation Saves Lives project, we raised awareness of the importance of basic resuscitation procedures. As before, we supported numerous sports projects and events, both local clubs and national associations. Among the events this year, worth mentioning is the Pogi Challenge featuring the cycling star Tadej Pogačar, who achieved widespread acclaim in Slovenia and internationally.

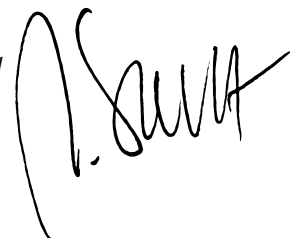
In our Generali Gallery, we give space to Slovenian artists and maintain our commitment to supporting Slovenian art and cultural heritage.

All the above accomplishments directly reflect thoughtful work, cooperation and dedication. Thank you to all employees, business partners and customers for your trust and support. Together we will continue to implement strategic priorities, promote excellence in all areas and create lasting value for customers, employees and society.

* Brand Track Survey, Aragon, May 2025, and internal customer satisfaction survey of Generali zavarovalnica (Medallia NPS), 2025.

Vanja Hrovat,

*President of the Management Board
GENERALI zavarovalnica d.d.*



BUSINESSES

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1. GENERALI ZAVAROVALNICA D. D. IN 2025

Generali zavarovalnica d.d. is the largest international insurance company in Slovenia and part of the Generali Group, one of the leading global insurance companies and asset managers. With almost 200 years of tradition, we are the leading insurance group in Europe, present in more than 50 countries around the world, connecting over 75 million policyholders.

Since our beginnings on the Slovenian market (1 January 1997), we have focused our operations on our customers - we want to stand by them in all their life situations, on their private and business journeys, and build long-term relationships with them as their lifetime partner.

In 2025, by introducing our new *Lifetime Partner 27: Driving Excellence* strategic plan, we entered a period in which we remained committed to responsible business practices, as we want to empower people to shape a safer and more sustainable future and help them pursue their plans and dreams. In this new strategic period, we are building on three priorities: excellence in customer relationships, strengthening of key growth segments and a more advanced and efficient business model. We are supported by the three strategic foundations – empowered and competent employees, advanced use of artificial intelligence and data, and sustainability, which remains the guiding principle of all our activities.

We encourage excellence at all levels of our operations while putting customer satisfaction, achieved through a personal approach, as the top priority of our operations. We strive to make every interaction with our customers simple, friendly and of high quality, and to build trust and loyalty with them. In this spirit, in 2025, we also launched a new communication platform HERE AND NOW, which, with an emphasis on proximity, clarity and responsiveness, further strengthens our way to directly and authentically reach our policyholders. The new campaign represents an important step towards even more understandable, accessible and transparent communication.

The key to our success is competent, committed and satisfied employees. We invest in the development of key skills and competencies, intergenerational mentoring,

sustainable leadership and a hybrid working model. We maintain the culture of a learning organization.

Our strong capital position and diversified business model ensure a successful business based on quality insurance and assistance services. In 2025, we continued focusing on digitization and process simplification in the development of our insurance products and services in order to ensure faster and more transparent processes as well as more flexible insurance solutions. We strengthened sustainable approaches in all segments and, while implementing the commitments of a lifetime partnership, we strived to further improve the user experience. Through product innovation and advanced development, we achieved growth and operated soundly. In this way, we strengthened our foundations for long-term, sustainable and customer-oriented development, which leads us to even more modern and reliable insurance solutions. With discipline and integrity, we are committed to fulfilling our promises and strive for long-term relationships with our partners.

Key performance data of the Generali zavarovalnica in 2025

Generali zavarovalnica ended 2025 with a positive result, achieving a net profit of EUR 33.1 million, which is comparable to the result from the previous year. The result from insurance service improved by 22.8%, which is mainly a result of the growth in income from insurance business by 6.1% and the simultaneous decrease in expenses from insurance business by 2.5%. Damages related to extreme weather conditions were significantly lower in 2025 than in 2024, when they significantly exceeded the long-term average. As a result, the combined ratio of non-life insurance decreased to 92%. The net result from reinsurance contracts worsened compared to the previous year and amounted to EUR -28.2 million.

In 2025, the Insurance Company totalled EUR 453.9 million of the gross written premium thus ranking in third place on the Slovenian insurance market.

Generali zavarovalnica d.d.	2025	2024
Revenue from insurance services (in EUR million)	388.6	366.3
Expenses from insurance services (in EUR million)	317.7	325.7
Market share	12.6%	15.8%
Combined ratio (non-life insurance)	92%	95%
Profit before tax (in EUR million)	41.7	42.6
Net profit (in EUR million)	33.1	33.5
	31.12.2025	31.12.2024
Total assets (in EUR million)	1,262.5	1,237.8
Equity (in EUR million)	239.3	230.1
Net liabilities from insurance contracts (in EUR million)	858.6	848.0
Net assets from reinsurance contracts (in EUR million)	46.2	56.1
Number of employees	1,200	1,217

- Premium growth was achieved in all three business segments: in the non-life insurance sector by 6.7%, in the life insurance sector by 7.4% and in the health insurance sector by 8.9%.
- The Insurance Company is financially sound, has an adequate capital position and resilient insurance and investment portfolios, with which it follows closely the set strategic goals.
- The Company is rapidly developing and simplifying remote services and solutions, and puts special focus on the development of comfortable, fast and modern assistance services.

Gross written premium:

EUR **453.9** MILLION



Life Market Share:

11.3%



P&C Market Share:

13.1%



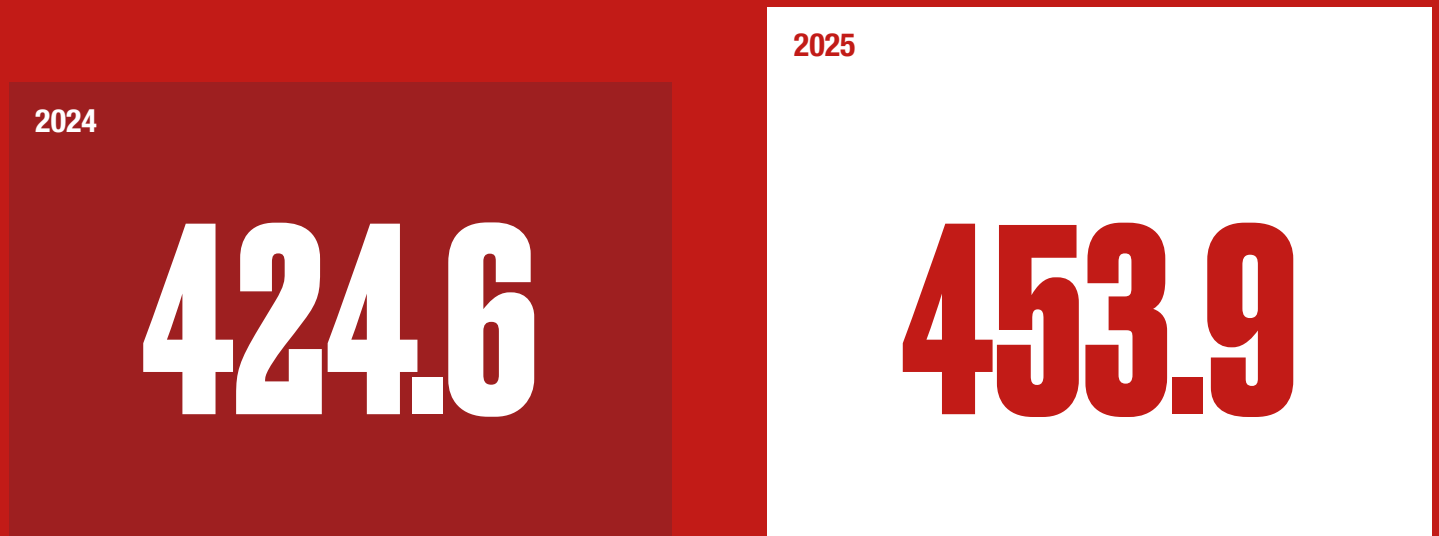
Ranking:

#3

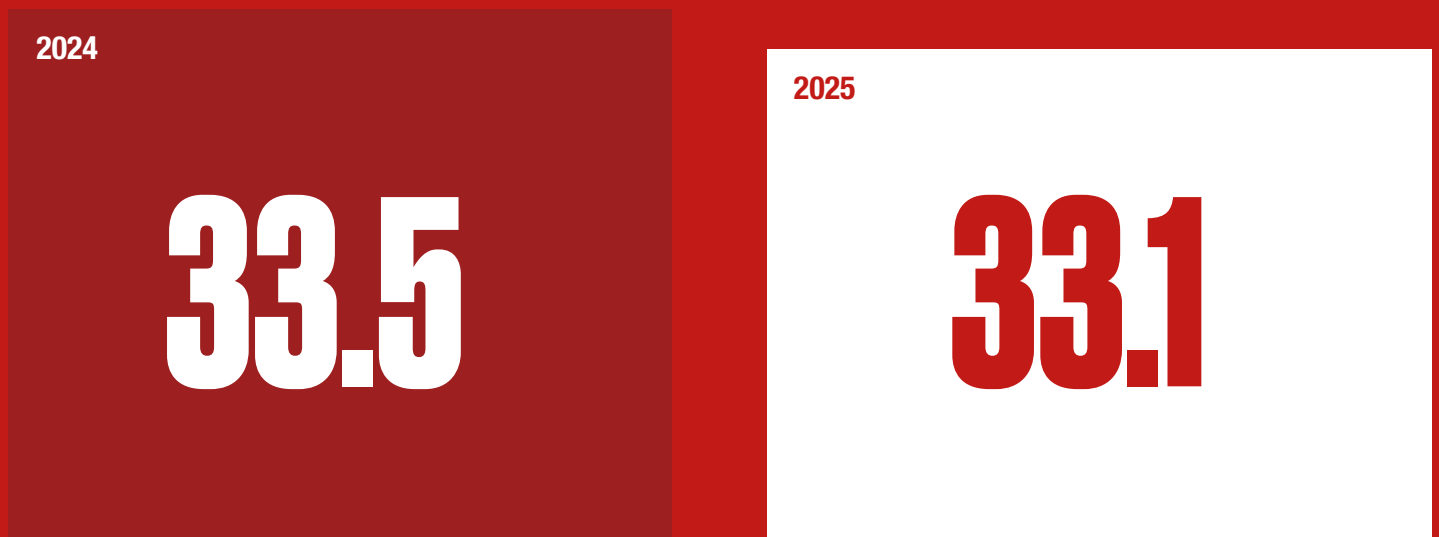


12.6% MARKET SHARE

Gross written premiums from insurance contracts



Net profit



Premium growth by segment



+6.7%

NON-LIFE
INSURANCE



+7.4%

LIFE
INSURANCE



+8.9%

HEALTH
INSURANCE



1.1 SIGNIFICANT EVENTS IN 2025

There were no significant events in 2025 and at the beginning of 2026 that would have an impact on the Company's operations and that have not been disclosed elsewhere in the Annual Report.

1.2 STRATEGIC PLAN: LIFETIME PARTNER 27: DRIVING EXCELLENCE

In recent years, we witnessed major shifts and changes in the social and economic environment both in the areas of development of new technologies, changing demographic structures and socio-political relations, as in relation to the increasingly concrete consequences of the climate crisis. Factors such as the more frequent natural disasters and the aging population have a significant impact on the formation of modern society and on the needs and expectations of our customers.

The year 2024 saw the successful completion of the strategic cycle *Lifetime Partner 24: Driving Growth*, overachievement against its financial and operational targets and further strengthening of the position of our Insurance Company. The achieved results created a solid starting point for a new development step, which is why the Generali Group has developed an ambitious strategic plan that sets out clear guidelines and targets for the period until 2027.

2025 thus began with the launch of the new *Lifetime Partner 27: Driving Excellence* strategic plan. As a leading global insurance and asset management player, we remain focused on creating value and achieving excellence in all areas of our operations. We develop innovative solutions for our customers, combining the power of advanced technologies with the warmth of the human touch — a combination that represents our differentiating advantage.

With our new three-year strategic plan, we are entering a period in which we will be even more ambitious in addressing customer needs, accelerating innovation, strengthening our sustainability focus and setting standards of excellence on a global scale.

Targets of the strategic period 2025–2027

As a leading global insurance provider with a strong sales network, we will:

- address needs in the fields of health, pensions and protection, with a focus on preventive care and tailored health solutions,
- strive to improve insurance against natural events by developing innovative coverage models,
- strengthen our competitive advantage in the field of asset management by strengthening our position in private markets and in alternative investments; and
- continue to maintain a personal approach and ensure the best experience for our customers by using artificial intelligence and the latest digital technologies.

Despite the fact that the insurance industry is facing numerous social and environmental challenges, changing customer expectations, and rapid technological changes and market needs, we are ready to meet the challenges. We will offer our customers new, improved and tailored services.

We will continue to create economic, financial and social value for all stakeholders. Our commitment remains the same - to empower people to create a safer and more sustainable future by taking care of their lives and dreams. This will move us even closer to excellence, which has always been our ultimate goal.

Strategic Priorities

The *Lifetime Partner 27: Driving Excellence* strategic plan sets out a clear vision for Generali in 2027.

Our focus is clear: driving excellence in everything we do, building on three strategic priorities:

- **Excellence in customer relationships:** enhance a seamless customer experience, innovative value propositions and strengthened distribution network.
- **Excellence in core capabilities:** accelerate growth in preferred profit pools, increase technical proficiency and scale Group-wide assets to enhance effectiveness.
- **Excellence in our operating model:** evolve the Group operating model to provide distinctive competences, scalable services and productivity gains.

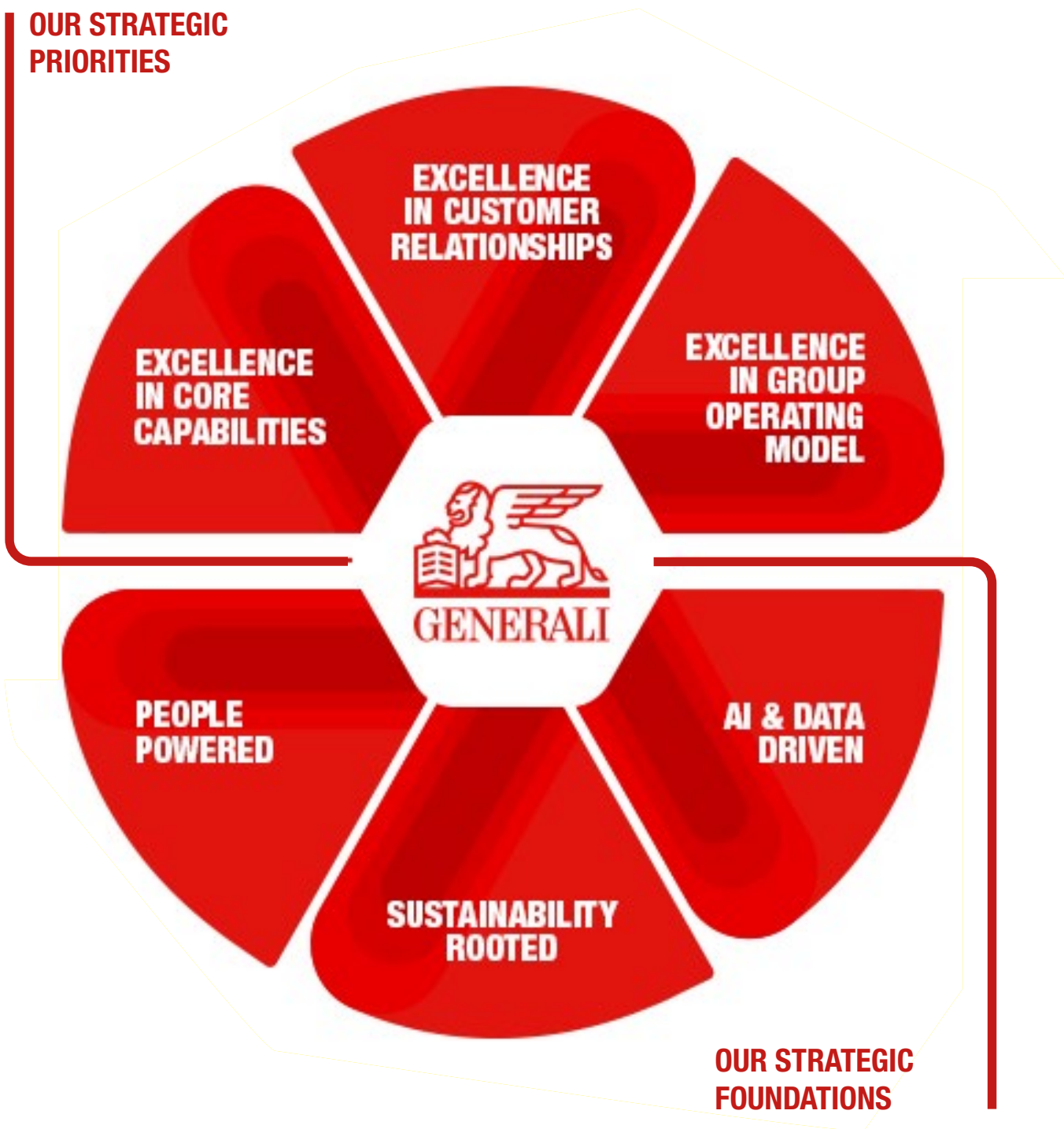
Strategic Foundations

Our plan will be enabled by the powerful combination of three strategic foundations:

- **People powered:** By investing in knowledge and fostering a culture of excellence, progress and diversity, we create an environment where our employees can realize their potential.
- **AI & Data driven:** By using artificial intelligence tools and data, we improve the customer and distributor experience as well as drive operational efficiency and technical excellence.
- **Sustainability rooted:** By supporting a green, just transition and fostering societal resilience, we aim to create a positive impact on profit, on society and on the planet.



OUR STRATEGIC PRIORITIES



1.3 IMPLEMENTATION OF THE COMPANY STRATEGY IN 2025

As the Company entered the new strategic period, it has updated and adopted the new goals of the Generali Group, while maintaining financial stability, an adequate capital position and a diversified insurance and investment portfolio. Focused on creating value and achieving excellence in all

areas of our operations, the Company strives to create and upgrade the best customer experience with its services and products. As a true lifetime partner, the Company wants to provide customers with comprehensive support when taking out insurance and to offer them tailored services.

HERE NOW





FOR CUSTOMERS

More than
479,000
customers trust
us to protect
what means the
most to them.

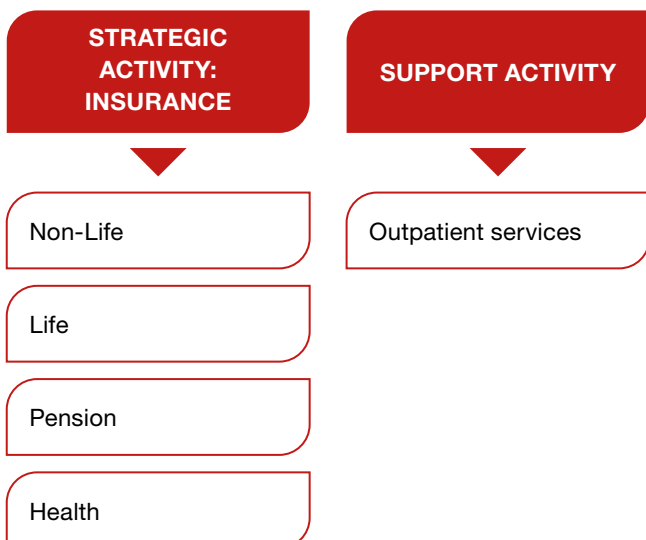
2. ACTIVITIES, MARKETS AND POSITION OF THE GENERALI ZAVAROVALNICA AND ITS SUBSIDIARIES

Generali zavarovalnica operates in Slovenia with a long-term mission of providing a comprehensive range of products in the field of insurance and support activities. It provides its customers with the widest range of insurance and assistance services within the scope of property, life, health and pension insurance.

Non-life insurance comprises a comprehensive range of property-related insurance and insurance services both for individual customers as for companies (immovable property and movable property, cars, etc.).

Health and accident insurance provides greater social and financial security in the event of illness, longer treatment and serious accidents as well as a faster route to doctors and specialists. We are the provider of supplementary health insurance with the longest tradition on the Slovenian market and with our own assistance centre and two clinics.

Life and pension insurance comprises a rich range of standard and investment insurance as well as pension insurance that meet the needs of security and savings at all stages of life.



The Insurance Company complements its core business with outpatient services provided by its subsidiary Ambulanta ZDRAVJE, zdravstvene storitve d.o.o. (hereinafter: Ambulanta Zdravje).

Ambulanta Zdravje operates in two business units, in Ljubljana and in Koper. The core activity of the company is providing specialist outpatient health care service in the fields of dermatology, general surgery, orthopaedics, X-ray diagnostics and ultrasound diagnostics. The clients of the outpatient clinic are mainly health insurance policyholders and self-payers. Based on the experience of its own clinic, the Insurance Company develops health insurance products and market approaches in the field of health insurance and shapes sustainable and digitized relationships with other health care providers. It thereby contributes to the development of the insurance market of contractual health insurance in Slovenia.

In 2025, Ambulanta Zdravje performed more than 8,400 health services, which confirms our commitment to quality and accessible health care. We provide our services in two business staffed with 19 top specialist doctors, supported by eight long-standing contractual partners. Together, we ensure comprehensive patient treatment and professional excellence, based on trust and care for health.

Ambulanta
Zdravje
performed more
than 8,400
health services
in 2025.

Information about Generali zavarovalnica d.d. and its subsidiaries as at 31 December 202

Generali zavarovalnica d.d.	
Abbreviated company name	GENERALI d.d.
Address	Kržičeva ulica 3, 1000 Ljubljana, Slovenia
Phone	386 (0)1 47 57 100
Company registration number	5186684000
VAT ID number	SI88725324
Share capital	39,520,347.18 EUR
Equity attributable to the controlling company	100%
Date of entry into the Companies Register:	20 December 1990
Management Board:	Vanja Hrovat, President of the Management Board; Mitja Feri, Katarina Guzej, Members of the Management Board
Supervisory Board	Gregor Pilgram, Chairman; Carlo Schiavetto, Deputy Chairman, Miroslav Singer, Andrea Leskovská, Suzana Meglič and Matjaž Pavlin, Members
E-mail	info.si@generali.com
Website	www.generali.si

Share capital and shareholders of the Company as at 31 December 2025

Shareholder structure	No. of shares	Portion
Generali CEE Holding B. V.	2,364,563	100.00%
Total	2,364,563	100.00%

Since 13 February 2019, Generali CEE Holding B. V. is the sole Shareholder.

As at 31 December 2025, the share capital of Generali zavarovalnica d.d. amounted to EUR 39,520,347.18.

Ambulanta Zdravje d.o.o.	
Registered office	Dunajska cesta 63, 1000 Ljubljana, Slovenia
Company registration number	6332846000
VAT ID number	SI22745866
Activity	Specialized healthcare activity
Share capital	710,665.69
Equity attributable to the controlling company:	100%
Management	Managing Directors: Vanda Zorc Rems and Mitja Feri
E-mail	info@ambulanta-zdravje.si
Website	www.ambulanta-zdravje.si

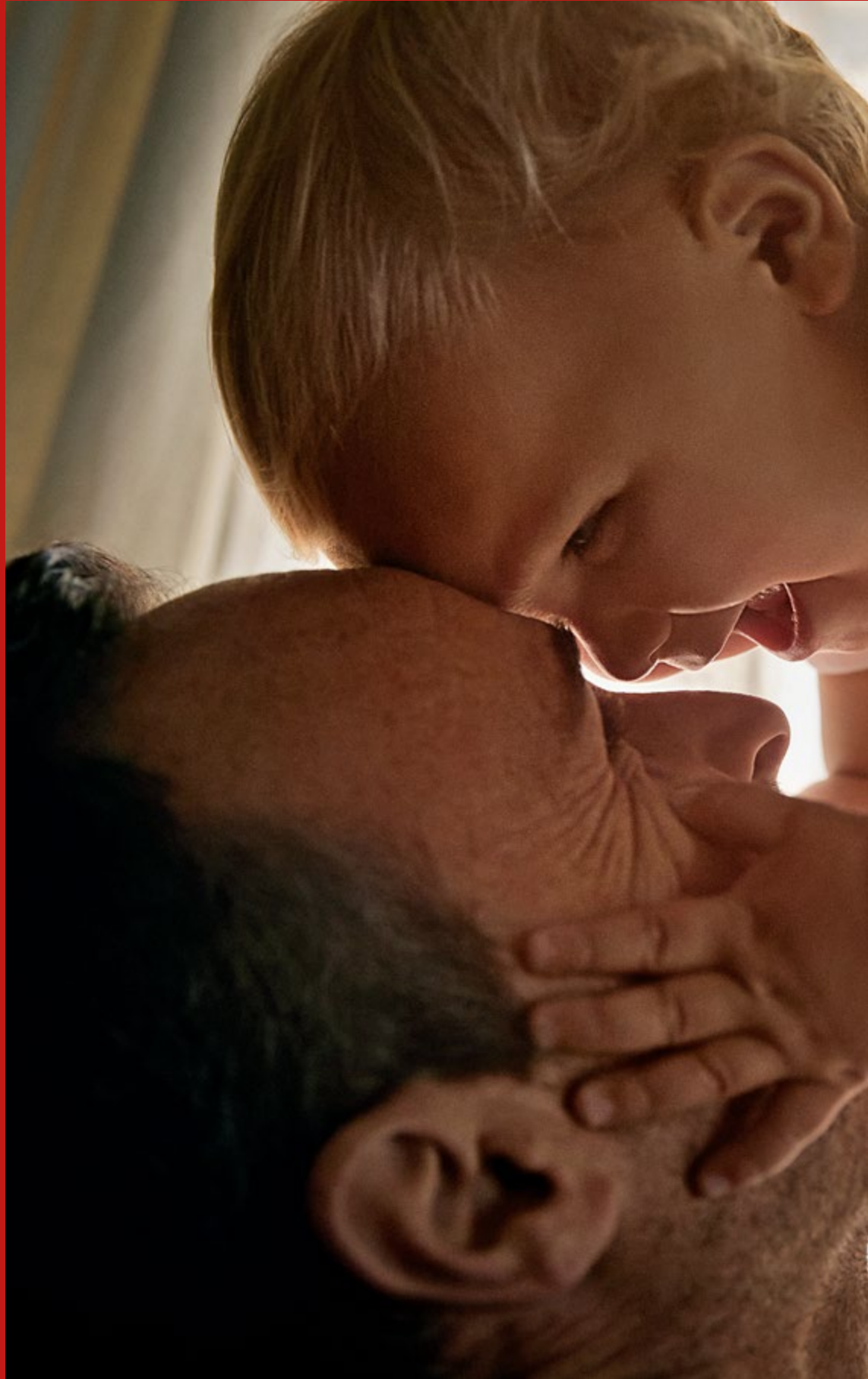
In addition to its investment in the subsidiary Ambulanta Zdravje, Generali zavarovalnica d.d. also owns a 25% stake in the company Medifit d.o.o.

Medifit d.o.o. is a Slovenian company that develops digital solutions for healthcare management, including applications for appointment booking, administration and secure document exchange between providers, insurers and users. Their platforms, such as eAmbulanta and systems for insurance companies and employers, shorten administrative procedures and waiting times and enable more efficient digital communication. The company plays a key role in the digitization of healthcare in Slovenia as it connects healthcare institutions, insurance companies and technology providers into a single, modern ecosystem.

Changes among subsidiaries and associates in 2025

There were no changes among subsidiaries and associates in 2025.

HERE NOW





FOR SAFETY

More than
600,000 new or
renewed policies
creating a safer
future together.

3. INSURANCE AND SERVICES DEVELOPMENT

In 2025, we continued to improve quality and standardize the user experience, and we strengthened our focus on customers and lifetime partnership. The key activities focused on digitizing processes, upgrading insurance products and unifying information environments, thereby improving the efficiency and consistency of operations.

In the area of life insurance, we further developed the ODGOVORNA PRIHODNOST (RESPONSIBLE FUTURE) product, the investment-linked life insurance that promotes sustainable development, and we strengthened the comprehensive range of personal insurance. We broadened accident and health insurance with renewed products, modernized underwriting processes and greater data consolidation. In the area of pension insurance, we prepared for adjustments to the pension reform and strengthened the sustainable approach and customer support.

We further focused our non-life insurance on customer needs and strengthened our sustainable approach, linking the insurance even more closely with the Generali ZAME Loyalty Programme. In car insurance, we updated the user experience, modernized data exchange, and improved customer support.

2025 thus brought noticeable shifts in the field of digitization, standardization and automation, and solidified the foundations for the further development of sustainable, efficient and customer-friendly solutions.

3.1 NON - LIFE INSURANCE

The activities undertaken in 2025 in the field of non-life insurance were focused on a consistent implementation of the Generali Group's Lifetime Partner 27: Driving Excellence strategy. All activities were designed with the ambition to consolidate the role of the Company as a trusted partner for policyholders in the long term and at the same time ensure stable and profitable management of non-life insurance.

Special emphasis was placed on understanding the actual needs of policyholders, developing tailored insurance solutions and further digitizing business and support processes that enable a simple, fast, and transparent user experience. In the area of insurance for individuals, one of the key activities was the renovation of the Home Package product, which was carried out based on market feedback and the sales network experience. The renovation followed the strategic priority excellence in customer relationships and was aimed at greater transparency of insurance coverage, better adaptability to individual needs and an improved understanding of insurance protection. Product development systematically took into account sustainability aspects, those related to reducing the consequences of loss events and to long-term sustainability of the portfolio.

An important milestone in the field of digitization is the introduction of the option of online underwriting of all-inclusive policies for vessels, which allows policyholders to have modern, fast and easy access to insurance services. In this way, we continued to implement our strategic focus on developing digital sales channels and improving the user experience in line with the changing expectations of policyholders.

In 2025, we also began developing new products for individuals. The development of these products, which address the risks and needs of an increasingly digitalized environment, is based on the understanding of modern lifestyles, increased digital exposure and the need for flexible, modular and sustainably oriented insurance solutions.

An important part of the activities was also earmarked for empowering the sales network with the purpose of ensuring high-quality and comprehensive consultancy. The aim of these activities was to ensure that policyholders receive expert advice when taking out insurance policies, taking into account their needs, expectations and actual life circumstances to the greatest extent possible.

In the area of corporate insurance, we focused our activities in 2025 on simplifying and digitally supporting the underwriting process, contributing to greater business efficiency and a better user experience for companies. At the same time, special attention was paid to developing tools and processes for more efficient management of corporate non-life insurance portfolios, which enables better exposure monitoring, decision-making support and adaptation to changes in the environment.

In this context, we launched a project to upgrade the geographic information system (GIS), which represents an important strategic step towards strengthening technical and analytical excellence in the field of non-life insurance. The upgraded GIS will enable more precise geographical analysis of risk exposure, better risk selection and more advanced portfolio management, especially in relation to natural hazards and other spatially determined risks. The project significantly contributes to the digitization of decision-making, strengthening of sustainable portfolio management and long-term stability and sustainability of business operations. We continued our activities to empower the distribution network also in the corporate segment, as quality consultancy and good understanding of the specific needs of companies represent the key element of a long-term partnership with policyholders.

It is worth highlighting the growth in premiums in the area of corporate insurance, which amounted to as much as 14% in 2025, and we managed to acquire several reputable clients in the area of corporate insurance. It is also worth mentioning the continued development of international insurance, where we capitalize on the Generali Group's international presence and the Group's competencies in this area.

In the area of corporate insurance, we recorded growth of 14%, and managed to acquire several reputable clients in the area of corporate insurance.

3.2 LIFE INSURANCE

In 2025, our guiding principle in life insurance was to strengthen the lifetime partnership with our customers. In support of this goal, we continued to optimize business processes and accelerate digitization, with a focus on the introduction and upgrade of electronic forms (e-forms). This improved the customer experience and increased the speed and transparency of claim processing.

We were very successful in selling our ODGOVORNA PRIHODNOST (RESPONSIBLE FUTURE) product,

the investment-linked life insurance that promotes sustainable development. This product provides long-term stability, contributes to a positive impact on the environment and society, and ensures compliance with international sustainability norms.

The investment-linked insurance ODGOVORNA PRIHODNOST (RESPONSIBLE FUTURE) provides long-term stability, contributes to a positive impact on the environment and society, and ensures compliance with international sustainability norms.

In 2025, in the investment-linked life insurance segment, we continued expanding the range of investments that promote sustainable development. We currently offer 19 investments, out of 24, that take into account environmental, social and governance (ESG) aspects of sustainability in their long-term capital growth investment strategy, however without an obligation to invest in sustainable investments.

An important part of the range are the investment-link insurance ENKRATNI ŽIVLJENJSKI BONUS (ONE-OFF LIFE BONUS) (one-off premium payment) and ŽIVLJENJSKI BONUS (MY LIFE BONUS) (premium payment in instalments), where the saved funds are automatically adjusted to the selected investment goal. This ensures optimal returns with adequate investment security. As part of the MOJ ŽIVLJENJSKI BONUS product, we reward customers for their loyalty by awarding bonuses, which further increases the savings. The ZLATA LETA (GOLDEN YEARS) is an investment-linked insurance intended for people aged 60 years or over, which also provides security in the event of cancer or an accident.

We also encourage the conclusion of other insurance policies, which is why customers who signed the Home Package insurance contract for 10 years and the investment-linked insurance RESPONSIBLE FUTURE or MY LIFE BONUS, saw 15% of the annual premium paid for home insurance transferred to the investment-linked insurance policy.

MOJ ŽIVLJENJSKI KASKO (MY LIFE COMPREHENSIVE INSURANCE) life insurance provides comprehensive financial security in the event of accident, illness, unemployment, disability and death. This insurance offers our customers security in unpredictable life situations and helps protect their loved ones. One of the key advantages is its adaptability - insurance may be changed and adapted to the different needs of customers over time.

In their golden years, customers can opt for VARNA LETA (SAFE YEARS) life insurance, which provides life-long insurance and relieves the loved ones from costs in the event of death. It also includes protection in the event of cancer or an accident.

Our offer also includes life insurance for borrowers, offered through bank sales channels, and all our life insurance products are suitable for companies which wish to provide social and financial security for their employees and protection for their families, or to ensure financial security of the company.

The advantage of our life insurance products is flexibility and transparency. Customers can adjust the policy to their current life circumstances over its duration. Through the My Generali user portal, they can monitor and view their payments, asset value, coverage and beneficiaries, make changes and report an insurance claim at any time. Through the Generali ZAME Loyalty Programme we offer our customers advice on a healthy and active lifestyle, as well as various benefits and discounts. We encourage them to ensure comprehensive personal insurance protection by taking out life insurance in the event of death, investment-linked insurance, health, accident and pension insurance.

Our portfolio includes 19 investments that promote sustainable development.

3.3 PENSION INSURANCE

2025 was marked by expectations of the new pension reform, which was announced as one of the key Government reforms, as it seeks to ensure the long-term stability of the

system and higher and fairer pensions. The amendment to the Pension and Disability Insurance Act was adopted in November 2025 and brought about significant changes that will be gradually introduced from January 2026 to 2035, with the pension reform finally being introduced in 2045.

Generali zavarovalnica's additional pension insurance products comprise the PN-A01 Guaranteed Return Guarantee Fund and two groups of umbrella pension funds that implement a life-cycle investment policy: the LEON 2 Umbrella Mutual Pension Fund and the Group of Guarantee Funds Pokojninsko varčevanje AS.

Performance of pension funds

Last year was successful for our pension funds although returns were at a lower level than in 2024. At the end of 2025, our funds had EUR 134,4 million assets under management, representing an 8.5% growth in assets compared to the previous year. We increased the number of members and the volume of premiums paid and kept surrenders at a low level. We continued further reducing provisions for not reaching the guaranteed return, mostly formed in 2022.

The economic and capital market conditions in 2025 turned out to be extremely challenging and required a lot of adaptation. We continued applying the investment policy in pension fund management, which actively follows the conditions in the capital markets, the economic situation and geopolitical developments. In this way, we ensured the long-term growth of our members' assets for the highest possible retirement annuities.

We are implementing our commitments to lifetime partnerships and sustainable practices at all levels of our operations. In 2025, we carried out a number of important activities within the pension funds, listed below.

Notifying employers involved in collective pension plans

In 2025, the focus was on introducing secure and an efficient paperless environment. The GENERALI B2B web portal is available to employers and other users, enabling secure and easy exchange of files with confidential content, including data on employees and paid supplementary pension insurance premiums. The portal ensures simple communication with the insurance company 24/7. To facilitate registration and login to the portal, users are provided with clear written instructions and a short introductory video. However, at the request of employers, notifications of paid premiums can still be sent by mail.

Paperless sending of documentation upon inclusion of employees in insurance has commenced. Documentation is sent directly to employees' email addresses provided by the employer, in accordance with the changed position of the Ministry of Labour, Family, Social Affairs and Equal Opportunities.

We provide employers with professional support and keep in constant contact with them. We inform employers of new developments, legal requirements and other important information regarding collective pension schemes through quarterly newsletters. At the end of the year, we published two articles summarizing key changes to the first and second pension pillars. We also organize annual meetings and prepare open days or refresher presentations for employees, including those regarding amended pension legislation.

Notifying members of pension funds

Our members can find a wide range of useful content on the Generali website regarding supplementary pension insurance and the benefits it brings. The articles are intended for both young employees who are just starting to save, as well as for experienced savers. In addition, we regularly inform them about the operations of pension funds and changes in pension legislation through quarterly newsletters.

Rapid response to members' insurance inquiries via various communication channels remains one of our key priorities. For members approaching retirement and needing more detailed information on how to use their pension savings, we created a special group of account managers. These are available to members by phone or email. They prepare a personalized informative calculation for each member, provide them with all the necessary information for easier decision-making, and advise them on choosing the most tax-efficient method of paying out their pension annuity.

The publication *I'm retired, what now?*, which answers the most frequently asked questions regarding the use of funds in retirement, has also received an excellent response from future retirees. Available online and in print, it has significantly contributed to a better understanding of the options for paying out saved funds from supplementary pension insurance.

Notifying members of pension funds through the My Generali portal and web application

In addition to the web portal, members also have access to the My Generali mobile application. They both allow members to view data on the employer's and member's premiums paid by year, the status of savings, asset movements, and the selected investment policy.

Promoting the widest possible use of the My Generali portal, especially among members who do not yet use it, remains one of our key priorities, as in this way we increase the volume of paperless communication with members.

Unification of pension annuities and pension schemes of supplementary pension insurance

In 2025, we completed the process of unifying the data of the register of personal accounts of members into a single

information system and we regulated the operations of Pokojnina AS and Pokojnina LEON through a single information system. The new legislation also provided the legal framework for the implementation of the unification procedures of our pension funds (guarantee fund and mutual pension fund). In 2026, the unification procedures and formalities will begin in accordance with the provisions of Pension and Invalidity Insurance Act for the unification of pension funds, depending on the legal frameworks and procedures of the competent Ministry and both regulators.

Information on the integration of environmental, social and governance factors in the selection of pension fund investments

In addition to the basic goals of optimal profitability and the greatest possible security of members' assets in pension funds, we endeavour to follow sustainable aspects in our investment decisions as much as possible. We include available data on environmental, social and governance factors (ESG factors) in our assessment of investment decisions.

The Generali Group, as well as the investment manager Generali Investments, based on their own investment guidelines, take into account the exclusion method, which limits investments in countries, companies or sectors based on selected sustainability criteria (such as a ban on investments in the military industry), and the best-in-class inclusion method by selecting investments in financial instruments of those government or corporate issuers (economic sectors, companies or projects) that achieve better sustainability assessment results than comparable issuers (viewed from sectoral or regional perspectives).

EUR **134.3**
MILLION
ASSETS UNDER MANAGEMENT



8.5%
GROWTH
OF ASSETS



3.4 HEALTH AND ACCIDENT INSURANCE

In 2025, we continued to develop modern, tailored solutions in the area of health and accident insurance, ensuring our customers' safety and access to quality services. Our mission remains clear: to be a lifetime partner who understands the needs of individuals and companies and stands by them in key moments.

Our advanced digital tools, such as the Halo Doktor application and the Asistent system, enabled us to further improve the user experience. We provide customers with easy access to healthcare services, faster appointment bookings and efficient claim processing. Digitization remains the foundation of our approach to providing quality services.

Our ecosystem combines the Moj zdravstveni kasko and Kolektivni zdravstveni kasko comprehensive insurance packages with Specialists with Assistance and other insurance products, the Asistenca Zdravje assistance centre, healthcare providers, digital solutions, and the Generali ZAME loyalty programme. Each element plays a key role in ensuring quality services and the satisfaction of our policyholders.

Preventive health check-ups remain an important aspect of our offer, enabling early detection of risks and promoting a healthy lifestyle. In collaboration with long-standing partners, we carried out more than 250 preventive activities, thereby giving back to society and strengthening community resilience.

Health and accident insurance remains the foundation of our mission – to be there for our customers when they need us. Through innovation, a partnership approach and a commitment to excellence, we are building a safer future – here and now.

2025 Achievements and Statistics

MORE THAN

216,000



POLICYHOLDERS OF
HEALTH AND ACCIDENT
INSURANCE

MORE THAN

15,000



NEW INSURANCE POLICIES

PORTFOLIO GROWTH OF

8%



COMPARED TO 2024

MORE THAN

11,500



POLICYHOLDERS PROVIDED WITH
QUICK ACCESS TO MUCH NEEDED
HEALTHCARE SERVICES

MORE THAN

250



PREVENTIVE ACTIVITIES
CARRIED OUT IN THE FIELD
OF HEALTH AND LIFESTYLE

4. CORPORATE GOVERNANCE STATEMENT

The Statement is drafted pursuant to the sixth paragraph of Article 70 of the Companies Act (ZGD-1). The Statement is provided as a special section of the Business Report of the Annual Report 2025.

of Commerce and Industry of Slovenia, the Ministry of Economic Development and Technology and the Association of Supervisory Board Members of Slovenia, May 2016 (hereinafter referred to as the Corporate Governance Code for Unlisted Companies). The text of the Corporate Governance Code for Unlisted Companies is publicly available in Slovenian and English on the [website of the Chamber of Commerce and Industry of Slovenia](#).

4.1 COMPANY GOVERNANCE ACTS

In its operations undertaken in 2025, the Company was obliged to comply with the provisions of:

- the Generali Group Code of Conduct; the text of the Code is publicly available in Slovenian [on the website of the Company](#).
- the Insurance Code of 1 June 2013; the text of the Code is publicly available in Slovenian [on the website of the Slovenian Insurance Association GIZ](#).

4.1.1 ARTICLES OF ASSOCIATION

The General Meeting adopted the Company's Articles of Association, which regulate the way in which the Company and its bodies operate.

4.1.2 MANAGEMENT SYSTEM GUIDELINES

The Company's Management Board adopted the Management System Guidelines, which were approved by the Supervisory Board. The Guidelines specify, in particular, the management system, the key elements of the internal control and risk management system, and the roles and responsibilities of the management system.

The company publishes information about the Company's Management Board and Supervisory Board, vision, mission, values and strategy, as well as other information related to the management of the Company, on its website <https://www.generalisi.si/o-nas/generali-zavarovalnica>.

4.1.3 CODES

The Company subscribed to the Corporate Governance Code for Unlisted Companies issued by the Chamber

4.2 DEVIATIONS FROM THE CORPORATE GOVERNANCE CODE FOR UNLISTED COMPANIES

The Company respects both the guiding principles and the specific recommendations of the Code in its operations. Any deviations from the recommendations are disclosed and explained below. The reasons for such deviations mainly concern the ownership structure, the inclusion of the Company in the management system of the Generali Insurance Group (hereinafter also referred to as the Group); the industry and the activity of the Company, and the complexity of its operations.

Recommendation	Explanation
2.1.1	The Articles of Association of the Company define the corporate governance framework of the Company and, through the definition of activities, also the purpose of establishing the Company. The key and other objectives of the Company are not explicitly stated; however, the Company defines them through other internal acts, including those adopted by the Company based on the Group's acts. The values, mission and vision are published on the company's website at: Vrednote in poslanstvo zavarovalnice Generali - Generali . The Company's strategy and related objectives are published on the Company's website at: https://www.generalislovenica.si/o-nas/generalislovenica/strategija .
2.2.2	The remuneration and reward system for members of the Management Board is developed and implemented by the Group. The remuneration of members of the Management Board, the criteria for variable payments and the targets of members of the Management Board are determined by the sole shareholder, who also determines their performance.
2.7.1	See 2.1.1.
2.8	The Company does not publish the Corporate Governance Guidelines policy on the Company's website, but rather publishes the Company's Annual Report, which describes the Company's governance policy.
2.8.4	The Supervisory Board, considering the common rules set by the Group, determines each year an indicative timetable for meetings and activities of the Supervisory Board. The procedure for nominating Supervisory Board members is determined by the Group's guidelines equally for all companies in the Group.
2.8.6	See 2.8.
2.9	The Company has adopted Rules of Procedure of the Management Board and of the Supervisory Board, which are not published publicly because the Company is owned by a sole shareholder. For the same reason, the Company has not adopted special rules of procedure for the General Meeting.
3.3.3	Upon reviewing the Annual Report, the General Meeting is informed of the opinion of the Company's certified auditor and the report of the Supervisory Board on the review of the Company's Annual Report. The Company's certified auditor makes an oral presentation of his findings and opinion to the Audit Committee and the Supervisory Board of the Company, but he is not normally invited to the General Meeting.
3.4.1	The Articles of Association of the Company defines that any transfer of share ownership due to any lawful purpose is subject to the approval of the General Meeting of the Company.
4.3.2	The Company conducts an annual self-assessment of the competence, suitability and independence of the members of the Supervisory Board. The Company's rules do not specify the obligation of the shareholder and the works council to appoint at least one independent member of the supervisory body, however the self-assessments given at the beginning of 2025 show that all members of the Supervisory Board meet the competence standards (they have several years of experience in managing or supervising the operations of the insurance company) and that they are independent.

Recommendation	Explanation
4.6	See 4.3.2.
5.6	The members of the Supervisory Board do not receive any remuneration for performing their functions, which is in accordance with the internal remuneration policy of the Generali Group.
5.7.11	See 2.2.2.
5.8	The Supervisory Board monitors the work of the Audit Committee regularly throughout the year. No special assessment of cooperation with the Company's Management Board is carried out, as the management board presents the Company's operations at least four times a year and reports on other topics of interest to the Supervisory Board.
5.11	See 5.6.
6.3.3	The Group's guideline sets out a nomination procedure whereby which applications are distributed among the various bodies and professional services of the Group, the sole shareholder and the Company. The rules do not specify the requirement to choose from among at least three candidates.
6.3.4	See 6.3.3.
8.1	See 2.2.2.
8.1.2	See 2.2.2.
8.4	See 2.2.2.
9.1	Ensuring that members of the Management Board and Supervisory Board regularly update and upgrade their skills and maintain their level of knowledge is the responsibility of each individual member.
9.2	See 9.1
10.2	The Management Board does not usually orally present at the General Meeting, but rather provides written materials. The sole shareholder is informed regularly about important aspects of the Company's operations through established procedures for reporting, monitoring and managing business operations within the Group.
10.3	The Company publishes the Corporate Governance Statement on its website as a part of the Annual Report.

4.3 COMPANY INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM AND FINANCIAL REPORTING PROCEDURE

An efficient and integrated internal control and risk management system in the Company is regularly adjusted to the development and changes in its organisation. The system complies with the legal requirements for insurance companies concerning establishing and maintaining a suitable internal control and risk management system defined in the Companies Act and the Insurance Act, as well as in the special implementing regulations issued by the Insurance Supervision Agency. The internal control and risk management system is upgraded and harmonised with the quantitative, qualitative and reporting requirements of the normative framework established based on the Solvency II Directive.

At all levels and in all units and processes, the system comprises:

- A clear organisational structure with a precisely defined and transparent system of competences and authorisations;
- Efficient procedures for regular supervision, the prevention of errors, and the recognition, assessment, management and monitoring of risks to which insurance company is, or could be, exposed in its operations;
- A suitable internal control system, which includes suitable administrative and accounting procedures (reporting, operating procedures, limits to limit risk exposure, and physical control);
- A system to ensure compliance with legal requirements.

Internal control comprises the guidelines and procedures established and implemented by the Company at all levels to manage risks, also in relation to financial reporting. The purpose of internal control is to provide for efficient and effective operations, reliable financial reporting and compliance with applicable laws and other external and internal regulations. Accounting control is closely related to control in the field of information technology, which ensures, inter alia, the restrictions on and supervision

of access to the network, data and applications, as well as the completeness and accuracy of data capture and processing. In addition to the aforementioned, the Company has also established an internal control system for other important business processes. Internal control comprises procedures and activities facilitating compliance with legislation and internal rules. All important business processes in the Company are also described by defining supervision points and individual supervisors.

The risk management system of the Company is composed of three lines of defence. The first line of defence consists of senior management, which provides, in its field of operation, suitable procedures for recognising and assessing risks, while at the same time defining responses to risks, risk owners and the existence and functioning of the internal control system. The second line of defence consists of the risk management function, the compliance function and actuarial function.

The third line of defence is represented by the internal audit function, which is independent and organised in accordance with the law. It regularly examines the efficiency of the internal control and risk management system, proposes improvements and reports to the Management Board, the Audit Committee and the Supervisory Board of the Company.

External and thus independent control of the functioning of the internal control system is carried out by external audit within regular annual audits of financial statements. The suitability of the functioning and establishment of suitable control within information systems is verified by experts from this field also within regular annual audits of financial statements.

The Company complies with the regulations and rules on the suitable management of confidential and internal information, the admissibility of investments and the prohibition of insider trading.

The characteristics and functioning of the risk management system are presented in more detail in Section 8.1.

4.3.1 KEY FUNCTIONS

The Company established an effective corporate governance system with organised and operational four key functions: the risk management function, the actuarial function, the compliance function and the internal audit function. They are set up as separate organisational units (teams), which are directly subordinated to the Management Board. The tasks, responsibilities, processes and reporting obligations of every key function are regulated in detail in the respective internal documents.

4.3.1.1 ACTUARIAL FUNCTION

The actuarial function forms part of the second pillar (line of defence) of an effective risk management system.

The actuarial function is performed separately by two holders of the actuarial key function - for non-life insurance and for life insurance.

The key duties of the actuarial function include:

- Coordination of the calculation of insurance technical provisions for the purposes of calculating capital requirements;
- Information of the managing and supervisory bodies on the reliability and adequacy of methods, models and assumptions, which were used in the calculation of insurance technical provisions, and on the adequacy of calculated insurance technical provisions;
- Control of the calculation of insurance technical provisions when approximations are applied in the calculation;
- Verification of the appropriateness of the overall underwriting risk policy; provision of an opinion whether the amount of the premium of individual products is sufficient to cover all the obligations arising from these insurance contracts;
- Verification of the adequacy of reinsurance or transfer of risk to a special purpose vehicle;
- Participation in the introduction and implementation of the risk management system, particularly in the development, application and monitoring of the appropriateness of capital requirement calculation models and in conducting own risk and solvency assessment.

The actuarial function has access to all information of the Company needed to perform the duties of the actuarial function (records, data, documents, reports, correspondence with the Insurance Supervision Agency).

4.3.1.2 RISK MANAGEMENT FUNCTION

The risk management function forms part of the second pillar (line of defence) of an effective risk management system.

Its main task is to report on the risks defined as material to both the Management Board and the Supervisory Board. On its own initiative or at the request of the Management Board or the Supervisory Board, the risk management function also reports on other specific areas of risk.

The key duties of the risk management function:

- Comprehensive coordination and supervision of activities related to risk management in the Company;
- Measurement and assessment of the comprehensive risk profile of the Company, including early identification of potential future risks;
- Reporting to the Management Board on the risks defined as material.

Moreover, the risk management function coordinates all internal and external reporting procedures related to risks.

Risk management is discussed in greater detail in Section 8.1 herein.

4.3.1.3 COMPLIANCE FUNCTION

The compliance function is placed within the second pillar (line of defence) of an effective risk management system.

The function is guaranteed an appropriate independence, resources and access to the necessary information and the senior management. When carrying out its tasks, the compliance function cooperates with other key functions and with members of other organisational units, whereby it has to be ensured that every task is performed by a person who did not participate in the planning or carrying out of an activity that is the subject of a task, i.e. that the conflict of interest which could affect the performance of the tasks in the context of compliance monitoring is avoided.

The tasks and responsibilities of the compliance function are:

- Monitoring and regular assessment of the appropriateness and effectiveness of regular procedures and measures introduced to remedy any deficiencies in the Company's compliance with the applicable regulations and other commitments;
- Provision of advice and assistance in ensuring compliance of the Company's operations with the obligations set by the applicable regulations and with any other commitments;

- Assessment of potential impacts of changes in the legal environment on the operations of the Company in terms of compliance with the applicable regulations and other commitments;
- Definition and assessment of risks relating to the compliance of the operations of the Company with the applicable regulations and other commitments;
- Informing the Management Board and the Supervisory Board on compliance of the operations of the Company with the applicable regulations and other commitments as well as on the assessed compliance risk of the operations of the Company.

4.3.1.4 INTERNAL AUDIT

The Internal Audit is, both functionally and organisationally, separated from other organisational units of the Company. Based on the risk assessment, the Internal Audit performs permanent and comprehensive supervision of the operations of the Company in order to verify and assess whether the risk management processes, internal controls and governance of the Company are adequate and operate in the manner ensuring the achievement of the following important objectives:

- Effective and efficient operations of the Company, including the achievement of business and financial performance goals, and protection of assets against loss;
- Reliable, timely and transparent internal and external financial and non-financial reporting;
- Compliance with the law, other applicable regulations and internal rules.

Internal Audit function reports on its work to the Management Board, the Audit Committee and the Supervisory Board.

The work of the internal audit is described in detail in Section 8.2. of the Business Report contained in this Annual Report.

4.3.2 EXTERNAL AUDIT

The audit of the financial statements is performed by the audit firm KPMG Slovenia d.o.o. The Company adheres to the provisions of the Insurance Act on the regular change of the external auditor.

4.4 REPORTING PURSUANT TO ARTICLE 70(8) OF THE COMPANIES ACT

Pursuant to Paragraph 8 in conjunction with Paragraph 6 of Article 70 of the Companies Act, the Company reports the following facts as of 31 December 2025:

1. Significant direct and indirect ownership of the Company's securities in terms of achieving a qualified holding, as determined by the act governing mergers and acquisitions:

Generali CEE Holding B.V. is the holder of 2,364,563 ordinary, registered, no par value shares, which is 100.00% of the share capital of the Company. The transfer of share ownership requires the consent of the Company's Supervisory Board. Komerční banka from Prague, Czech Republic, in the name and on behalf of its client Generali CEE Holding B. V., maintains a fiduciary account for the custody of shares of GENERALI d.d. and carries out all transactions related to the shares in accordance with the instructions of Generali CEE Holding B. V.

The indirect holder of the qualified holding considered is Assicurazioni Generali S.p.A. Potential other indirect holders of the qualifying holding considered are not known to the Company.

2. Holders of securities with special controlling rights.

The Company has not issued any securities with special controlling rights to control.

3. Restrictions on voting rights.

There are no restrictions on voting rights.

4. Company's rules on the appointment or replacement of members of the management or supervisory bodies and on amendments to the Articles of Association.

The Management Board of the Company comprises at least two members appointed by the Supervisory Board of the Company for a maximum of five years. Only persons whose appointment is approved by the Insurance Supervision Agency, which has also issued an authorisation to perform the function of a member of the Management Board, and who meet other statutory conditions to take office may be appointed members of the Management Board. One

of the members of the Management Board is appointed president of the Management Board by the Supervisory Board of the Company. The Supervisory Board of the Company may recall an individual member or the president of the Management Board on statutory grounds. Each member of the Management Board may terminate his/her term of office at any time by submitting a written statement to the Chairperson of the Supervisory Board.

The Supervisory Board of the Company comprises two to seven members appointed by the General Meeting of Shareholders, and a suitable number of members appointed by the Works Council pursuant to the Worker Participation in Management Act. The precise number of members of the Supervisory Board is determined by the General Meeting of the Company. Only natural persons who meet the conditions stipulated by the Insurance Act and the Companies Act may be appointed members of the Supervisory Board of the Company. The term of office of members of the Supervisory Board elected by the General Meeting may be up to four years. Re-election is possible. If the time or date of termination of the term of office of a member of the Supervisory Board is not precisely determined by a decision of the General Meeting, the term of the Supervisory Board shall be terminated at the General Meeting of the Company convened to approve the third annual report after the Supervisory Board's election. The General Meeting of the Company may recall a member of the Supervisory Board at any time prior to the termination of the member's term of office.

Any member of the Supervisory Board may terminate their term of office, also without stating the reason, by registered letter addressed to the Chairperson or Deputy Chairperson of the Supervisory Board.

All amendments to the Articles of Association require a decision of the General Meeting of the Company. The authorisation to amend the Articles of Association has been transferred to the Supervisory Board of the Company and may refer only to the harmonisation of the text of the Articles of Association with validly adopted decisions. In decisions made by the represented initial capital, a three-quarters majority of all the votes cast is required for a decision to be adopted by the General Meeting. The Management Board of the Company must report any amendment to the Articles of Association for entry in the companies' register. An amendment to the Articles of Association enters into force upon its entry in the companies' register.

5. Authorisations to the management, particularly authorisations to issue or purchase treasury shares.

The Company has no treasury shares and the Management Board has no authorisations regarding the issue or purchase of treasury shares.

4.5 GENERAL MEETING OF THE COMPANY AND A DESCRIPTION OF THE RIGHTS OF SHAREHOLDERS

4.5.1 GENERAL

The General Meeting of the Company, consisting of shareholders with voting right, is the supreme body of the Company.

The competences of the General Meeting of the Company, in addition to other competences as specified in the Articles of Association, the Companies Act and the Insurance Act, are: to approve revised annual reports when the Supervisory Board did not approve the annual report or left the decision on the adoption of the annual report to the General Meeting; to decide on the use of distributable profit or on loss coverage; to decide on the appointment and recall of members of the Supervisory Board, and on the discharge of members of the Supervisory Board and the Management Board; to decide on amendments to the Articles of Association; to decide on measures to increase and reduce capital; to decide on the winding up the Company and amendments to the Articles of Association; to appoint auditors; to issue consent to the transfer of shares; to decide on rewards for members of the Supervisory Board; and to adopt the rules of procedure of the General Meeting.

By announcing an agenda, the General Meeting may also be convened by the Management Board, the Supervisory Board or shareholders whose total participation amounts to 20% of the share capital. The General Meeting is convened in certain cases stipulated by law or the Articles of Association and always when it is deemed to be in the interests of the Company. All shareholders must be allowed to review the documents pertaining to the General Meeting at least 30 days prior to the General Meeting at the Company's registered office. All shareholders are entitled to receive copies of all documents pertaining to the General Meeting at their expense. A quorum of the General Meeting is reached if at least 50% of the initial capital of the Company with the right to vote is

represented. The decisions of the General Meeting require a majority of votes cast (simple majority) in order for them to be binding, unless the law or the Articles of Association stipulate a higher majority or additional conditions.

The General Meeting of the Company may be attended only by those shareholders who are entered in the share register on the day the General Meeting is held; if a shareholder is a legal person, it is represented by persons authorised to do so. All shareholders are entitled to be represented at the General Meeting on the basis of a written authorisation for each General Meeting. The permanent transfer of the right to attend the General Meeting or the right to vote at the General Meeting without the transfer of the ownership of shares is not possible.

4.5.2 THE GENERAL MEETINGS OF THE COMPANY IN 2025

The 69th General Meeting of the Company was held on 16 April 2025 with the following agenda

1. Opening of the General Meeting, determination of the quorum and election of the working bodies of the General Meeting.
2. Approval of the agenda.
3. Presentation of the Annual Report for the financial year 2024 with the auditor's opinion, report of the Supervisory Board on the results of the verification of the Annual Report and on the opinion concerning the internal audit report.
4. Use of distributable profit.
5. Granting of discharge papers to the Management Board and Supervisory Board.
6. Periodic assessment of the adequacy of the Supervisory Board.
7. Appointment of the Auditor.
8. Appointment of a Member of the Supervisory Board.

4.6 THE MANAGEMENT BOARD, THE SUPERVISORY BOARD AND THE AUDIT COMMITTEE OF THE SUPERVISORY BOARD

The Company is managed by means of a two-tier system.

The operations of the Company are managed by the Management Board, while operations are supervised by the Supervisory Board. The management of the Company is based on the provisions of legislation, the Articles of Association of the Company, internal acts of the Company, acts of the Group, and on established and generally accepted good business practice.

4.6.1 THE MANAGEMENT BOARD OF THE COMPANY

The operations of the Company are managed by the Management Board with full responsibility and due diligence, in accordance with the applicable legislation, the Articles of Association of the Company, the Rules of Procedure of the Management Board, and the decisions of the General Meeting and the Supervisory Board of the Company, in the exclusive interest and in consideration of the advantages of the Company, considering the interests of shareholders and employees. Decisions of the Management Board of the Company must be unanimous. If the Management Board of the Company has more than two members, decisions are taken by a majority of votes cast. In the event of a tied vote, the President of the Management Board has the casting vote.

The Company is always represented by two members of the Management Board without limitations.

The Management Board of the Company is responsible for establishing and implementing a solid and reliable management system for the Company, particularly through a transparent organisational structure, with precisely defined, transparent, and consistent internal relationships regarding

responsibility; an efficient system of information transfer; efficient and key management functions integrated in the organisational structure and decision-making processes of the Company; through risk management strategy, written rules, processes and procedures; and through measures to ensure regular and permanent operations which comply with the systems, resources and procedures of the Company. The rules of the management system of the Company are subject to regular, at least annual, review, and must be approved by the Management Board of the Company with the consent of the Supervisory Board of the Company.

In accordance with the law, the following key functions of the Company have been established within the management system: the risk management function, the compliance function, the internal audit function and the actuarial function. The holders of the key functions are persons authorised by the Management Board of the Company with the consent of the Supervisory Board of the Company as persons responsible for one or several key functions of the Company.

In 2025, the Management Board of the Company were

- Vanja Hrovat, President (since 27 May 2014, member of the Management Board since 2 September 2008),
- Mitja Feri, Member (since 28 July 2016),
- Katarina Guzej, Member (since 2 March 2020).

4.6.2 THE SUPERVISORY BOARD OF THE COMPANY

The Supervisory Board of the Company supervises the Company's management and performs tasks under the law and the Articles of Association of the Company. The Supervisory Board is particularly entitled to review the books and documents of the Company, or to order a certified auditor to do so, and request the Management Board to report to it at any time. The Supervisory Board is authorised to convene General Meetings.

The Supervisory Board of the Company is particularly responsible to supervise the accuracy of procedures and the efficiency of internal audit operations; to address the findings of the Insurance Supervision Agency, tax inspectors, and other supervisory authorities engaged in supervisory procedures of the Company; to verify annual and other financial reports of the Company, and prepare a written report for the General Meeting; to pass to the General Meeting of Shareholders its opinion of the annual internal audit report, the annual report of the Company and the report on relationships with related parties, to review the proposal for the use of distributable profit submitted by the Management Board and to prepare a report for the General Meeting.

The Supervisory Board of the Company gives its consent to the Management Board of the Company regarding its financial plan and the business strategy of the Company, written rules of the management system, definition of the internal control system and appointment and dismissal of persons as holders of key functions. The Supervisory Board of the Company gives its consent to other matters stipulated by the Insurance Act and the Companies Act.

In 2025, the Supervisory Board of the Company were

- Gregor Pilgram, Chairman,
- Carlo Schiavetto, Deputy Chairman,
- Miroslav Singer, Member,
- Andrea Leskovská, Member,
- Suzana Meglič, Member, employee representative,
- Matjaž Pavlin, Member, employee representative.

In 2025, the Supervisory Board of the Company had eight meetings.

4.6.2.1 THE AUDIT COMMITTEE OF THE SUPERVISORY BOARD

The Audit Committee, which is consultative body of the Supervisory Board, operates within the Supervisory Board. The Committee provides advice and prepares proposals to the Supervisory Board, is responsible for the supervision of the implementation of decisions, and performs other professional tasks. The Committee of the Supervisory Board cannot decide on issues that are within the competences of the Supervisory Board, but it may prepare proposals and materials for the Supervisory Board and provide advice to members of the Supervisory Board.

The Audit Committee consists of at least three members, of which at least one member is an independent expert and is qualified in accounting or auditing, while the other members may only be members of the Supervisory Board.

The responsibilities of the Audit Committee of the Company's Supervisory Board, in addition to other tasks specified in the Articles of Association, the resolution of the Company's Supervisory Board and the Rules of Procedure of the Audit Committee, are as follows: to monitor the procedure of financial reporting and to prepare reports and proposals to foster its integrity; to discuss the Company's strategy, to evaluate the content and structure of the annual report, including the drafting of a proposal for the Supervisory Board, to monitor the efficiency and effectiveness of internal controls in the Company, of the internal audit and of the risk management systems; to discuss the annual and multi-year internal audit plans; to discuss the annual and semi-annual internal audit reports; to discuss the ORSA (Own

Solvency and Risk Assessment) report; to cooperate with the internal auditor, to monitor mandatory audits of annual financial statements, particularly the effectiveness of the mandatory audit, and to report to the Supervisory Board of the Company on the result of the mandatory audit; to review and monitor the independence of the auditor of the Company's annual report; to participate in the process of selecting the auditor of the Company's annual report; to supervise the integrity of financial information provided by the Company; to assess the content and structure of the annual report; to participate in defining the most important areas of the audit and in preparing of contracts between the auditor and the Company; to review and monitor the independence of the auditor of the annual report, in particular with regard to the provision of additional non-audit services; to cooperate with the auditor in carrying out the audit of the Company's annual report; to review the Company's audited annual report and the letter to the management; and addresses the warning system and illegal acts in the Company.

The Audit Committee adopts the annual Audit Committee plan and regularly reports on its work to the Supervisory Board of the Company.

In 2025, the Audit Committee of the Company were:

- Carlo Schiavetto, Chairman,
- Gregor Pilgram, Member,
- Renata Eržen Potisek, Independent Member.

In 2025, the Audit Committee of the Company had five meetings.

4.7 DIVERSITY POLICY

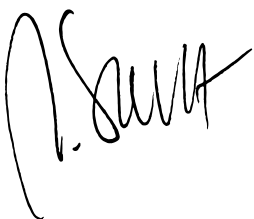
The Company has adopted, through internal acts, the diversity policy which is implemented in relation to representation in the Management Board and the Supervisory Board of the Company and, in the nomination procedures for candidates to both bodies, strives to ensure that they are composed in a manner that ensures the complementarity of the expertise and experience of the members and the heterogeneity of the composition of both bodies. In doing so, the Company seeks to make sure that their members differ in age, gender as well as total length of previous mandates and comparable experience, that their collective competencies are suitable for achieving the set objectives and that the number of members ensures optimal functioning of the bodies.

At the end of 2025, the gender representation was in the ratio of 1 : 2, i.e. the representatives of the underrepresented gender made up 33.3% of both bodies. The members are in the age group of 50-60 years, with different total lengths of previous mandates and comparable experience. All members of the Management Board and Supervisory Board have extensive experience in the insurance industry in various fields. The theoretical knowledge and practical experience of the members of both bodies extend to the areas of knowledge of insurance and financial markets; insurance company management system; insurance company business strategy and model; actuarial and financial analysis; regulatory frameworks and requirements; prevention of money laundering and terrorist financing. In addition, they also possess knowledge and experience in the areas of sales, marketing communications, non-life insurance, life insurance, finance and accounting, financial investment management, information technology, actuarial science, controlling, risk management, claims management, human resources management, internal audit, external audit in the field of insurance and insurance law.

Ljubljana, 1 April 2026

Vanja Hrovat,

*President of the
Management Board*



Katarina Guzej,

*Member of the
Management Board*



Mitja Feri,

*Member of the
Management Board*



MANAGEMENT BOARD OF THE COMPANY

The operations of the Company are managed by the Management Board with full responsibility, care and diligence, in accordance with the applicable legislation, the Articles of Association of the Company, the Rules of Procedure of the Management Board, and the decisions of the General Meeting and the Supervisory Board of the Company. The Management Board acts in the exclusive interest and to the advantage of the Company, considering the interests of shareholders and employees.



VANJA HROVAT

PRESIDENT OF THE MANAGEMENT BOARD

since 27 May 2014
(Member of the Management
Board since 2 September 2008)

Manages and directs the work of the Management Board and the operations of the Sales, Claims, Customer Relationship Management, Marketing and Public Relations, HR, Information Technology and Business Operations, General Consulting, Internal Audit, Risk Management and Compliance.



MITJA FERI

MEMBER OF THE MANAGEMENT BOARD

since 28 July 2016

In charge of the Insurance Techniques sector, of reinsurance and product profitability control.

KATARINA GUZEJ

MEMBER OF THE MANAGEMENT BOARD

since 2 March 2020

In charge of the Financial sector, the Actuarial sector for life insurance and Actuarial sector for non-life insurance.

5. SUPERVISORY BOARD REPORT

Supervision of the operation of Generali zavarovalnica d.d.

The purpose of the Supervisory Board Report is to provide the General Meeting with an expert evaluation of the materials for the session in which the Shareholders will examine the Annual Report and decide on the distribution of distributable profit. The Supervisory Board is responsible for reviewing the Annual Report of the public limited company Generali zavarovalnica d.d. In its report, the Supervisory Board is required to specify the manner and scope of its supervision of the Company's operation in the course of the business year and provide its opinion of the auditor's report and other statutory reports.

In 2025, the Supervisory Board of the Company were:

- Gregor Pilgram, Chairman,
- Carlo Schiavetto, Deputy Chairman,
- Miroslav Singer, Member,
- Andrea Leskovská, Member,
- Suzana Meglič, Member,
- Matjaž Pavlin, Member.

The Supervisory Board performed its activities in accordance with the agreed model of supervision over the work of the Management Board. In 2025, the Supervisory Board held eight sessions, four of which by correspondence. In the course of the sessions, the Supervisory Board considered the quarterly business reports and reviewed the work of the Audit Committee on a quarterly basis, including also the Audit Committee's report on the Annual Report for 2024. Upon adoption of the 2024 Annual Report, it also adopted the periodic assessment of the ability and suitability of the members and of the body and took note of the periodic self-assessment of the ability and suitability of individual members of the Management Board, as well as of the Management Board as a collective body. The Supervisory Board reviewed the Report on the relationship with related companies in 2024 and the corresponding auditor's opinion and found that in 2024, the operations and activities listed in the Report did not result in any disadvantage for the Company. The Supervisory Board reviewed and gave its positive opinion to the internal audit reports for the second half-year and for 2024. The Supervisory Board also

reviewed the reports for 2024 and the work plans for 2025 for the key functions of risk management, compliance and both actuarial functions. It considered and reviewed the Own Risk and Solvency Assessment (ORSA) Report.

The Supervisory Board gave its consent to the adoption of the Solvency and Financial Condition Report (SFCR) for 2024 and conducted the regular annual review of the written management system rules of the Insurance Company. It consented to the proposal of the Management Board to adopt the Business Strategy and Financial Plan for 2025, and reviewed the Capital Management Plan for the period 2025-2027. The Supervisory Board submitted a proposal to the General Meeting to appoint an auditor to perform the audit until 2027. In connection with the proposal of the Management Board, the Supervisory Board confirmed the convening of the General Meeting where the sole shareholder decided on the use of distributable profit, granted discharge papers to the members of the Supervisory Board and Management Board for financial year 2024. The Supervisory Board also reviewed, on a quarterly basis, the report on the findings of the Insurance Supervision Agency and other inspection bodies in the supervision procedures of the Insurance Company.

In addition to its regular tasks, the Supervisory Board also performed HR tasks, namely, it adopted the assessment of the competence and suitability of a Member of the Supervisory Board. Upon the commencement of a new term of office of a member of the Supervisory Board, it appointed him Member of the Audit Committee for a new term of office. It was informed of the election of the employee representative on the Supervisory Board for the new term of office. The Supervisory Board took note of the election of the employee representative on the Supervisory Board for a new term of office.

The Supervisory Board considered the Internal Audit Report and the Compliance Report for the first half of 2025. It reviewed and approved the internal audit strategy for the period 2025-2027. It approved the Internal Audit Work Plan for 2026.

In its last meeting in 2025, the Supervisory Board gave its consent to the business strategy and financial plan for 2026.

It discussed and took note of the provisional timetable of meetings and activities of both the Audit Committee and the Supervisory Board in 2026.

Review and approval of the Annual Report

In its session held on 8 April 2026, the Supervisory Board examined the Annual Report of Generali zavarovalnica for 2025, along with the report of the certified auditor KPMG Slovenia d.o.o., the proposal of the Management Board on the use of distributable profit and the proposal for granting discharge papers.

The reports of the certified auditor indicate that the financial statements of the Company are a fair presentation of the Company's financial conditions as at 31 December 2025 as well as of its financial results and cash flows in the business year 2025 and are in accordance with IFRS.

The Supervisory Board took note of the report of the Audit Committee giving a positive opinion on the Annual Report. The Supervisory Board had previously taken note of the Internal Audit Activity Report for the second half of 2025 and the 2025 Activity Report. The Supervisory Board issued a positive opinion on the Internal Audit Annual Report for 2025. Further to the review of the work of the Supervisory Board and the presented internal audit reports, the Supervisory Board assess that no such breaches in the management of risks have been identified which could endanger the safety of the Company's operations.

Furthermore, the Supervisory Board took note of the Report on the relationship with the related companies in 2025 and the Auditor's opinion on this Report, issued on the basis of Article 546 of the Companies Act. The Auditor's opinion states that none of the collected data suggested that the factual information provided in the Report on the relationship with related companies was inaccurate, or that the value of the Company's performance with respect to the legal transactions listed in the Report was disproportionately high or that there were any circumstances warranting a different assessment of disadvantages than that provided by the Management Board.

The Supervisory Board finds that the content of the Annual Report is a fair presentation of the operations of the Company.

Pursuant to the review of the Annual Report and the examination of the Auditor's Reports for 2025, the Supervisory Board

- approves the Annual Report for 2025;
- gives a positive opinion on the reports of the Auditor KPMG d. o. o.;
- proposes to the General Meeting to grant a discharge to the Management Board and Supervisory Board and to use the distributable profit in accordance with the proposal of the Management Board.

The Supervisory Board and the Management Board of the Company propose to the General Meeting of the Company to adopt the following resolution on the use of distributable profit:

The distributable profit of Generali zavarovalnica d.d., as at 31 December 2025, amounts to EUR 157.446.086,00.

The distributable profit shall be allocated in the following manner:

A part of the distributable profit amounting to EUR 33.072.151,93 shall be used for dividend payments of EUR 13,986581 gross per share. The dividend shall be paid on 24. 4. 2026, to all shareholders registered with the Central Securities Clearing Corporation one business day before the payout date.

The rest of the distributable profit amounting to EUR 124.373.934,07 shall remain undistributed and the decision on its use shall be made in the coming years

Ljubljana, 8 April 2026

Gregor Pilgram,
Chairman of the Supervisory Board



6. REPORT OF THE AUDIT COMMITTEE OF THE SUPERVISORY BOARD

Purpose of the report

The purpose of the report of the Audit Committee is to provide the Supervisory Board with an expert assessment of the materials which are the basis for the examination by the Supervisory Board of the Annual Report, along with Auditor's Reports, the Management Board's proposal on the distribution of distributable profit, the Report on the Relationship with Related Companies including the Auditor's opinion and the Internal Audit Annual Activity Report for 2025.

Activities of the Audit Committee

The Audit Committee provides the Supervisory Board with expertise required for the implementation of supervision over the management of the Company. In 2025, the Audit Committee off the Company were

- Carlo Schiavetto, Chairman,
- Gregor Pilgram, Deputy Chairman,
- Renata Eržen Potisek, Independent Member.

In 2025, the Audit Committee held five sessions. In these sessions, the Audit Committee focused on the following topics:

- Risk management and monitoring of the efficiency of internal controls;
- Internal Audit reports; (reports on the implementation of recommendations, half-yearly reports, annual report) and the annual work plan of the Internal Audit;
- Financial reporting;
- Audit of financial statements and the Company Annual Report;
- Selection of the Auditor and its independence.

Risk management and management of the internal control system

In the reporting period, the Audit Committee monitored the efficiency of risk management in the Company by closely following the Company's performance and examining risk reports. It discussed the Own Risk and Solvency Assessment (ORSA) report and the internal audit reports. It also reviewed the Solvency and Financial Condition Report (SFCR), and gave its consent to the conclusion of non-audit services (NAS) contracts. The Audit Committee reviewed the business strategy and financial plan, and proposed to the Supervisory Board to extend the appointment of the existing audit firm KPMG d.o.o. to audit the Company's annual reports until financial year 2027. The Audit Committee discussed the internal audit strategy for the period 2025-2027. It took note of the annual overview of the written rules of the management system, of the guidelines for approving non-audit transactions, and of the adequacy of the system for reporting errors, irregularities and suspected fraud. Risks are appropriately managed through internal controls and other activities in this area.

Operating efficiency of the Internal Audit

The Audit Committee monitored the functioning of Internal Audit, the adequacy of procedures, the operating efficiency and performance as well as the compliance of operations with the International Standards for the Professional Practice of Internal Auditing. The Audit Committee examined both the half-yearly and annual reports of the Internal Audit and established that the auditees were successful in implementing the recommendations thus redressing the deficiencies and irregularities. In addition to auditing and monitoring the implementation of the recommendations, Internal Audit also provided advisory services and monitored the Company's operations on an ongoing basis, including risk exposure.

The Audit Committee also discussed the internal audit work plan for the upcoming accounting period.

Based on the aforementioned, the Audit Committee is of the opinion that the Internal Audit in 2025 was performed successfully and efficiently, using the appropriate auditing procedures, and that no improvements are needed.

Financial statements and cooperation with the external auditor

In accordance with its competences, the Audit Committee was involved in determining the contractual frame of reference for the relationship with the auditor KPMG Slovenia d.o.o. and in the meetings of the Audit Committee, it took note of the progress of the audit of financial statements, all the findings and the Auditor's Report after the completion of the audit. In the meeting, the Audit Committee also took note of the statement on the independence of the certified auditor from the Company, as well as of the Letter to the Management.

Further to the Auditor's opinion, the audit was conducted without any difficulties. With regard to the Generali zavarovalnica Annual Report for business year 2025 and the Audit Report by KPMG Slovenia d.o.o., the Audit Committee also concludes that:

- the Annual Report was prepared within the statutory time limit and contains all the mandatory elements;
- the disclosures in the financial statements are complete;
- the financial statements are prepared in compliance with the generally accepted auditing standards and adequately reflect the applied accounting policies;
- the Insurance Company adequately formed its statutory reserves and reserves for own shares;
- the Auditor KPMG d.o.o. issued an unqualified opinion on the financial statements of the Company.

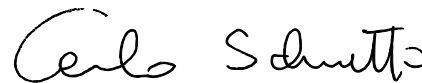
Conclusions

In the light of the above, the Audit Committee proposes to the Supervisory Board:

- to take note of the Internal Audit Report for the second half of 2025 and the Internal Audit Annual Report for 2025 and to issue a positive opinion on the latter
- to issue a positive opinion on the Auditor's Report and to approve the Annual Report for the business year 2025 in their proposed form.

Ljubljana, 2 April 2026

Carlo Schiavetto,
Chairman of the Audit Committee



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7. PERFORMANCE IN 2025

7.1 OVERVIEW OF DEVELOPMENTS IN THE ECONOMY ENVIRONMENT AND THE INSURANCE MARKET

Slovenia's macroeconomic environment in 2025

Slovenia's macroeconomic environment in 2025 was marked by a combination of subdued economic activity in the export-oriented part of the economy and relatively robust domestic demand, which remains a key driver of growth. Economic activity in Slovenia in 2025 was structured in a distinctly two-tiered manner: while manufacturing and exports of goods remained under pressure due to weak international demand, especially from Germany and Switzerland, domestic consumption and building industry continued to make a significant positive contribution to economic growth.

In manufacturing, production continued to decline, with the largest declines recorded in the motor vehicle, metal, electrical equipment and pharmaceutical industries. As a result, exports of goods were slightly lower year-on-year in the first eleven months of the year, while imports increased, which was reflected in a deterioration in trade and a decrease in the current account surplus. Slovenia's export market share in the EU market decreased in the first three quarters of the year, further confirming competitive and cyclical challenges in key export sectors.

In contrast, the domestic market conditions proved to be significantly more favourable. Higher personal consumption and the stronger December effects of Christmas bonus

and winter allowance payments contributed to the growth of economic activity. Domestic consumption was further stimulated by the growth of real wages, which remained relatively high amid subdued inflation. Tourism, with overnight stays again significantly exceeding the previous year's levels in December, and growing trade revenues also contributed to the positive domestic trends.

Construction remained one of the strongest segments of the economy in 2025. The data show continued high year-on-year growth in construction activity, which was mainly based on continued public infrastructure investments. Despite short-term monthly fluctuations, orders and activity were at a high level, although the limited number of building permits and a pronounced labour shortage indicate a possibility of a slowdown in the coming periods.

The labour market has started to cool down gradually, mainly due to structural constraints. The number of employed persons was slightly lower year-on-year, with the largest declines in the private sector in manufacturing, other business services and construction. Meanwhile, employment in the public sector continued to increase. Unemployment started to rise slightly towards the end of the year, with the most noticeable increase among young people, which may indicate a decline in demand for new labour. At the same time, the share of foreign workers among employees remains at an all-time high and continues to increase, suggesting that employers are mitigating structural imbalances by increasing the employment of foreign workers.

Wage growth moderated somewhat in the second half of the year, mainly due to lower extraordinary payments in the private sector, but remained high on average. In the public sector, it was driven by the wage reform, and in the private sector by expectations of higher wages and labour shortages. Real wage growth exceeded productivity growth, increasing the risk of cost pressures in the coming years.

Inflation remained at a relatively moderate level. It stood at 2.7% year-on-year, driven mainly by higher food and non-alcoholic beverage prices. Industrial product prices remained stable, reflecting a combination of weak foreign demand and restrained global energy products and raw material prices. The gradual moderation in food price growth continued in the final months of the year, which, combined with low industrial product price growth, reduced underlying inflationary pressures.

Public finances faced increased expenditure pressures in 2025. The deficit of the consolidated public financing balance increased by November and amounted to approximately EUR 1.1 billion, which is in line with the planned budgetary burden. Expenditure grew faster than revenue, mainly due to the wage reform, higher pensions, social transfers to the population and increased investment spending, among which the purchase of military equipment stands out. The state budget ended the year with a deficit of 2.4% of GDP, which was slightly lower than planned, but still at a level that indicates limited possibilities for countercyclical fiscal action in the event of a potential external shock.

The overall picture of the Slovenian economy in 2025 thus reveals a relatively stable macroeconomic environment, supported by domestic consumption, investment and high employment in public services, while export-oriented parts of the economy remain exposed to international uncertainty and cyclical declines in demand. The main risks remain geopolitical complications, economic cooling in the euro area, structural labour market constraints and high public finance burdens, which may limit the country's responsiveness in difficult circumstances.

Slovene insurance market in 2025

12 insurance companies, five foreign branches and two reinsurance companies operated on the Slovenian insurance market. This year, Croatia Zavarovanje, Ljubljana Subsidiary, ceased operations, while Sava pokojninska družba became a new member of the Slovenian Insurance Association.

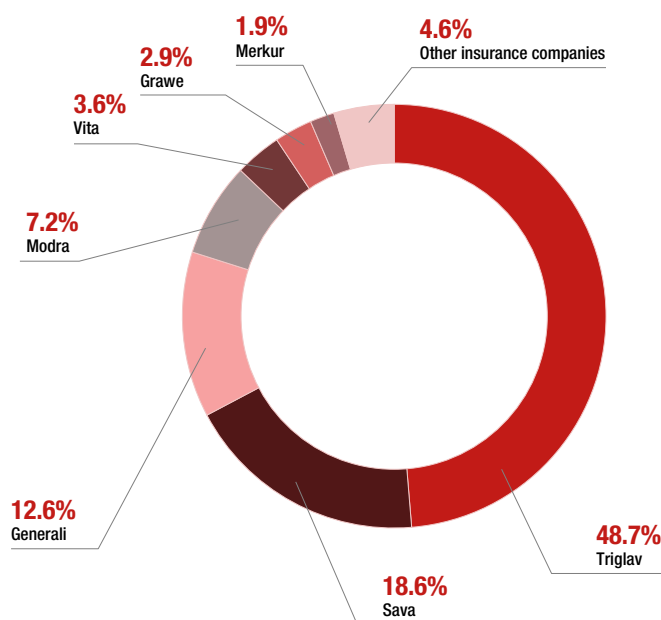
The Slovenian insurance market is characterised by a high level of concentration. The five largest insurance companies controlled 90.6% of the insurance market. Generali zavarovalnica ranked third among insurance companies on the market, holding a 12.6% market share.

Slovenia recorded growth in insurance activity in 2025. According to data collected by the Slovenian Insurance Association, the gross written premium for 2025 amounted to EUR 3.63 billion, which is 33% more than in 2024. It should be emphasized that growth of 6.9% was recorded on the Slovenian market, while premiums totalled in subsidiaries and through FOS operations increased by more than five times to EUR 864 million.

Written premium from non-life insurance totalled EUR 2,651 million (73.1%), while written premium from life insurance amounted to EUR 977 million (26.9%). Within non-life insurance, the highest growth on the Slovenian market was recorded in fire and natural disaster insurance (9.9%), general liability insurance (5.2%), land motor vehicle insurance (4.8%) and other damage to property insurance (4.7%). Slight growths in premiums were also recorded in other major insurance segments. In the area of health insurance, a considerable increase in premium of 17.7% was recorded compared to 2024.

On the Slovenian market, in the area of life and pension insurance, both unit-linked life insurance (11.6%) and traditional life insurance (6.4%) went up, while supplementary pension insurance increased by 14.7%.

The structure of the Slovene insurance market in 2025:



7.2 CAPITAL MARKETS

Overview of capital markets in 2025

The year 2025 was relatively successful in capital markets. Equity returns in local currencies exceeded long-term averages everywhere, while investors in bond markets struggled with a decline in confidence, especially in longer-term government bonds. Budget deficits continued to increase in 2025, and unbridled spending in many countries around the world is a key driving force that, through wage growth and corporate profits, further stimulates other investment categories. This in turn affects the growth of prices in stock markets.

The MSCI All Countries global stock index gained 6.3% in 2025. However, the growth of the markets in 2025 was not a given. While we started the year positively, mainly due to the strengthening of the technological trend of artificial intelligence (AI), in early April, US President Donald Trump caused a strong correction in the markets by announcing high tariffs on the rest of the world. The main US index S&P fell by almost 20%. However, investors quickly realized that the situation would not be as dramatic as initially thought. The development of the AI-related industry continued, which helped the market to recover quickly. Within a few months, the markets reached new highs and practically all stock indices ended the year at record levels.

The announcement of high tariffs had a strong impact on currency markets, as the dollar fell significantly against other currencies. Consequently, the returns on dollar investments, including on major US technology companies, for European and Slovenian investors are lower than in local currency. The reasons for the weakening of the dollar can be found in a combination of factors, including the high US fiscal deficit, monetary policy and occasional fluctuations in confidence related to US geopolitical and foreign policy moves. The dollar ended the year at USD 1.175 per euro, losing a good 13.4% of its value against the euro.

While monetary policy was relatively stable at the beginning of the year, pressure on the FED to cut interest rates more sharply began to increase in the second half of the year in the US, even though both the economy and the labour market remained stable and in relatively good shape. The ECB cut interest rates four times during the year to 2% and remains at this level, while the FED ended the year at 3.75% and announced additional cuts in 2026. Bond markets did not reward these cuts with rising bond prices and falling required yields, as investors were concerned

that excessive government spending could further worsen the public finances of countries. Some investors therefore shortened the maturity of bond investments, with the main European bond index yielding only 1.28% in 2025.

The precious metals market had a more successful year, with gold shining with a 44% return, and after many years, also silver with a 147% growth at the end of the year. The prices of other raw materials, especially copper, rose similarly, as geopolitical uncertainty and restrictions on international trade on the one hand, and growing demand due to technological development on the other, together create pressure on price growth.

Oil prices did not follow suit, losing almost 30%. Record-high production both within OPEC and in other countries, further reinforced by pressure from the Donald Trump administration to lower prices for domestic consumers, has led to a surplus of supply on the market. Slowing of the economic growth in China and Europe has continued to reduce energy product consumption, and this was an additional negative factor on the energy product market in 2025.

Developed markets

US stock markets maintained their dominance of global stock markets in 2025. US stocks gained only 2.6% in euro terms, as the dollar's decline against the euro significantly affected European investors' returns. Similarly, the NASDAQ Composite technology index gained "only" 6.1%, although the largest technology stocks mostly recorded strong double-digit growth measured in US dollars. The shares of the seven largest technology companies, the so-called Magnificent 7, gained 9.8%, thus again exceeding the averages and further consolidating their dominance in the markets. The stars of last year were shares of NVidia and Alphabet, better known as Google.

Artificial intelligence and data centre construction have been driving stock markets, and this trend is even more pronounced in developed markets, especially in the US. Because the largest technology companies are spread across multiple industries, strong growth is spread across multiple sectors, but on the other hand, this brings large differences in returns within individual industries. Companies that have successfully caught the wave of AI growth, or managed to convince investors with this story, have grown much more than their competitors. These success stories are not limited to stocks of the largest companies, but also to other, slightly smaller ones from the supply, industry and other sectors.

Closely following technology companies, banks and financial corporations stocks were the best performers in terms of returns. At the other end of the spectrum were shares issued in the field of consumer staples stocks and some industrial stocks, where returns were relatively low. We saw a turnaround in materials and healthcare stocks at the end of the year. The healthcare sector stands out in particular

2025 was marked in the capital markets by above-average growth in stock markets, exceptional returns from precious metals, and record performance in the Slovenian market with an almost 50% growth, despite geopolitical challenges and fluctuations in bond markets.

due to its attractive valuations, which are lower than long-term averages, while offering a more defensive and less risky profile in an environment of heightened geopolitical risks.

European stocks outperformed US stocks in 2025 for the first time since 2020. Although the dollar's decline also contributed to this, the final annual return of 16.3% was a nice reward for patient investors. Most of the return was generated in the first half of the year, when there was a more pronounced shift of capital from US to European stocks. In the second half of the year, however, the returns of the markets in Europe and the US were much more aligned.

European countries continue to struggle with political fragmentation and low growth, with certain segments of the economy also facing major, existential problems. The automotive industry stands out here, a symbol of Germany's power, a representative of core Europe, which, together with France, represents the source of the old continent's economic stagnation. On the other hand, the once neglected European periphery, especially Italy and Spain, is experiencing a noticeable economic revival. Lower energy prices and lower labour costs are an important factor, but far from the only reason for the greater attractiveness of the periphery. These trends are increasingly encouraging European companies to move at least part of their operations from core to peripheral Europe. An important part of it is also CEE and Slovenia with Southeastern Europe, where stock market returns were among the highest in the world in 2025. Poland, Slovenia and Romania stand out.

Bank and financial company stocks have the largest sector weight in European stock indices, accounting for almost 25% of the total index value. Bank stocks, especially those from the periphery such as Santander or Unicredit, gained 100% or more in 2025.

Financial company valuations in the context of the 2% ECB interest rate and expected returns continue to be attractive to investors. European technology stocks ended the year less brilliantly, but still well enough to reward investors with above-average returns. Healthcare reversed the trend in the latter part of the year and significantly improved the return picture. Shares in this sector continue to offer an attractive

investment choice, especially when considering the less risky profile of the sector. The supply and industrial sectors also stood out in terms of returns in 2025. In the latter, it is worth highlighting shares of industrial companies related to the arms industry, where returns almost everywhere exceeded 100%, and shares related to the construction of data centres, which also recorded double- or even triple-digit percentage growth. Negative trends continued in both consumer sectors, especially in luxury goods manufacturers, as export markets in the US and China show no signs of stronger growth. The key question in 2026 will be whether countries will succeed in converting the announced investments in infrastructure and military spending into broader economic growth and recovery, or whether they will simply further increase public debt.

Japan is also worth mentioning, having set a record in 2025. The Nikkei index finally rose above its record value from 1989. The slightly broader MSCI Japan index gained over 8% and also reached a record value. The new Japanese government, elected in the latter part of the year, announced increased government spending and investments in the military and infrastructure, which strengthened investor confidence in Japanese stocks.

Emerging markets

Emerging markets grew solidly in 2025. The main emerging markets index MSCI EM gained 15.1%. However, there were significant differences between individual regions and countries. The Chinese market recorded an almost 13% growth, while India, on the other hand, lost 9.2%. Latin American markets achieved a very strong growth, with Brazil standing out in particular with a 24.4% increase.

Emerging markets were helped by a weaker dollar, which had a positive impact on both companies and public finances. However, trade frictions and the April tariff announcement brought large fluctuations. The Chinese economy continues its trend of growth slowing, but the growth rate of around 4% is still relatively favourable compared to the European economy. The strong dependence of this growth on exports is a concern, as the trade surplus has exceeded 1 trillion dollars. This surplus brings political frictions in relations with both the United States and Europe.

In the Chinese market, investors also showed the greatest interest in stocks related to technology trends such as AI, data centres and semiconductors. The returns of companies related to China's stagnant domestic consumption were more restrained. India accelerated economic growth in 2025, which exceeded 7%. However, the stock market spent most of the year in consolidation after strong growth and a sharp jump in valuations in previous years. India remains the most attractive country in emerging markets for investment. GDP growth will exceed 7%, while strong growth in private consumption continues. In addition, the reforms and incentives implemented by the government in 2025 are already bringing first results.

Other emerging markets, such as South Korea and some other countries in Asia and Latin America, also recorded good economic results and thus solid returns on capital markets. However, increasing geopolitical tensions and growing friction in relations with the US suggest that fluctuations in these markets will remain significant in 2026.

Slovenia and Southeastern Europe

Local Slovenian and Southeastern European markets brought high returns in 2025 to all investors who persisted in these capital markets after the great financial crisis in the years after 2008.

The Slovenian market grew by almost 50%, with all stocks recording strong growth, Luka Koper recording the highest. Krka and NLB continue to stand out among the key stocks. After this growth, the valuations of Slovenian stocks have come closer to those of their competitors, so there is relatively little room for additional discounting. Due to the conservative nature of the balance sheets of the largest Slovenian companies, they continue to maintain the potential for moderate growth in 2026.

Slovenian stocks also rose on expectations of pension reform. Pension accounts (also known as Individual Investment Accounts) are expected to boost investments in Slovenian stocks. With attractive dividend yields, the Slovenian capital market continues to offer interesting opportunities.

Romania also stood out in terms of returns in the region. After the May elections, the fears of international investors subsided and the stock market brought a high, more than 40% growth of the BET index by the end of the year. Shares from the energy and supply sectors stood out. The region was also helped by the growth story of the economies of the European periphery and expectations of the calming of the war in Ukraine. Higher economic growth compared to core Europe remains one of the key factors in the success of capital markets in the region.

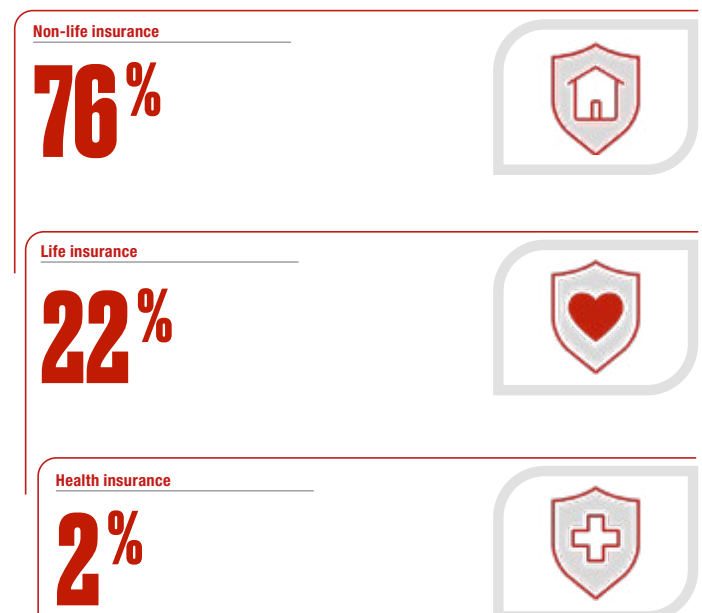
7.3 ANALYSIS OF OPERATIONS OF GENERALI ZAVAROVALNICA D.D.

7.3.1 GROSS WRITTEN PREMIUMS FROM INSURANCE, CO-INSURANCE AND REINSURANCE CONTRACTS

The written premium of Generali zavarovalnica totalled EUR 453.9 million in 2025, up 6.9% compared to last year.

Premium from the non-life insurance segment accounted for the bulk of total written premium with a 75.8% structural share, followed by life insurance with a 21.8% share, while life insurance account for only a 2.4% share.

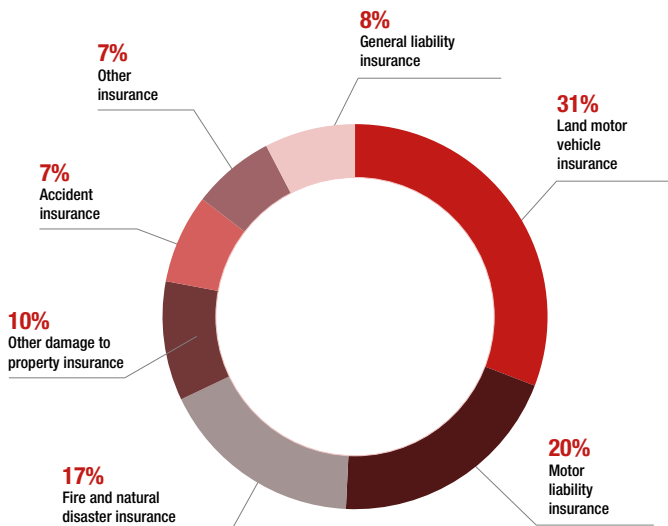
The structure of written premium by insurance class in 2025



Gross written premiums from insurance contracts (by insurance class)

In €	1-12 2025	1-12 2024	Structure 2025 (in %)	Structure 2024 (in %)
Accident insurance	25,747,594	25,853,050	5.7	6.1
Land motor vehicle insurance	106,121,977	100,819,556	23.5	23.7
Fire and natural disaster insurance	59,129,478	52,152,443	13.0	12.3
Other damage to property insurance	34,469,744	31,219,090	7.6	7.4
Motor third party liability insurance	68,543,746	66,907,317	15.1	15.8
General liability insurance	26,263,512	22,706,454	5.8	5.3
Other insurance	23,857,147	22,777,138	5.3	5.4
Total non-life (other) insurance	344,133,199	322,435,048	75.8	76.0
Mixed and term life insurance	40,736,842	42,380,295	9.0	10.0
Unit-linked life insurance	58,331,972	49,870,593	12.8	11.7
Total life insurance	99,068,814	92,250,887	21.8	21.7
Health insurance	10,746,470	9,866,322	2.4	2.3
TOTAL	453,948,483	424,552,257	100.0	100.0

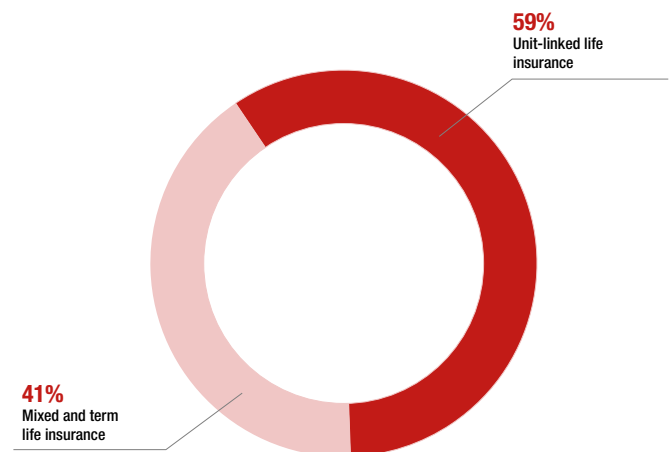
The structure of premium in (other) non - life insurance in 2025



The written premium of non-life insurance amounted to EUR 344.1 million. More than half of all premiums arise from car insurance, namely 31% from land motor vehicle insurance and 20% from motor vehicle liability insurance. These are followed by fire and natural disaster insurance, other damage to property insurance, general liability insurance, accident insurance and, to a lesser extent, other insurance classes.

The highest growth in premiums was recorded by general liability insurance (15.7%) and fire and natural disaster insurance (13.4%). The remaining main insurance classes also recorded growth compared to 2024.

The structure of life insurance premium in 2025



The life insurance premium amounted to EUR 99.1 million in 2025. A large share is represented by unit-linked life insurance with a structural share of 59%, while the rest is represented by mixed and term life insurance. Unit-linked life insurance grew by 17% compared to last year, while traditional life insurance types fell by 3.9%.

The structure of health insurance premium in 2025

Health insurance premium amounted to EUR 10.7 million in 2025, which is an increase of 8.9% compared to last year.

7.3.2 ANALYSIS OF OPERATIONS OF GENERALI ZAVAROVALNICA D.D. - FINANCIAL RESULT AND CONDITION

Financial result

Generali zavarovalnica d.d. ended 2025 with a net profit of EUR 33.1 million, which is significantly more than planned and 1.4% less than in the previous year. Compared to the previous year, the result of non-life improved, however the results of life insurance and health insurance fell.

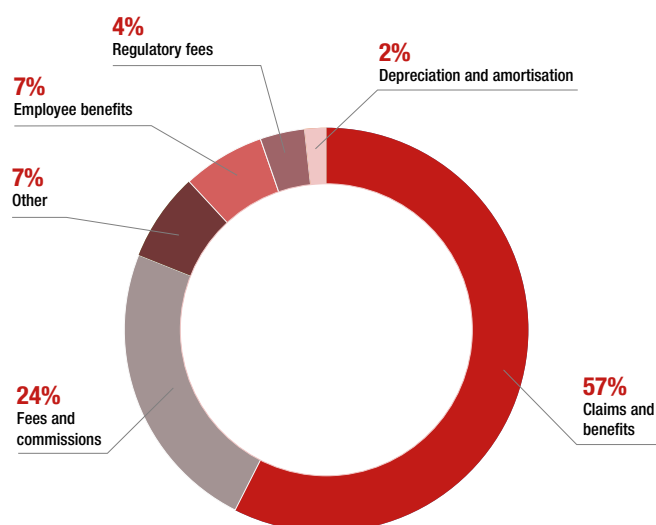
The result generated by investments in 2025 amounted to EUR 43.4 million, which represents a decrease compared to 2024, when it reached EUR 82.8 million. The decrease is mainly due to the subdued growth of financial markets in the reporting period, with the largest share of the decline coming from the unit-linked life insurance segment.

Compared to the previous year, the result arising from insurance contracts improved significantly.

Income statement key highlights

In EUR	Generali zavarovalnica d.d.		
	2025	2024	Index 2025/2024
Insurance service result	42,678,998	34,766,847	122.8
Insurance revenue from insurance contracts	388,561,797	366,303,956	106.1
Insurance service expenses from insurance contracts	-317,724,141	-325,726,188	97.5
Net expenses from reinsurance contracts	-28,158,658	-5,810,920	484.6
Net investment income/expenses	43,360,378	82,814,322	52.4
Result from insurance contracts	-32,302,820	-72,935,910	44.3
Change of investment contract liabilities	603,661	569,384	106.0
Other income and expenses	-12,662,648	-2,652,593	477.4
Profit before tax	41,677,569	42,562,049	97.9
Tax	-8,605,417	-9,026,672	95.3
Net profit for the period	33,072,153	33,535,377	98.6

Cost/expenditure structure excluding cash flows from insurance acquisition



Costs/expenses excluding cash flows from insurance acquisition in 2025 remained at a comparable level to the previous year and amounted to EUR 351.2 million. Claims costs and depreciation/amortisation costs decreased in particular, while the most significant increase was recorded in advertising costs and intellectual and consulting services costs.

Financial condition

As at 31 December 2025, total assets of the Company stood at EUR 1,262 million, which is an increase of 2% compared to the previous year. The bulk of the assets at 2025 year-end was accounted for by life insurance assets (61.2%), 38.1% was used in the activities of non-life insurance and the rest was intended for health insurance.

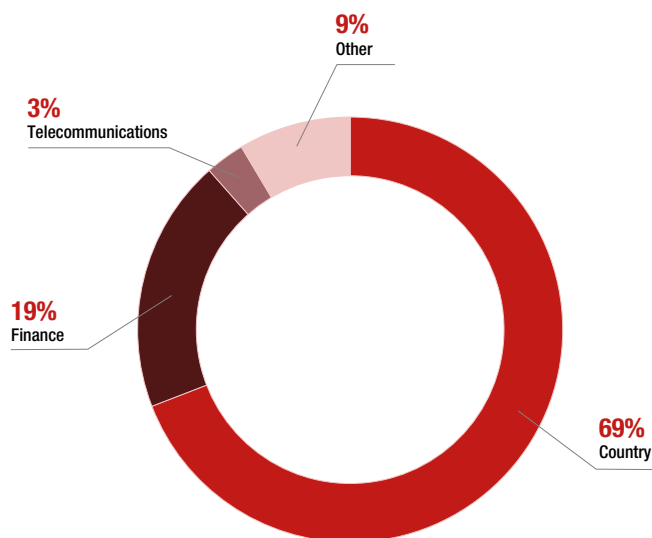
The structure of assets

v EUR	Generali zavarovalnica d.d.			
	31.12.2025	In %	31.12.2024	In %
ASSETS	1,262,458,048	100.0%	1,237,793,577	100.0%
Property, plant and equipment	25,703,349	2.0%	25,844,201	2.1%
Investment property	8,354,435	0.7%	8,470,374	0.7%
Assets arising from a lease	7,022,595	0.6%	4,665,301	0.4%
Intangible assets and goodwill	8,188,211	0.6%	6,997,443	0.6%
Deferred tax assets	2,155,717	0.2%	3,985,114	0.3%
Investments in subsidiaries	289,162	0.0%	289,162	0.0%
Investments in associates	32,148	0.0%	32,148	0.0%
Financial assets, measured at:	1,072,037,268	84.9%	1,037,747,849	83.8%
- Fair value through other comprehensive income	566,430,669	44.9%	550,714,679	44.5%
- Amortised cost	0	0.0%	41,718	0.0%
- Fair value through profit or loss	505,606,599	40.0%	486,991,452	39.3%
Investment contract assets	48,185,107	3.8%	45,856,110	3.7%
Financial assets, measured at:	46,636,544	3.7%	45,342,524	3.7%
- Fair value through profit or loss	46,636,544	3.7%	45,342,524	3.7%
Receivables	6,079	0.0%	9,137	0.0%
Cash and cash equivalents	1,540,370	0.1%	504,449	0.0%
Insurance contracts assets	22,102,966	1.8%	25,893,068	2.1%
Reinsurance contracts assets	46,643,036	3.7%	57,236,973	4.6%
Current tax assets	1,890,056	0.1%	1,701,264	0.1%
Other receivables	10,957,668	0.9%	10,364,358	0.8%
Cash and cash equivalents	7,085,907	0.6%	7,277,353	0.6%
Other assets	1,812,537	0.1%	1,432,859	0.1%

Total investments accounted for EUR 1,136 million or 90% of total assets. The largest portion is represented by financial investments measured at fair value through other comprehensive income in the amount of EUR 566.4 million, followed by financial investments measured at fair value through profit and loss in the amount of EUR 505.6 million.

As at the 2025 year-end, the value of property, plant and equipment and intangible fixed assets amounted to EUR 33.9 million. The former represented 2.2% and the latter 0.5% of all assets. The amount of assets from reinsurance contracts was EUR 46.6 million, and the amount of assets from insurance contracts was EUR 22.1 million.

The structure of the Company's debt securities by sector as at 31 December 2025 (excluding unit-linked insurance assets)



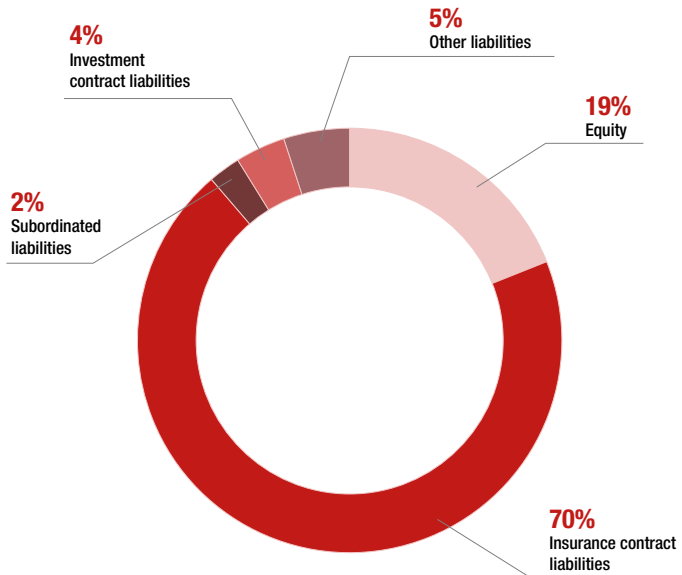
The structure of equity and liabilities

In EUR	Generali zavarovalnica d.d.			
	31.12.2025	In %	31.12.2024	In %
EQUITY AND LIABILITIES	1,262,458,048	100.0%	1,237,793,577	100.0%
Equity	239,258,981	19.0%	230,059,764	18.6%
Share capital	39,520,347	3.1%	39,520,347	3.2%
Capital reserve	20,771,169	1.6%	20,771,169	1.7%
Profit reserve	9,996,942	0.8%	9,721,593	0.8%
Accumulated other comprehensive income	11,524,437	0.9%	1,977,068	0.2%
Retained earnings	124,373,933	9.9%	124,534,210	10.1%
Net profit or loss for the period	33,072,153	2.6%	33,535,377	2.7%
Subordinated liabilities	30,947,803	2.5%	31,231,211	2.5%
Deferred tax liabilities	1,117,697	0.1%	555,771	0.0%
Insurance contracts issued that are liabilities	880,711,073	69.8%	873,911,983	70.6%
Reinsurance contracts held that are liabilities	416,874	0.0%	1,171,659	0.1%
Investment contracts liabilities	48,182,993	3.8%	45,856,110	3.7%
Provisions	8,402,986	0.7%	7,692,324	0.6%
Other financial liabilities	7,172,879	0.6%	4,768,324	0.4%
Current tax liabilities	2,384,800	0.2%	3,193,528	0.3%
Other liabilities	43,861,961	3.5%	39,352,904	3.2%

As at the end of the 2025 reporting period, total equity amounted to EUR 239.3 million. The proportion of equity in total assets stood at 19% as at 31 December 2025.

The structure of liabilities of the Company as at 31 December 2025

The insurance contract liabilities totalled EUR 880.7 million as at the end of 2025, with their share in total assets of 69.8%. Investment contract liabilities were EUR 48.2 million and subordinated liabilities were EUR 30.9 million.



8. RISK MANAGEMENT AND INTERNAL AUDIT

8.1 RISK MANAGEMENT

Generali zavarovalnica, just like the entire insurance sector, is primarily exposed to risks arising from risks insured and risks arising from financial markets and the macroeconomic environment. With the increasing frequency of extreme weather events in recent years, insurance risks are coming to the fore. However, other risks are also becoming increasingly important, among which digital risks and risks related to sustainability deserve special mention.

2025 was once again marked by a dynamic and challenging global environment. The global economy recovered more slowly than expected in 2025, mainly due to continued uncertainty in energy markets, the impact of climate change on production chains, and a persistently elevated inflation in certain regions. Geopolitical tensions have intensified in light of the ongoing conflicts in Ukraine and the Middle East, as well as new tensions in Southeast Asia, affecting global security and the stability of the economic environment.

The frequency and intensity of natural disasters have increased worldwide, with Europe particularly affected by large-scale fires in the Mediterranean and floods in Western Europe. In parallel, cyberattacks, which have affected many businesses and public institutions, and hybrid threats linked to disinformation and political instability affecting general trust in institutions and markets, have emerged as major global risks.

Slovenia faced uncertainty in many areas in 2025. GDP growth remained moderate in the first half of the year, but later estimates predicted only modest growth and moderate inflation with low unemployment. The first problems appeared in individual industrial sectors, mainly due to reduced demand in export markets and uncertainty in the automotive sector. Energy and food prices continued to put pressure on the costs of households and companies. Some volatility was observed in the capital markets, mainly due to movements in

interest rates and uncertainty about global economic growth, however stock market indices maintained a positive trend.

In the area of natural risks, the loss events in 2025 were varied, as some regions were affected by heavy local rainfall and storms. Nevertheless, Slovenia fortunately avoided natural disasters of the magnitude experienced in 2023, the consequences of which are still being remedied. Spring frosts were again among the more prominent events in 2025, while summer heat waves increased the risk of drought and fires, however Slovenia's fire damage was lower than in southern European hotspots. In general, loss events were more seasonally dispersed, in line with the long-term trend of increasing frequency and intensity of extreme weather events.

Generali zavarovalnica maintained a high level of capital adequacy in 2025. Total eligible own funds to cover the Solvency Capital Requirement (SCR) amounted to EUR 271.3 million at the end of 2025, and the total Solvency Capital Requirement (SCR) was EUR 135.1 million. This represents a capital adequacy ratio of 200.8%.

The Company will publish its 2025 Solvency and Financial Condition Report (SFCR) of the Company in April 2026. The Report, together with the annual set of quantitative reporting templates (QRT) and the Regular report to the supervisor, presents the disclosure requirements in accordance with the third pillar of Solvency II. The Report will be reviewed by an independent external auditor. The purpose of the SFCR is to provide publicly available information about the Company to be used by policyholders, shareholders and other interested parties. Part of the report is dedicated to risks, including their quantification, in the case of Generali zavarovalnica, in accordance with the provisions of the Standard Formula. The SFCR to be submitted in April will be followed by the annual Own Risk and Solvency Assessment Report, which is not part of public disclosures and is reported only to the regulator.

In the third quarter of 2025, based on the assessment of operations for 2025 and projections until 2028, also a capital adequacy projection was carried out for the period. The projection showed that the Company would demonstrate excess capital adequacy and would move within the risk appetite throughout the business-planning period.

8.1.1 RISK MANAGEMENT SYSTEM

Risk management is the first line of defence against risk in the Company and is a way to avoid the occurrence of a situation which would negatively affect the Company's operations or even endanger its existence.

The purpose of the risk management system is to ensure adequate and effective management of all risks the Insurance Company is exposed to, based on a defined risk management strategy, using a set of processes and procedures and based on clear management provisions.

The principles that define the risk management system are set out in the Risk Management Policy, which is the basis of all risk-related policies and guidelines. The Risk Management Policy addresses risks to which the Company is exposed to on current and forward-looking basis.

The risk management system is managed and supervised by the Management Board and designed not only to identify potential events which may have a negative impact on the Company, but also to manage risks in the Company within the framework definition of risk acceptance (risk appetite) by giving reasonable assurances on the achievement of business goals of the Company. The risk management system is proportional to the nature, scope and complexity of the Company's operations.

The Risk Management Function is responsible for the implementation of the risk management system, consistent with applicable legislation, policies and guidelines approved by the Insurance Company's management. It supports the management and sector directors as well as other managing staff in determining the risk management strategy, developing risk identification tools, monitoring and managing risks and reporting. Within the framework of its tasks and responsibilities, but especially reporting, the Risk Management Function spreads the culture and awareness of risks and their management across the company. Among the key measures for strengthening the risk management culture are the identification and inclusion of risk owners (the first line of defence) in risk management activities, such as the process of own risk and solvency assessment, the inventory and evaluation of operational risks and incidents, and the like. An important measure is also the definition and development of new policies in the field of risk management, including the Risk Appetite Framework (RAF), aimed at optimizing the risk acceptance process across the entire Insurance Company.

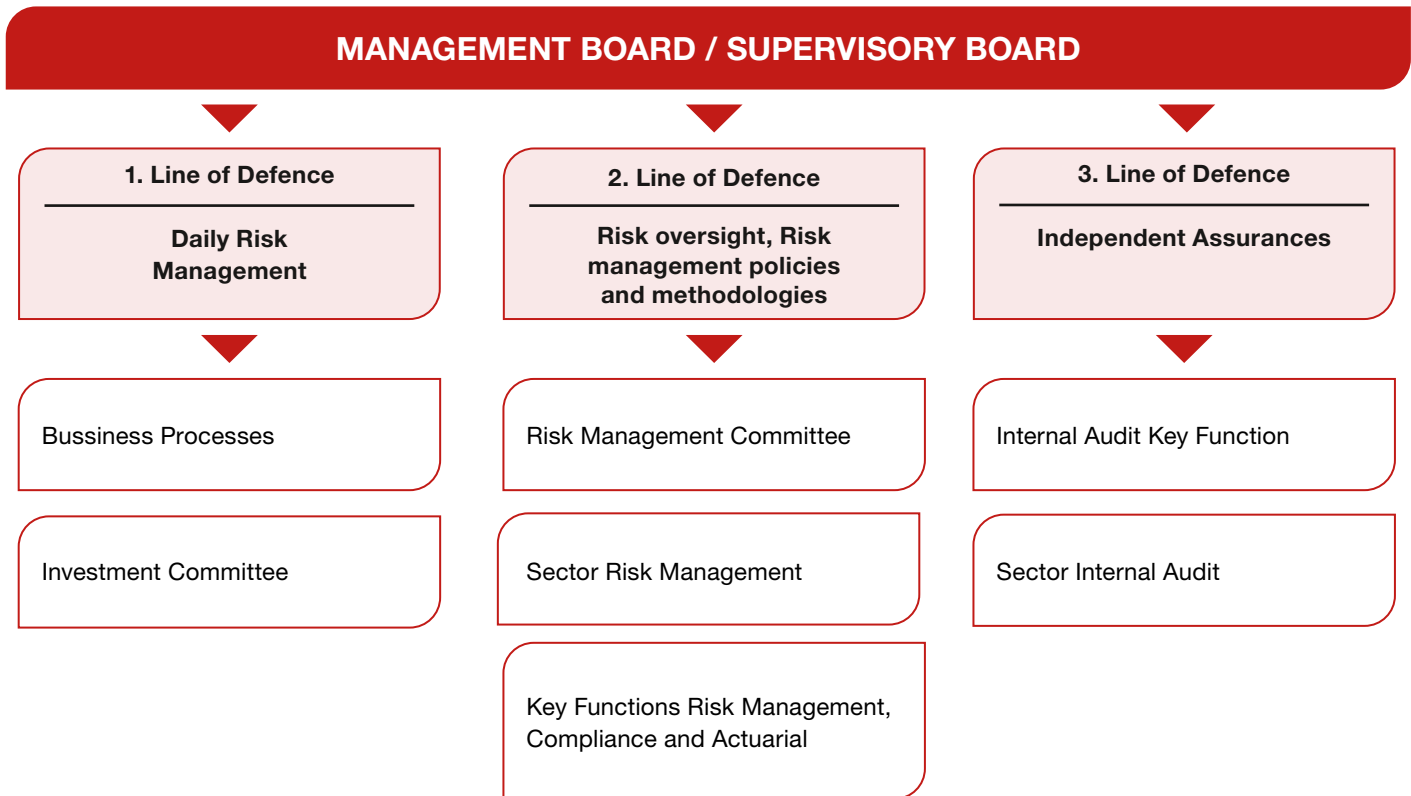
In accordance with the three lines of defence system, the risk management process is implemented throughout the entire Company. The first line of defence, which includes all business processes in the Company (or their owners) and various committees in the company, is responsible for regular operational management of risks arising from the processes or being a result of these processes. Risk owners therefore assume risks and are responsible for

ongoing identification, evaluation, measurement and reporting (to the Risk Management Sector) as well as for the initial management or risks arising from their processes.

The Risk Management Committee, the Risk Management Sector and the Risk Management key function, including the Actuarial and Compliance key functions, form the second line of defence. The latter is responsible for reviewing and coordinating the first line of defence, developing policies and strategies, setting risk tolerances and limits, as well as preparing reports and presenting them to the management and supervisory bodies of the Company.

The third line of defence includes the Internal Audit Function which is responsible for an independent evaluation of the efficiency and effectiveness of the activities of the internal control system and the risk management system, for providing assurances on their adequacy to the Company's Management Board and Supervisory Board and for providing timely and objective recommendations for improvements to both systems.

The three lines of defence against risk:



8.1.2 RISK MANAGEMENT PROCESS

Risk management means the identification, measurement and evaluation, management and monitoring of risks at all levels, including reporting on the risks to which the Company is or may be exposed in its operations.

In the context of the policies defining the risk management system, the Company has developed specific risk management action plans, which include internal risk management procedures, risk management measures and internal procedures for their implementation, as well as internal procedures for monitoring the implementation of risk management measures.

The risk management process comprises the following key steps:

- risk identification, which involves a comprehensive and timely identification of risks to which the Company is or may be exposed and an analysis of the causes of their occurrence;
- risk measurement or evaluation, which includes the preparation of quantitative and/or qualitative evaluations of measurable and/or unmeasurable risks identified in the risk identification process;
- risk management, which encompasses the process of selection and introduction of risk reduction measures;
- risk monitoring, which comprises the rules on liability, frequency and manner of risk monitoring;
- risk reporting, which includes regular and extraordinary reports and the frequency of reporting.

As part of risk reporting, the business functions, senior management, the AMSB and the Supervisory Board are informed on an ongoing basis about the development of the Company's risk profile, individual risk trends and possible violations of risk appetite, limits and tolerances. From a risk perspective, the most comprehensive report is ORSA, which includes reporting on the assessment of all risks, both current and forward-looking. The Risk Management Function continuously prepares other internal reports and part of the disclosures about risks, which are contained in publicly published documents such as the Company's Annual Report and the Solvency and Financial Condition Report (SFCR).

8.1.3 DEFINITION OF RISK CATEGORIES

The risk management system includes at least the following key areas of risks:

The material risk of the Company in which, directly or indirectly, all the other mentioned types of risk are reflected is the **capital adequacy risk**. This is the risk that the capital of the Company is insufficient to cover all the risks assumed. Namely, capital risk relates to inappropriate structure and amount of capital in relation to the volume and manner of operation or to the problems which the Company would face in acquiring fresh capital, particularly if it needed to increase its capital rapidly or in unfavourable conditions. An adequate capital base provides a safety reserve for various risks to which the Company is exposed in its operations. The Company manages this risk primarily by maintaining an appropriate surplus capital (eligible own funds) above its solvency needs, calculated in accordance with the standard formula. Risk types are discussed in greater detail in Section 6.2 of the financial part of the Report.

Underwriting risk is the risk of loss or of unfavourable change in the value of insurance liabilities, due to inadequate pricing and provisioning assumptions taken into account in the calculation of insurance technical provisions.

Market risk is the risk of loss or of adverse changes in the financial situation of an insurance undertaking, resulting from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments.

Credit risk is the risk of loss or of adverse changes in the financial situation of an insurance undertaking, resulting from fluctuations in the credit position of securities issuers, counterparties and potential debtors, to which an insurance undertaking is exposed in the form of counterparty default risk, spread risk and concentration risk.

Operational risk is the risk of loss resulting from inadequate or failed implementation of internal processes, human behaviour or the operation of systems or from external events.

Liquidity risk is the risk that the Company is unable to realise its investments and other assets in order to meet its financial obligations when they fall due.

Concentration risk means exposure to risk with the possibility of loss, which is high enough to be a threat to the solvency or financial position of the Company.

Other risks, which include strategic risk, risks in making management and strategic decisions, risks in the supervision of insurance companies and the risk of loss of reputation.

Within non-financial risks, the Insurance Company also deals with **risks associated with sustainability issues**. These are risks related to environmental, social and governance (ESG)

events or conditions which, if realized, may have a significant negative impact on the invested funds of companies and their responsibility, which in turn may have a negative impact on the value or performance of investments.

In addition to the risks described above, the Insurance Company regularly monitors **emerging risks**. These are risks which may still be developing or which already exist, are difficult to evaluate, but can have a significant impact on business. In the current annual assessment of emerging risks, the Insurance Company highlighted as the most worrying emerging risks the risk of climate change and natural disasters, risks associated with digitisation and the risk of geopolitical instability.

Climate change risks are generated by an excessive increase in CO₂ and other greenhouse gas emissions that affect the Earth's climate and cause progressive global warming. They can be grouped into three main categories:

- Physical risks, resulting from increasingly destructive catastrophic events due to rising temperature, such as storms, floods, droughts;
- Transition risks, deriving from more or less sudden changes in market factors (such as consumer preferences, climate regulations and policies and new technologies) and resulting from the transition to a greener economy with reduced or almost eliminated greenhouse gas emissions;
- Liability risks, arising from environmental legal cases and/or inadequate environmental disclosure.

In the Own Risk and Solvency Assessment Report, the Insurance Company describes how it includes risks associated with sustainability issues into the risk management process. The ORSA Report also includes the results of calculating the impacts of climate change scenarios.

In this context, several scenarios with different possible future trends were tested, based on the latest recommendations of the Network for Greening the Financial System (NGFS) and the Intergovernmental Panel on Climate Change (IPCC), which allow capturing both effects of the transition, considering the different speeds and order of implementation of decarbonization policies and physical effects.

Based on the methodology of the Generali Group, an evaluation of climate impacts on investment and insurance portfolios of Generali zavarovalnica was also carried out for individual scenarios.

In the case of the Company's investment portfolios, the analysis showed that these portfolios are most exposed to physical risks (e.g. floods, storms) in scenarios with a higher temperature increase, with stocks and corporate bonds being more sensitive to climate change than government bonds. In scenarios with an orderly transition to a low-carbon economy, the total losses of the portfolios are

limited, while in scenarios with a delayed or uncoordinated transition, the impacts become more pronounced, mainly due to the greater vulnerability of certain sectors and regions. Government bonds remain the most resilient segment of the portfolio, as losses are the lowest in all scenarios. The risk of litigation due to climate change is negligible for the portfolio. The overall conclusion is that the long-term stability of the portfolios depends most on the timeliness and effectiveness of decarbonization measures and on the geographical and sectoral diversification of investments.

Climate changes affect not only investments, but also the insurance portfolio, namely through insurance risks. These are manifested in three forms: physical risks due to more frequent and intense floods and hail, transition risks due to changes in demand and asset values, and litigation risks, which remain marginal. The impacts vary by scenario – in the Net-Zero 2050 scenario, the changes are gradual and limited, in the Delayed Transition scenario they are moderately higher, while the Fragmented World scenario brings a significant increase in claims and higher volatility. Calculations at the Insurance Company level show that the impacts on operating profit are still limited despite the increase in claims and premium adjustments, but in the long term they require a proactive and adaptive risk management strategy.

In addition, the Insurance Company regularly identifies its investment and insurance exposures with ESG restrictions and monitors and limits exposure to issuers with poor practices through the so-called exclusion list; at the end of 2024, these exposures were very low, and the Company was also not exposed to arms manufacturers, coal mining or other excluded sectors. Similarly, analyses of exposures to sectors that affect biodiversity loss and human rights were also carried out, and only minor exposures were identified. A green-washing risk assessment system was also introduced in 2025.

Risks associated with digitisation include threats of cyberattacks, data breaches, technological failures and challenges in ensuring compliance with regulatory requirements. These risks can lead to financial losses, reputational damage and loss of customer trust. To mitigate these risks, insurance companies need robust cybersecurity measures, regular risk assessments, compliance monitoring and ongoing training of employees to adapt to the changing digital landscape. Risks associated with digitalization are closely monitored by risk management and IT security departments.

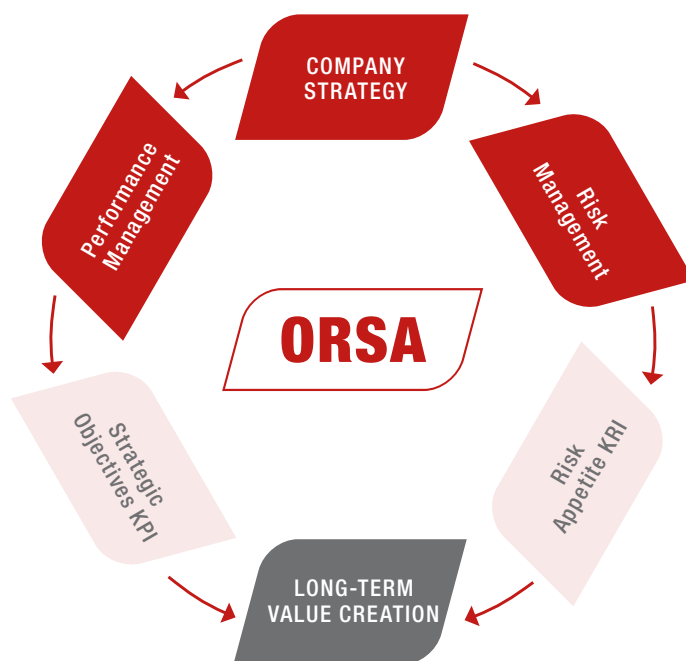
Geopolitical instability poses a risk due to ongoing conflicts, such as the war between Russia and Ukraine and the conflicts in the Middle East. All this causes uncertainty in the wider region and directly affects Slovenian insurance companies, primarily through their investment portfolio. Fluctuations in energy, food and currency prices, as well as increased uncertainty in financial markets, can cause losses or reduce investment returns. Insurance companies

manage risk by diversifying investments, constantly monitoring the situation and adapting strategies to maintain the stability and safety of their policyholders' assets.

8.1.4 THE INTEGRATION OF THE RISK MANAGEMENT SYSTEM AND THE COMPANY'S BUSINESS STRATEGY

Risk management begins with the Company strategy, as is the case with all the other business-related activities. After the strategy is created, the supervisory mechanisms are set up enabling the strategy to be implemented by optimally implementing the key value factors and by effectively managing the risks arising from these factors within all Company processes.

The integration of the Company's business strategy and the risk management system:



The basic concept of the risk management strategy is to determine the appropriate risk appetite (framework definition of willingness to accept risk), including tolerance to the most material risks, based on the business and capital management strategy. The Company's framework definition of willingness to accept risk represents, at the Company level, the total amount of risk that the Company is willing to accept in the pursuit of its mission and vision, business and strategic goals. It is limited with the risk capacity which the Company is able to assume based on its eligible own funds. The framework definition of willingness to accept risk is expressed in the form of statements and metrics and is clearly defined and appropriately presented throughout the whole organisation at all levels and is included in the business planning process of future operations.

The two most important risk appetites, which are consistently measured by means of selected indicators, are solvency and liquidity of the Company. Tolerances have been set for both indicators and are updated annually.

Tolerance is defined as “soft tolerance” when its exceeding means that the Insurance Company operates below its risk appetite in terms of solvency, or as “hard tolerance” when its exceeding means that the Insurance Company operates far from the established risk appetite and, consequently, accepts unacceptable levels of risk. In the event that both tolerances are exceeded, the Insurance Company has a predetermined set of possible measures, presented in the table below, together with the quantitatively determined tolerance thresholds applied by Generali Insurance Company.

In 2024, the Company slightly adjusted the tolerance limits in accordance with the revised capital management policy, and introduced a new early warning zone. This is the zone between the soft tolerance and the lower target range and is intended to identify potential early warnings in the event of a reduction in capital adequacy to a level, which is not in line with the accepted risk appetite. Measures of increased vigilance, assessment of the situation and possible implementation of management measures are provided for. The adopted limits did not change in 2025, and no change is planned for the period of the next medium-term plan.

Tolerance	Threshold	Possible measures in the event of exceeding
Upper Target Range	170%	Inclusion of riskier investments in the portfolio, additional growth of insurance portfolios, reduction of capital (redemption of subordinated debt, additional dividend, share buy-back).
Lower Target Range	150%	The area between the soft tolerance and the lower target range. Measures of increased vigilance, assessment of the situation and possible implementation of management measures are provided for.
»Soft Tolerance«	140%	Reinsurance programmes; portfolio protection strategies (divestment of riskier investments, change of investment structure), securitization, etc.
»Hard Tolerance«	110%	All measures in force in case of violation of the soft tolerance plus reduction of rewards to the company senior management and suspension of the payment of dividends.
Regulatory Limit	100%	Initiate the implementation of the recovery plan.

Similarly, tolerances are determined in the case of liquidity, taking into account an additional, stress scenario.

Exceeding of the “soft tolerance” means that the Insurance Company operates below its risk appetite in terms of liquidity, exceeding of the “hard tolerance” means that the Insurance Company operates far from the established risk appetite and, consequently, accepts unacceptable levels of liquidity risk. Soft and hard tolerances are also set for the stress scenario, where the exceeding would mean that the Insurance Company would act outside its risk appetite in the event of a stress scenario.

In the event liquidity tolerances are exceeded, the Insurance Company also has a predetermined set of possible measures. These are presented in the table below, in addition to the quantitatively determined tolerance thresholds.

Tolerance	Threshold	Possible measures in the event of exceeding
"Soft tolerance"	-2,50%	Restructuring of investment portfolios into more liquid ones, activation of credit lines, issuance of bonds within the Group, intra-Group loans.
"Hard Tolerance"	-5,00%	Immediate implementation of measures set in violation of the soft limit.
"Soft Stress Tolerance "	-2,50%	It is an early warning indicator that an insurance company could violate its liquidity tolerances in the event of stress. The implementation of measures is not necessary.
"Hard Stress Tolerance"	-7,50%	Measures are envisaged, similar to the ones for basic hard and soft tolerances, to be implemented in the event of the occurrence of a scenario.

Permissible risk limits represent the maximum risk that the Company is willing to accept in relation to each risk category to achieve business and strategic goals while the Company keeps acting cumulatively within the defined risk appetite. Operational limits refer to day-to-day business decisions. Operational limits are set in more detail for

- Investment activity, in particular for concentration risk, currency risk and credit risk, and for individual investment classes (investment portfolio structure) or types of transactions;
- Concentration of insurance portfolios, exposure to assumed insurance risks and to reinsurers;
- Operational risk assumption limits, separately for the non-life insurance and life insurance portfolios (by LoB);
- Liquidity by types of assets/investments.

8.1.5 OWN RISK AND SOLVENCY ASSESSMENT

As one of the integral parts of its business strategy, the Company specifically plans its capital requirements and the available capital to reflect all material risks the Company is exposed to. This is performed in the context of Own Risk and Solvency Assessment (ORSA). The primary ORSA objectives are to ensure sound and prudent risk management within the Company through a better understanding of comprehensive capital requirements and capital allocation (own assessment), as well as through the understanding of the interconnection between risks and capital management in the planning of future operations of the Company.

Furthermore, the aim of the ORSA is to provide another view of the capital adequacy assessment of the Company by comparing its own risk profile assessment with the assumptions used to calculate the regulatory capital requirements to verify whether the regulatory SCR Standard Formula correctly takes into account the entire risk profile of the Company. The Company can manage its risks either through capital requirements and by ensuring regulatory capital, or by applying other risk mitigation techniques. In doing so, the Company takes into consideration the business strategy, the risk profile, and the accepted risk limits and tolerances. By identifying its comprehensive capital requirements, the Company decides whether to assume or transfer certain risks, sets optimal capital allocation and assesses other performance factors, which are reflected in the strategic decisions of the Company.

On the other hand, the ORSA has to reflect the business strategy of the Company and business plans deriving from it. When performing the ORSA, it is therefore necessary to take into consideration the strategic decisions, reflected in the business plan and projections, affecting the risk profile of the Company, the capital requirements and the eligible own funds of the Company. The management and supervisory bodies of the Company should be aware of and clearly understand the implications of the strategic decisions on the abovementioned capital aspects of the Company. Furthermore, they should consider whether such implications are desired and feasible, and whether the Company could even afford them, considering the scope and the quality of its own funds.

In the ORSA Report, the Company also presents the findings of various risk assessments:

- The collection of data on actual events in connection with operational risks that result in business loss is carried out quarterly.
- Once a year, the Company carries out a regular annual evaluation of operational risks and compliance risks. The evaluation is jointly prepared by Risk Management and Compliance. The evaluation is carried out in two phases, the first phase (preliminary assessment) is carried out by the two already mentioned functions, while in the second phase, process and risk owners are invited to participate.

- Prior to the implementation of the first phase, the aforementioned functions obtain data related to these risks, namely the internal audit reports, past risk assessments and findings, operational loss reports, lawsuits, complaints and fraud investigation findings. Based on the obtained data, the risks and the control system that deals with these risks are evaluated.
- In the second part of the evaluation, or the second phase of the implementation of a comprehensive risk assessment, the process and risk owners review the results of the previous evaluation phase and propose possible changes. Then both functions, together with the risk owners, fill out the part of the questionnaire that refers to projected business plans, changes in the IT environment and macroeconomic trends in the area of selected risks. The final evaluation assessment after the second phase is presented to the Company's Management Board, which approves it.
- Main Risk Self-Assessment (MRSA) is a process whose purpose is to identify and qualitatively evaluate the main risks and scenarios that threaten the achievement of strategic planning goals and the stability of the Company in terms of its solvency, profit or liquidity. As all risk categories are considered within MRSA, the aim is also to verify that all relevant risks are included in the risk map and if all measurable risks are included in dedicated models. In addition, MRSA captures the risks of a range of events that are not modelled directly in quantitative models. The goal of the Main Risk Self-Assessment (MRSA) is to ensure the identification of the main risks and/or scenarios that threaten the achievement of the goals and objectives of the strategic planning, including the associated mitigations.
- The Company pays special attention to digital risks. Digitization is part of the Generali Group's strategy for the coming years, which is why the Group has developed a framework for managing IT (digital) risks, designed to adequately address and manage potential threats arising from IT systems. As part of digital risks, the risk management department in cooperation with the information security and IT compliance department prepares a quarterly report on digital risks.

Digital risks can be recognized by the risk owners, the information security department, the internal audit and various other assessments the Company carries out in the course of the year both in the risk management department and in the information security and IT compliance department. Risks are regularly presented to the Company's Management Board as part of reporting to the risk committee.

In early 2025, the Insurance Company adopted its own Digital Resilience Strategy in accordance with the provisions of the new EU Regulation on Digital Operational Resilience for the Financial Sector (DORA).

8.2 INTERNAL AUDIT

The Internal Audit is organised as an independent function, directly subordinated to the Management Board. It is separated from other units of the Company, both functionally and organisationally. It is headed by the internal audit director who directly reports to the Management Board, the Audit Committee and the Supervisory Board of the Company on the performed tasks and operations, which guarantees the independence of its functioning.

Internal Audit assesses the effectiveness and efficiency of the internal control system and all other elements of the management system, provides assurances on their operation to the Management Board, the Audit Committee and the Supervisory Board of the Company. A part of the tasks of internal audit is to advise in these areas by making recommendations to address deficiencies and to make improvements within the framework of audits and consulting activities. It carries out its activities on the basis of an annual plan and a strategic plan of the function prepared on the basis of a risk assessment and taking into account the company's business strategy. The annual and strategic internal audit plans are adopted by the Management Board in agreement with the Company's Supervisory Board.

The Internal Audit carried out its activities in 2025 in accordance with the requirements of the Insurance Act and other legislation, the Global Internal Auditing Standards and internal rules of the Company and the Generali Group Internal Audit.

In accordance with the requirements of the professional rules of internal audit, Internal Audit develops and maintains a programme for ensuring and maintaining the quality of internal audit. Within this programme, internal audit is subject to regular internal and external evaluations of the quality of performance.

In 2025, the Internal Audit carried out its activities based on the 2025 annual work plan, which was adopted by the Management Board of the Company after receiving the approval of the Supervisory Board. The key activities of the internal audit comprised the auditing, monitoring and verification of the implementation of recommendations, monitoring of the Company's operations and cooperation with key functions within the Company.

The emphasis of internal audits was on the areas that represent higher potential risks for the Company and on the areas that internal audit is required to review on a regular basis in accordance with sectoral legislation. The assessment of the impact of environmental, social and governance factors is a regular component of audit reviews. The findings of the audits, recommendations and their implementation were regularly reported by the Internal Audit to the Management Board, the Audit Committee and the Supervisory Board. The Internal Audit also prepared half-year and annual internal audit reports.

In 2025, the Company's internal audit also performed the internal audit function in the related company Generali Investments d.o.o. Ljubljana.

HERE NOW





FOR PERSONAL ADVICE

More than
700 insurance
agents available to
advise you.



9. ORGANISATION AND EMPLOYEES

Organisational structure

9.1 ORGANISATION AND ORGANISATIONAL STRUCTURE OF GENERALI ZAVAROVALNICA

Generali zavarovalnica d.d. is part of the insurance Generali Group and as such is obliged to comply with the rules of the parent company, taking into account and respecting national legislation, byelaws, internal acts and other binding regulations.

The Company is organized into 14 sectors covering the business and support units of the Company. The Company's back-office services are mostly organized at locations in Ljubljana and Koper, while the sales network and claims centres are organized regionally and cover the entire territory of Slovenia. The Sales sector is divided into support services and key sales channels while the Claims Management area, which deals with motor vehicle, property, personal, corporate and international claims, is widely branched-out. Product development takes place within the Insurance Techniques sector.



Generali Zavarovalnica d.d.

FUNCTIONS

SUBSIDIARY

Risk Management

Ambulanta
ZDRAVJE d. o. o.

Actuary for Life
Insurance

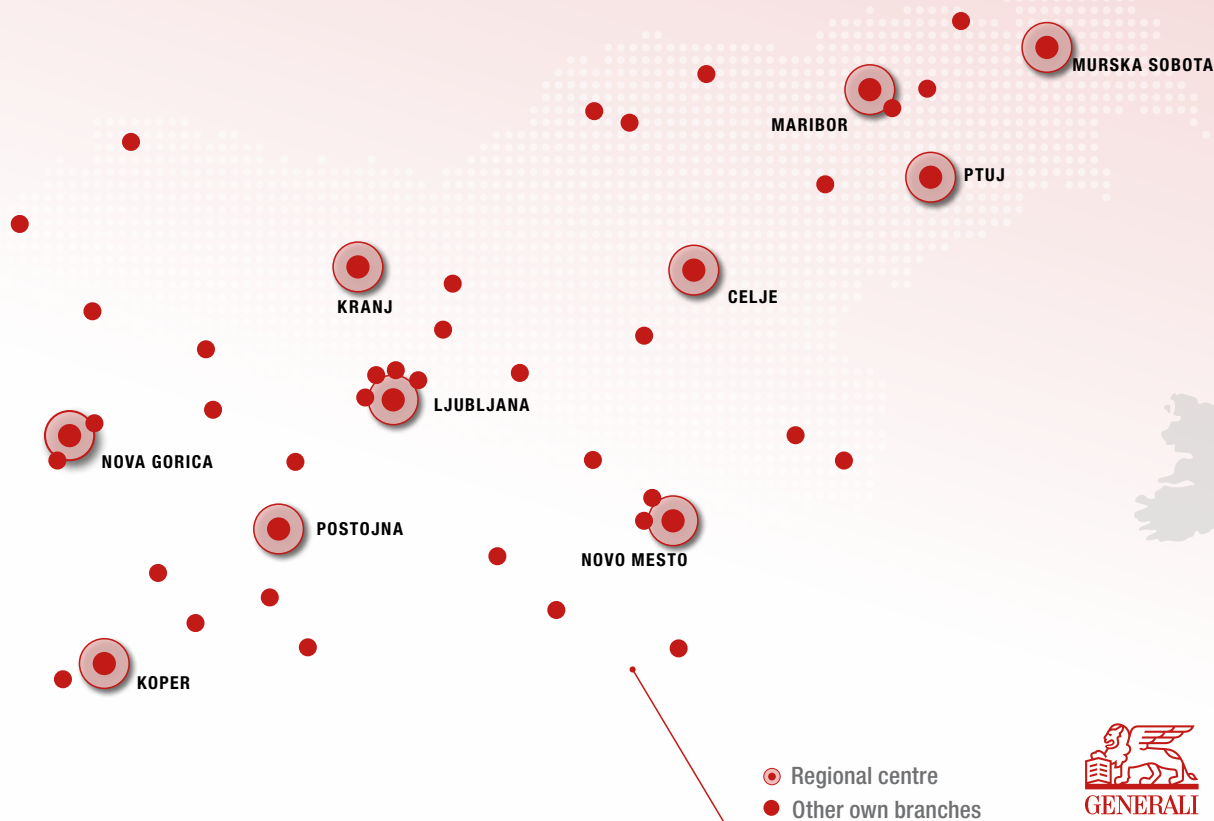
Actuary for Non-
Life Insurance

General Couns

Internal Audit

Compliance

Own sales networks



Sales Network

As a lifetime partner, we are always there to provide our customers – HERE AND NOW – with safety and support when they need it most. Our sales network remains the foundation of trust and accessibility:

- At 938 points of sale throughout Slovenia, where we provide customers with personal advice and support.
- 775 employed insurance agents and exclusive sales agents, who, within our own sales network, ensure professional and friendly service every day.
- Cooperation with more than 314 contractual partners - from non-exclusive agencies, banks, vehicle control stations, vehicle dealers, leasing companies to travel agencies - allows us to be available to our customers where they need us.
- Customers can also reach us through digital channels (G24, WIZ), which make taking out of insurance contracts quick and easy.

Online and Telephone Selling

In 2025, we made significant strides in online and telephone selling, providing our customers with an even simpler, more accessible and excellent experience. We listened to our customers' suggestions and refreshed and expanded our range of insurance products for quick and easy underwriting. In addition to existing insurance products such as Avto (Car), Specialisti (Specialists), Tujina (Abroad), Odpoved turističnega potovanja (Tourist Trip Cancellation), Kolesar Cyclist), MikroGO, Smučar (Skier) and Nezgodno za mlade (Accident insurance for young people), we upgraded our online Plovila (Boat) insurance with additional comprehensive coverage, renewed our Kuža (Dog) insurance and introduced Motorji (Motorcycle) insurance for two-wheeled enthusiasts. We optimized our insurance purchase platforms and enabled members of the free Generali ZAME loyalty programme to benefit from a loyalty discount when concluding policies online, in addition to other special benefits.

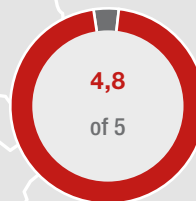
We paid special attention to accessibility. In accordance with the Accessibility of Products and Services for Persons with Disabilities Act, we adapted our online sales pages

transparency and trust. Our customers expressed satisfaction and trust in the open-ended survey responses, which is confirmed by statements such as “Stay as you are, you are the best for me”, “Quickly arranged, the most competitive offer, pleasant support” and “Excellent advice, professionalism and friendly attitude”. Such feedback is the greatest reward for us and an incentive to continue developing excellent solutions.”

We believe that our commitment to excellent customer relations is reflected in our excellent customer satisfaction ratings, reviews and ratings. The overall user experience rating given to us by our customers in more than 5,500 cases is 4.8 out of 5. The most common comments highlight the ease of purchase, competitive offers and friendly and professional support from our consultants.

In 2026, we will continue with digitization, personalization of the offer and providing and even greater accessibility for all customers, with the goal of creating an excellent user experience. We are committed to being available to customers here and now with an online offer of simple, modern insurance.

Overall user experience rating of 4,8/5.



Marijan ★ ★ ★ ★ ★
Karmen ★ ★ ★ ★ ☆
Romana ★ ★ ★ ★ ★

to digital accessibility standards, which is an important step towards an inclusive user experience. Our customer support remained excellent, and we provided help, information or insurance arrangements via email, telephone and chat in more than 85,000 customer contacts. The option of taking out insurance over the phone also remains extremely popular, especially among the elderly and those who want to save time - purchasing or renewing Paket dom (Home Package) and Specialisti (Specialists) insurance is particularly popular.

In the survey “Let’s get to know each other better”, almost 90% of participants confirmed that they were familiar with our online sales points, while 58% of participants occasionally and 24% often shop online. The most common payment methods are bank cards (77%), followed by Flik, PayPal and then cash on delivery or UPN. We were surprised by the fact that 40% of customers always check the opinions of other customers before purchasing, which confirms the importance of

Points of sale

938 points of sale throughout Slovenia



Employed agents

775 employed agents and exclusive sales agents



Contractual partners

314 other contractual partners



9.2 GENERALI PEOPLE

9.2.1 DEMOGRAPHIC AND OTHER CHARACTERISTICS OF EMPLOYEES

Employee data are given as at 31 December 2025.

Number of employees

	The number of employees						Difference	
	2023		2024		2025		2025/2024	
	per person	FTE	per person	FTE	per person*	FTE**	per person	FTE
Generali zavarovalnica d.d.	1,280	1,261.73	1,217	1,203.48	1,200	1,188.05	-17	-15.43

* The number of employees as at 31 December 2025.

**FTE – The number of employees in relation to the share of employment in the Company.

On 31 December 2025, Generali zavarovalnica had 1,200 employees. Taking into account the employment share, 1,188.05 employees worked in the Company.

Working hours and type of employment

At the end of 2025, Generali zavarovalnica had 1,200 employees, of which 97% worked full-time and 3% part-time. We strive to have the majority of our employees employed for an indefinite period.

Employees by working hours	Number	%
Full-time	1,168	97.3%
Part-time	32	2.7%
Total	1,200	100%

Employment Contract	Number	%
Indefinite duration	1,176	98.0%
Fixed-term	24	2.0%
Total	1,200	100%

1,200

EMPLOYEES



Number of employees by location

Our employees work at various locations across Slovenia, with the largest share of them working in Ljubljana (42%) and Koper (18%).

Employees by location	Number	Share in %
Ljubljana	503	41.9%
Koper	213	17.8%
Maribor	95	7.9%
Celje	85	7.1%
Kranj	48	4.0%
Nova Gorica	44	3.7%
Murska Sobota	35	2.9%
Novo mesto	35	2.9%
Ptuj	29	2.4%
Postojna	22	1.8%
Other locations	91	7.6%
TOTAL	1,200	100%

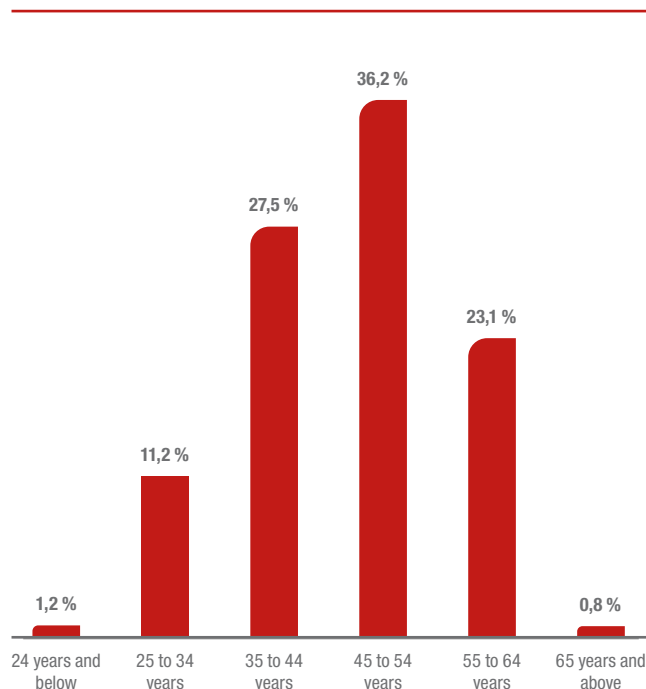
Employees by level

According to the level and type of work, the Insurance Company has 9% of senior and middle management staff, 3% of sales group managers and claims centre managers, 31% of agents and 58% of back-office employees.

Employees by levels	Number of employees	Share in %
Management Board	3	0.3%
First management level below Management Board	11	0.9%
Second and third management levels below Management Board	89	7.4%
Group managers in the sales network and claims centres	36	3.0%
Agents	371	30.9%
Back-office services	690	57.5%
Total	1,200	100%


Employees by age

The average age of employees was 46.6 years. The age structure is dominated by the 45 to 54 age group (36%):




Employees by gender


Among the Company staff of the entire Company, 63% were women and 37% were men, the share of women by individual structural level is fairly evenly represented:



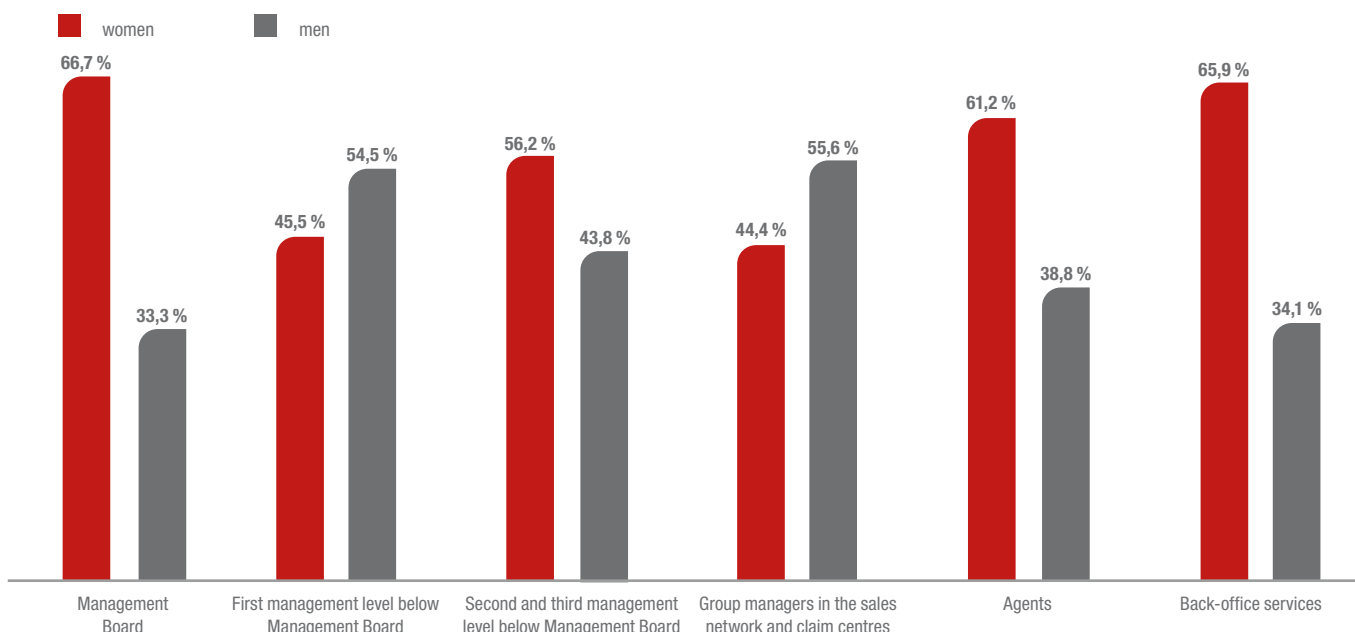
63%
WOMEN



37%
MEN



46.6 years
AVERAGE AGE



Employees by education

The largest share (45%) of the employees of Generali zavarovalnica has completed level VII or higher education.

Level of education	2022	2023	2024	2025
	Share (in %)	Share (in %)	Share (in %)	Share (in %)
Level I–IV	3.1	3.1	3.0	2.8
Level V	36.3	36.5	36.1	36.5
Level VI	14.2	14.1	13.9	13.6
Level VII	44.4	44.3	44.8	45.0
Level VIII–IX	2.0	2.0	2.2	2.1
Total	100.0	100.0	100.0	100.0

9.2.2 HR STRATEGY IN 2025

2025 was marked by the preparation and start of the implementation of the new three-year *GPeople27* human resources strategy and the preparation of goals for the new strategic cycle. In the period 2025–2027, supported by the new *GPeople27* strategy we are nurturing the conditions for long-term success and sustainable growth. Our vision is to create an environment where employees are empowered, motivated and prepared for the challenges of the future. The strategy is based on four pillars that together shape our competitive advantage:

- Distinctive culture, to be leveraged as our competitive advantage
- Skills leadership, for excellence and success in the era of technological revolution
- Excellent employer, able to attract and retain top talent
- Future-ready organization, to support excellence, productivity and growth in a hybrid environment

Our culture is the heart of the organization. We are committed to promoting diversity, equality and inclusion and strengthening trust among employees. We create a sustainable work environment based on health, well-being and mutual respect. With programs such as *MAP Forward*, we strengthen commitment and sense of belonging and build a community that creates long-term value for all stakeholders. Technological progress requires constant learning and adaptation. That is why we are developing a competency model that includes digital, data and AI skills necessary for success in the new technological era. We provide employees with access to modern tools and knowledge and prepare them for a future where innovation will be a key competitive advantage. Our ambition is to be a recognizable and attractive employer in the labour market. This is achieved through

innovative communication approaches, the development of benefit systems and the creation of conditions for professional and personal development. A healthy, stimulating and inclusive work environment is the foundation for retaining the top talent and increasing our organizational strength. The world of work is changing, so we are introducing agile working methods, optimizing processes and developing hybrid forms of work that enable collaboration, flexibility and innovation. We are developing an organization that effectively manages change and is ready for the challenges of the future.

9.2.3 EMPLOYEE DEVELOPMENT

With our customers, but also in the development of and care for our employees, we follow our lifetime partnership commitment, which means that we stand by our employees and develop their skills since day one and throughout their entire employment. We provide them with the best opportunities for the development of competencies and continuous personal growth, acquisition of tomorrow's modern and advanced knowledge, development of interpersonal skills, teamwork skills and effective communication skills, we develop a strategic and business mindset that strengthens the ability to adapt to market changes and easier business decisions making. Education and training of employees take place under the wing of the Generali Academy (GAS). We are proud of the company-internal transfer of knowledge, of more than 30 internal lecturers who annually upgrade their skills in transferring knowledge to colleagues. Their contribution was awarded also in 2025 with the TOP Lecturers of the Year award.

Professional education, skills education and training were held under the wing of the GAS this year, and some new practices were added to the established ones answering to business and market needs, and to the need to adapt to future requirements. The Group's We Learn platform supports regulatory education and tomorrow's knowledge, while professional education is locally supported by e-classrooms in the local GAS platform. The programme Time for Knowledge runs several times a month, offering employees various contents in the areas of social responsibility, well-being and other professional contents. We support new employees in the onboarding program, and every year we run the Development Accelerator, a program for the accelerated development of the skills and knowledge of our potential employees. We supported managers with AI-supported goal-setting content in conducting annual development interviews; and provided them with workshops within the *MAP Forward*, a unique leadership development programme that runs throughout the Generali Group. New managers acquired leadership skills through the First Time Leader program and individual coaching.

Annual educational plan

Generali Academy Slovenia takes care of educational programmes in the Company. The Academy develops

development programs and ensures their implementation and the active introduction and implementation of educational goals. In addition to local educational programmes, our colleagues are also involved in various long-term international professional training within the Group's programmes such as the *New Role Schools, Upskilling and Reskilling*, etc.

In 2025, training needs were systematically collected through the system of digitized annual interviews and an annual training schedule was prepared in line with the strategic direction of development of competences of the future. In 2025, our full-time employees received more than 56,000 hours of training, of which 7,546 hours were allocated to management training. Each employee received an average of 47 hours of training in 2025. We carried out almost 14,000 hours of training for our contractual partners.

MORE THAN

56,000

HOURS OF TRAINING FOR FULL-TIME EMPLOYEES



7,546

HOURS OF MANAGEMENT TRAINING



Employees participated in international training courses totalling 8,840 hours, deepening their knowledge in the areas of sustainability, business compliance, code of conduct, information security and other professional content related to their areas of work.

Among the more visible training courses in 2025 was a series of *Assertive Communication* workshops, which helped employees from various fields to develop effective communication skills with demanding interlocutors, their public appearances became more convincing, and we also tackled topics related to the regulation of one's own emotions and conscious behaviour in communication. A very important role in building connections was played by the *Mega Team Building*, which was organized for all employees and which justified its name in every respect. More than 900 employees participated in the Mega Team Building, each of them contributing their own piece of the puzzle, which ultimately connected into a complete chain reaction.

Time for Insurance and Time for Knowledge

Within the framework of the activities for employees, in 2025 we continued the series of webinars in the thematic clusters "*Time for Insurance*" and "*Time for Knowledge*". Online webinars Time for Knowledge were held several times a month, mainly addressing the topics of well-being, sustainability and artificial intelligence. We learned content ranging from completely life-useful (sprouting microgreens, secrets of bowel function, raising children, dealing with failure, secrets of a unique personal appearance, emotional intelligence and its impact on relationships, self-management, rainbow families and their integration into the environment) to business-demanding content in the area of use of artificial intelligence in the work environment. As part of the Time for Insurance programme, we gained knowledge related

47 HOURS

ON AVERAGE PER EMPLOYEE DEDICATED TO TRAINING



14,000

HOURS OF TRAINING FOR CONTRACTUAL PARTNERS



to the insurance industry through product and professional content. The educational cluster Time for Insurance is also strategically important from a regulatory point of view, as it allows employees to accumulate educational hours in a fixed period, as dictated by the IDD Directive.

Lifetime partner for newly recruited staff

The values of the Company we use to create additional value in the eyes of the customers and to strive for excellence were transferred to newly recruited employees through the behaviour of a lifetime partner (responsibility for success, innovation, personal approach and simplification of complexity). The workshops entitled *Become a Lifetime Partner* were held twice and were attended by everyone who joined Generali zavarovalnica in 2025. In this way we maintain the ambition that all employees attend the workshops and learn about the behaviour of a lifetime partner and make a commitment to implement them in their everyday work.

We have also introduced the *Lion-Hearted Mentoring* programme for new employees. This programme ensures

that employees feel at home in their new work environment as quickly as possible. Lionheart mentors ensure, at all major work locations, onboarding of new employees, introducing them to colleagues and introducing their job responsibilities.

Management skills

In 2025, we provided support to the managers on topics such as setting strategic directions and development goals in the annual development interview process by illustrating the benefits of using artificial intelligence in creating good goals.

A very special program, attended by all managers of the Generali Group in the summer of 2025, is MAP FORWARD, a series of two-day workshops, organized and carried out by colleagues from the Employees and Organization sector. The Managerial Acceleration Program (MAP) is a learning program for managers that has been running since the summer of 2019. Through interactive workshops and the sharing of good practices, it strengthens the leadership culture in the Generali Group and develops leadership skills. This time, the workshops focused on leadership in the era of rapid changes, artificial intelligence and digitization, while maintaining the values of human-centric leadership.

Colleagues who were promoted from a professional to a management position in 2025 were supported with the in-depth and systematic program for acquiring leadership skills *First Time Leader*, and with individual coaching.

Education in sales

Equipping newly recruited sales employees with the skills they need to excel in the future still remains a key focus of our training programme. Again in 2025, the onboarding programmes for new sales employees continued enabling them to acquire knowledge and skills for a successful start of the insurance agent job through the *First Voice* and *Voice* modules, and to acquire all the necessary skills to be successful at the licence testing through the *I will obtain the licence* training. In addition to all the product training organized by the regular sales network, the *Financial School* and product-focused *How to Sell* training programmes were developed for personal account managers who want to take a step forward in their journey. In 2025, we also designed a new sales educational programme, *BiznisLab*, intended for employees who are considering career development towards a transition to an exclusive agency.

By creating the educational programme, we supported this year's Sales Conference, where we listened to the President of the Management Board, the Sales Director, representatives of the Generali Group's management, top external lecturers, while colleagues shared their knowledge, experience and views in internal panels. The focus was on topics related to excellence, strategy, a winning mindset, different customer generations and the importance of proactivity in sales.

Management of potential personnel

In 2025, we continued implementing the *Development Accelerator* - a programme for the development of those employees who were recognized, through a systematic evaluation process, as having ambitions and potential for accelerated development. The fourth generation, this time from the sales sector, started the programme for potential personnel. This year, they developed their skills through workshops on advanced sales, creating a business plan, and communicating with different personalities. At the *Business Coffee* event with top management, they gained insights into strategy, goals, and approaches, and discussed sale of business insurance. In the fall of 2025, we also identified a new group of potential personnel in back-office services; they will enter their development programme next year.

9.2.4 HR AWARDS

2025 again brought us some publicly recognized HR successes. At the Slovenian Human Resources Congress, at the HR Team of the Year awards ceremony, in addition to entering the final selection, we received a special Change Management award for excellent employee and customer experience. According to the expert jury, we are distinguished by our strategic focus and clearly focused projects that build a culture of change. The Edutainment conference again awarded the Company with the TOP Investor in Education certificate, as we were recognized for the systematic investment in education and training of our employees.

In 2025, we continued to pursue the goals of the Socially Responsible Company (SRC) certificate by applying various socially responsible and sustainable measures.

9.2.5 EMPLOYEE BENEFITS AND THE QUALITY OF LIFE IN THE COMPANY

Socially Responsible Employer Certificate

Social responsibility plays a key role both in the Company as in the Generali Group. The Socially Responsible Employer certificate is based on the guidelines of the international standard for social responsibility, whose purpose is to improve socially responsible management in organizations in Slovenia, particularly in relation to employees, as it brings many benefits for employees, the environment, wider society and other stakeholders.

In 2025, we continued to pursue the goals of the Socially Responsible Employer (SRE) certificate by applying various socially responsible and sustainable measures. Our activities were aimed at increasing employee satisfaction, motivation and commitment, and improving organizational culture, climate and cooperation.

In the area of health protection, we followed our key goal, namely keeping employees healthy and satisfied. We ensured the technical and ergonomic refurbishing of workplaces, enabled active breaks, fresh fruit and subsidized physical activity in free time. Through measures to promote health at the workplace, we encourage the transfer of knowledge also into private life.

The Edutainment conference awarded the Company with the TOP Investor in Education certificate.

In the area of intergenerational cooperation, we carried out several activities to promote intergenerational cooperation and understanding of diversity among employees. Special emphasis was placed on improving communication, understanding different generational approaches and strengthening skills for effective cooperation. The key activities were:

- The *Where Mommy, Daddy, Grandpa and Grandma* Work Open Day event connecting various generations.
- Webinars aimed at bringing closer the topics of inclusion and diversity, this time with a special emphasis on rainbow families and the importance of an inclusive environment that supports diversity and equality.

- The communication workshop communication with difficult interlocutors and developed the skills of clear, respectful and confident expression.

With the above content, we enabled employees to better understand generational differences that affect work dynamics.

In the area of work-life balance, we continued with measures such as health treatment time bonus and the child time bonus, gifts for employees' children, and gifts for newborns. We paid special attention to psychological counselling, as interest in this form of assistance has increased. We organized webinars on the topic of partnership relationships and raising children in a demanding environment.



In the field of organizational management, we paid great attention to topics that help employees maintain well-being, build quality relationships, and more easily face the challenges of modern life. We focused on understanding physical health, emotional stability and social connectedness, as the interplay of these areas significantly affects an individual's satisfaction and success. Through a series of educational webinars, we addressed the following key topics:

- Connection between nutrition and health - we learned about the impact of microgreens and fibre on well-being and bowel health, which is key to maintaining energy and resilience in the workplace.
- Emotional intelligence and emotion regulation - participants gained practical skills to strengthen emotional intelligence, manage stress, and effectively regulate emotions in the work environment.
- Personal responsibility and leadership - we encouraged the development of self-management skills, which contributes to greater efficiency, motivation and responsibility of employees.
- Partnerships and balance - we also addressed the importance of quality partnership for overall well-being, which is also reflected in work efficiency.
- Parenting and dealing with failure - we addressed topics that are important to parents, with the aim of supporting them in balancing private and professional life.
- Technological support using artificial intelligence - we presented the power of Copilot as a digital assistant that can make work easier and contribute to greater productivity.

Corporate volunteering is strongly rooted in the Company and is implemented within the Generali Group THSN (The Human Safety Net) project and in cooperation with the Anita Ogulin & ZPM Ljubljana Moste - Polje Association. The implementation of the project takes place in three major campaigns aimed at helping socially weak families: *Summer vacations*, *School supplies* and *Magical winter*.

All of these activities took place throughout 2025, with the aim of strengthening social responsibility and corporate volunteering. In 2026, we will continue in a similar spirit, emphasizing the importance of social responsibility, volunteering and helping the vulnerable, and promoting activities in the field of diversity and inclusion of all.

We understand that success is not measured by numbers alone, but by our employees, their satisfaction, sense of belonging, and our concern for the community. This commitment remains the heart of our operations and the foundation of the environment in which we strive to create a healthy, friendly, and stimulating everyday life.

Promotion of health

Health is the foundation of a quality life and successful work. At Generali, we believe that healthy, satisfied and motivated employees create more, get sick less often and remain loyal to their organization. That is why in 2025 we paid special attention to promoting health at a workplace that combines physical and mental well-being and encourages a healthy lifestyle.



Health promotion is not just a legal obligation, but also our commitment. It is a joint effort between employer and employees, which includes improving the work environment, strengthening social ties and promoting a balance between physical and mental fitness.

During 2025, the following activities were carried out in the field of health promotion:

- Exercise and active breaks - we encouraged physical activity through group workouts, hikes, and the use of company bikes. We continued to implement daily active breaks during work and enabled online guided exercises for relaxation and energy.
- Healthy eating - we continued with our popular fruit days, when we provide fresh fruit at all locations. We raised awareness about the importance of a balanced diet and offered practical advice for healthy meals.
- Mental health and well-being - we provided employees with access to psychological help made available in the form of individual counselling and support in dealing with personal or work challenges. In addition, we organized activities that promote social cohesion and build a positive working climate, including Mega Team Building, as this significantly contributes to better mental health and overall well-being of employees.
- Flexibility and balance - we enabled working from home and flexible working hours, which makes it easier for employees to balance their professional and private lives.
- Safe and ergonomic environment - we provided ergonomically designed workplaces that reduce the risk of injuries and increase comfort.
- Prevention - we organized preventive health check-ups that enable early detection and prevention of illness.

Our activities are not one-off, but part of a long-term strategy that builds a safe, stimulating and healthy working environment. Health is the foundation of success, both for individuals and for companies.

Sports Club

The important goals of the Sports and Cultural Club are co-creating a positive climate in the Company, strengthening ties between colleagues outside of working hours and promoting a healthy lifestyle. The Sports Club today has 630 members. In 2025, the Club carried out already established activities such as guided recreation of volleyball, beach volleyball, basketball, swimming, fitness, badminton and other exercises that members participate in at various locations of the Company organisational units.

The hiking section carried out pet mountain trips and the cycling section one cycling trip. The cultural and excursion section purchased 2 season subscriptions for theatre performances in the following locations:

Koper, Nova Gorica, Kranj, Ljubljana, Celje and Novo Mesto. One excursion was organized in autumn, "Exploring Bosnia and Herzegovina and Sarajevo".

The Club is also affiliated with the Generali Sports Club in Trieste – the ASD Generali Trieste; together they held a ski weekend in Canazei, Italy, in 2025. The Generali sports team participated in the Summer Sports Games of Financial Organizations ŠIFO and won the overall second place.

The Company organised a special Mega team-building event in May, aimed at connecting and at strengthening good relationships and an excellent organizational culture.

The Club offers opportunities for exercising, socializing and spending free time to its members, but also to their family members and to retired colleagues. The Club is also open to outside members, lovers of sport, culture and a healthy lifestyle.

Holidaying

Generali zavarovalnica offers its employees and their families, retired employees and Slovene war veterans, holiday stays in quality and affordable accommodation facilities of the Company. The Company offers a two-day free stay to the target group of older workers 55+. In 2025, 151 employees benefited from holidaying facilities.

Employee insurance

All employees may join the group accident insurance and the health insurance scheme Specialists with Assistance, where both premiums are paid by the Company, with the option of a larger scope of coverage upon extra payment. In addition to the employees who are included in both schemes, 959 family members are included in the collective accident insurance, and 739 family members are included in the Specialists with assistance health insurance. Moreover, all employees have the option of joining the voluntary complementary pension insurance in accordance with the Agreement on Accession to the PN LEON 2K Pension Plan - Umbrella Pension Fund LEON 2, co-financed by the Company. Pursuant to the Agreement, the Company pays the statutory minimum premium for all employees. As at 31 December 2025, 56% of employees added up to the amount of the premium from their gross or net wages. In the case of health insurance, the Company offers employees favourable conditions for underwriting the above-standard insurance Težke bolezni in operacije (Critical illness and surgery insurance). Employees can also insure their pre-school and schoolchildren against accidents.

9.2.6 MONITORING EMPLOYEE ENGAGEMENT

The Company is fully aware that the set ambitious strategic goals can only be achieved by engaged employees. As part of the Generali Group, we are involved in regular and systematic monitoring of employee engagement. The global engagement survey in the form of a shorter “pulse survey” is conducted every year, while a longer and more in-depth engagement survey is conducted every three years. In 2025, we carried out a shorter version. The participation rate in the survey was 94%, which means that insights received from the employees were relevant and can be used to develop appropriate action plans. Before each survey, we remind our employees of what we have achieved, introduced or changed in the time between one survey and the next. Last year we also made sure to describe and the victories achieved in the last strategic cycle.

Based on the results of the longer version of the Belonging and Engagement Survey conducted in 2024, we conducted focus groups in the spring to better understand the views and experiences of our colleagues. 378 employees participated in moderated discussions in smaller groups, where we explored in depth the key challenges and opportunities for improvement.

9.2.7 PROCESS OPTIMIZATION AND DIGITIZATION

Last year saw significant progress made in process optimization, the introduction of robotic process automation and artificial intelligence. In the spring, after a year of process simplification, we completed the *Detox - process reengineering* project. We implemented 92 process changes that simplified complexity, improved customer experience and connected colleagues from different areas.

Simplified workflows and waste-free processes are the foundation for high-quality automation and robotization of processes and the introduction of artificial intelligence tools. In 2024, we established a working group whose task is to systematically introduce artificial intelligence into the work environment, collect and address employee initiatives, conduct practical workshops on the use of AI and ensure compliance of solutions with legislation and Generali Group

guidelines. The introduction of artificial intelligence tools is one of the important pillars of the Group’s new business strategy and is aimed at improving the customer experience, increasing efficiency and striving for technical excellence. We are already introducing the first tools into processes in the areas of Claim Management, Employees and Organization and Compliance.

In addition to training on the WeLEARN portal, we also conducted training courses for employees entitled *The Power of Copilot and Generative Artificial Intelligence* and *Copilot as an Assistant in Preparing for Annual Development Interviews*. Managers learned about Generative Artificial Intelligence in practice in workshops where they explored the opportunities artificial intelligence brings to the business environment.

9.2.8 WORK-RELATED INJURIES

Through its activities, the Company fully ensures the implementation of legislative requirements in the field of occupational health and safety and fire safety in working environments.

We identify safety risks by recording risky events and eliminating hazards in the work environment, by training employees in the field of safe and healthy work and by using personal protective equipment, which employees receive in accordance with the provisions of the assessment of the risks to safety at work. We act proactively in reducing the risk of injuries at work, by checking working conditions and monitoring employees to ensure that they follow instructions for safe work on company premises, in the field and when working remotely. By organizing business processes, training employees and checking the work environment in relation to security, the Company has enabled most employees to work from home or remotely.

Our long-term goal is to remain an employer that takes exemplary care of maintaining employee health and whose employees do not get injured at work or in connection with work. We are working to achieve this goal by raising employee awareness, implementing various preventive measures, including health promotion, and following technological and organizational trends. In 2025, 4 work-related injuries were recorded, all of which occurred during business trips. Employee absence due to this reason lasted a total of 100 working days or 796 working hours.

We implemented 92 process changes that simplified complexity, improved customer experience and connected colleagues from different areas.

10. MARKETING AND COMMUNICATION

2025 was a year of breakthroughs, fresh ideas and strategic steps that significantly marked the operations of the Marketing and Public Relations department. The first of these was certainly the presentation of the new three-year *Lifetime Partner 27: Driving Excellence* global business strategy, which was soon followed by the launch of the new creative platform HERE AND NOW.

After months of intensive preparations and development, we also presented to the public the redesigned generali.si website, which brings a more modern, user-friendly and content-rich digital experience.

2025 was also marked by preparations and development of activities to address younger generations in the insurance company, all aimed at rejuvenation and approaching new target groups. Numerous sponsorship events also took place, where, with the support and excellent cooperation with the sponsored people, we designed numerous unforgettable experiences for our customers, partners and employees. Naturally, we remained true to our commitment to sustainability and good cooperation and support for local communities, especially more vulnerable groups.

Brand management and communication

The new creative platform brought a fresh and innovative direction of communication; the central message of our new campaign is focused on the future - which is not distant and remote, but starts right here and right now. At the same time, Generali remains, just as before, a true lifetime partner and always stands by its customers. Throughout the year, the new creative was introduced into all areas of communication, both marketing and internal, and in sponsorships, intertwining it with our initiatives and promotions.

In addition to campaigns aimed at supporting recognition and encouraging the choice of our insurance, we were also active in the field of road safety and prevention with the project *Great Speed, Great Void*, we sponsored numerous athletes, competitions and events and, through related activities, enabled special experiences for participants, our policyholders and partners. Among the most outstanding were certainly the Ljubljana Marathon, the Pogi Challenge, the Vitranc Cup and cooperation with the Goran Dragič Foundation.

In the last two quarters of the year, we were actively preparing a new project aimed at the younger generations. Through

various activities, we want to build closer relationships with the young and bring our insurance company closer to them. The *Štipenzija* project, which was launched in December 2025, came to full fruition in January 2026 and marked the activities for the rest of the year.

Digital activities focused on building community, gaining new contacts and a major redesign of the generali.si website

The main 2025 project was definitely the redesign of our web portal generali.si. The change is comprehensive: from the latest version of the website building platform, a revamped information architecture, to a complete redesign of the content (text and graphic elements) and other innovations aimed at a better user experience and a clearer presentation of our offer and advantages. The true extent of the redesign is best described by numbers:

- More than 1,300 pages were redesigned — from product pages, agent business cards and interaction pages to visitor tips;
- The content is supported by 315 icons and illustrations, 2,224 photos, and 2,395 documents;
- 48 new forms were created to facilitate contact with the Company.

In addition, we ensured throughout the year that all marketing activities were adequately supported on digital channels, encouraging consumers to contact the Company, submit information or send an inquiry.

We carried on with the successful initiative for young parents, *For a Happy Start*, which we have been implementing for many years to build a community of young families. We accompany them from preparing for a new family member all the way to the first years of the child's life with useful content focused on both the child's upbringing and prevention.

With rejuvenation in mind, we also started communicating on TikTok, and this has strengthened significantly by early 2026. The earlier mentioned project for young people - *Štipenzija* - will focus on online channels and social networks.

Corporate communication focused on building reputation, sustainability and communicating with internal audiences

Sustainability and social responsibility remain important building blocks of our mission even with the new business strategy. Our strong connection with the local environment is reflected in our cooperation in humanitarian projects - as part of The Human Safety Net movement, 400 volunteers from Generali brought smiles to the faces of more than 400 children from socially disadvantaged backgrounds - and in our support for athletes.

As part of the SME EnterPRIZE competition, we once again awarded companies that stand out with their sustainable approaches. We are truly proud that both the recognition of the competition and the number of participating companies are growing rapidly every year.

We also carried out numerous activities in the field of internal communication, both in the area of Generali Group initiatives and local projects. Among the major ones is certainly the internal communication support during the relocation - in Ljubljana, Generali employees are moving from four different locations to the new Vilharia office building. The project was supported with a slightly different, more relaxed and fresh approach: the central activity is a short, entertaining video series informing employees about the news related to the relocation. The protagonists

are, of course, our colleagues. Preparations and the first communication activities took place in the last two quarters of 2025, while most of the activities will be launched in 2026.

We organized two major internal events – Sales Conference: Formula of Excellence and New Year’s Eve Party. We also hosted four successful painting exhibitions in our Generali Gallery, thus once again connecting art lovers and art supporters in one place.

Our brand’s highest preference ever

The confirmation that the activities were well thought out and strategically set was given by the numerous results achieved. We are especially proud of our strong brand, which, in addition to its historically strong recognition, in 2025 achieved its highest preference value ever – 26%*. This means that every fourth consumer says that our insurance company is their first choice.


*Source: Aragon, Brand Track 2025


Historically highest
Generali brand
preference: 26%





Website redesign:


- 1,300**
PAGES REDESIGNED

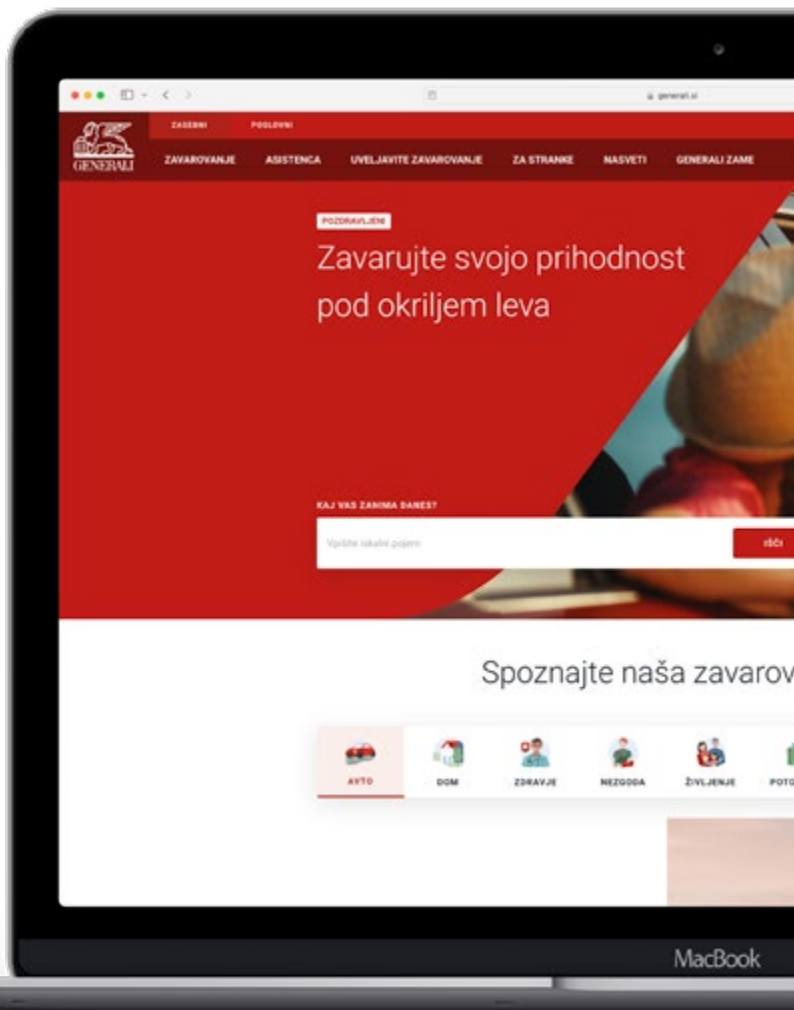

- 315**
ICONS


- 2,224**
PHOTOS


- 2,395**
DOCUMENTS


- 48**
NEW FORMS






Intranet


The Generali Kompas Intranet is the entry point into the working environment of all employees. Owing to its informative and educational role and work tools, it is an important part of the business environment and culture of cooperation in the Company.


In 2025, we continued with website upgrades, which included access to the certification system for mandatory training, access to important tools needed for daily work, and an update to the Underwriting Documentation document system where all types of content that our exclusive and non-exclusive agencies need for their work are stored in one place.

In 2025, more than 1,016,581 hits were recorded on the Intranet, 453 news items were published and 44 Generali Fokus weekly newsletters were produced.

- 1.016.581**
HITS


- 453**
INTERNAL NEWS ITEMS


- 44**
GENERALI FOKUS WEEKLY E-NEWSLETTERS



HERE NOW





FOR ASSISTANCE

More than
27,000 assistance
interventions,
providing support
exactly when it
was needed.



11. CUSTOMER AT THE CENTRE OF PRODUCTS AND SERVICES

We continued placing our customers and their experiences at the centre of our work in 2025. In a rapidly changing world, every moment is an opportunity to demonstrate reliability, professionalism, and genuine care for the people who trust us. That is why we focused every day on how to offer the right support at the right time.

Our commitment is to create a simpler, friendlier and more efficient user experience across all services, both in our own and contracted networks as well as in our partners' sales channels. When a customer contacts us, we want to be always available - to listen, advise and help when they need us.

As a lifetime partner, we provide our customers with comprehensive support in taking out insurance, transparent communication and reliable assistance. The Generali ZAME loyalty programme remains an important part of our story: it opens the door to numerous benefits, supports a more active and healthier lifestyle, and spreads trust in the quality of our services among existing and new customers.

We believe that we can shape the future together, with thoughtful decisions in the moment - here and now. That is why we are always available to each client with our knowledge, kindness and dedication.

11.1 CUSTOMER SUPPORT

Customers connect with us in different ways, but all paths are driven by the desire for fast, clear and quality support. Regardless of whether they choose phone contact, email, the My Generali portal, chat, social networks or a visit to a branch, our goal is always the same: to provide an experience that meets and exceeds their expectations.

For this reason, we are building a broad and accessible communications enabling customers to reach us in the way that works best for them. Each channel represents an opportunity to build trust and support right when they need us.

Customer experience in numbers

In the past year, we recorded a total of 259,301 customer interactions across all communication channels. This number confirms that contact with us is lively, intense, and that customers recognize our commitment to responsiveness and professional assistance. Every interaction is an opportunity to offer customers the right information, solution, or advice — at the right time.

Client asset management

In the areas of life and pension insurance, we continued providing our clients with professional support and advice in managing their assets in 2025. Through targeted portfolio retention activities, we preserved more than EUR 60.2 million, which considerably contributes to the stability of results and long-term value for our clients.

We want to remain a partner who, with immediate responsiveness, professionalism and accessibility, stands by our clients in key moments — tukaj in zdaj.

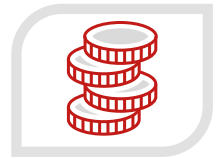


259,301



CUSTOMER INTERACTIONS

EUR 60.2 MILLION



SURRENDER VALUE

11.2 HEALTH INSURANCE ASSISTANCE

In 2025, we further strengthened the role of Assistance as a key pillar of our health claims and health insurance. Our mission remains clear: to stand by our customers as a lifetime partner when they need us most.

We are focused on simplifying the Specialists with Assistance and Transitional Care insurance claim procedures, organizing healthcare services and booking appointments with contracted providers. We also provide home care, transportation for check-ups or therapies, obtaining a second medical opinion from abroad and access to psychotherapy.

Our *Lifetime Partner 27: Driving Excellence* strategy is based on the digitization of processes for faster and safer management, on sustainable orientation and prevention, and on a personal approach that remains our distinguishing advantage.

We listen to our clients, advise them and act with innovative solutions and a commitment to excellence.

Key achievements in 2025

- More than 38,000 resolved cases (+22% compared to 2024), confirming the growth of trust and of need for our services.
- Most common services: orthopaedic examinations and complex diagnostics (MRI, CT), which account for almost half of the cases, followed by dermatological examinations and excisions of moles.
- Increase in preventive services and greater interest in comprehensive health care.
- Digitization: through the Asistent and Halo doktor applications, we enabled secure exchange of documentation, e-reports (+40% compared to 2024), and telephone and video consultations with doctors.
- Customer satisfaction remains extremely high: average rating for Assistance 4.91/5, providers 4.88/5.*

The increased number of insurance policies taken out and claims to exercise rights led to an increased need for communication with customers. In 2025, 17% more calls were recorded than the previous year. We are noticing an increase in the number of e-reports, which enable a secure exchange of medical documentation and feedback on claim settlement. In 2025, the number of e-reports increased by 66%.

* Source: Internal survey, 2025.

11.3 HALO DOKTOR

With the shortage of general practitioners, their overwork and long waiting times, the Halo Doktor service has become an indispensable part of our healthcare ecosystem. It operates within the Specialists with Assistance insurance, which was upgraded in 2025 with a higher sum insured for specialist examinations and diagnostic tests.

It allows policyholders a quick access to a general practitioner (or paediatrician for patients until the age of 16) via phone or video call, anywhere and anytime - even during vacation or business trip abroad. It is available every day between 6 am and 10 pm, including weekends and holidays.

Halo Doktor perfectly illustrates our commitment to HERE AND NOW – we provide policyholders with immediate access to a doctor, without waiting in lines, with the possibility of obtaining a referral for a specialist examination and expert advice in a few minutes. This strengthens the role of Generali zavarovalnica as a lifetime partner, helping to create a better future with innovative solutions.

Achievements in 2025:

35%



MORE REMOTE CONSULTATIONS WITH A GENERAL PRACTITIONER COMPARED TO 2024, CONFIRMING THE GROWING POPULARITY OF THE SERVICE.

71%



OF POLICYHOLDERS REPORTED THAT HALO DOKTOR SIMPLIFIED THEIR TREATMENT, AS THEY RECEIVED A REFERRAL TO A SPECIALIST DIRECTLY FROM THE PROVIDING DOCTOR, WITHOUT HAVING TO VISIT THEIR PERSONAL DOCTOR AGAIN.

10%



OF POLICYHOLDERS RECEIVED SUFFICIENT GUIDANCE DURING THE CONSULTATION.

THE SERVICE FORMS PART OF THE INTEGRATED



SPECIALISTS WITH ASSISTANCE PACKAGE,

WHICH WAS UPGRADED IN 2025 WITH A HIGHER SUM INSURED TO COVER SPECIALIST EXAMINATIONS AND DIAGNOSTIC TESTS.

11.4 MY GENERALI

In 2025, we took an important step in our digital transformation by introducing the new My Generali mobile application, which has been available to our customers since mid-year. The application is designed to simplify insurance management, allowing quick access to documents, review of policies and easy communication with consultants.

We focused on improving the user experience and introduced new functionalities that simplified insurance management and enabled faster access to key information.

By increasing the volume of electronic business, we have reduced the use of paper documentation, which contributes to sustainable business operations and a reduced carbon footprint. Digitization remains one of our strategic priorities as it enables greater efficiency and a better customer experience.

In 2026, we will continue to add new functionalities that will further enrich the customer experience and increase added value.

11.5 GENERALI ZAME LOYALTY PROGRAMME

The Generali ZAME loyalty programme further strengthened its role as one of the key pillars for strengthening the loyalty and satisfaction of our customers in 2025. The programme offers a wide range of benefits, exclusive insurance advantages and content that promote prevention and a healthy and active lifestyle. In this way, we enabled customers to do more than just save, we created a platform that connects and rewards.

We placed special emphasis on developing functionalities that strengthen the sense of community. An important innovation is the ZAME Circle, which allows members to connect with family members, share points and collectively achieve higher loyalty levels.

We rewarded loyal customers with discounts on insurance and benefits from our partners. We prepared several challenges in which members measured themselves in walking, running and cycling, and organized numerous prize games and events that connected members with our partners.

The Generali ZAME loyalty programme consolidated its position in 2025 as an important part of our strategy to improve customer satisfaction, as it combines benefits, prevention and sustainable values.

11.6 MONITORING CUSTOMER SATISFACTION

The NPS - Net Promoter System - is an internal system that allows us to obtain feedback continuously and automatically from our customers at certain points of contact (purchase, renewal, claim, claim reporting and settlement...). In 2025, we updated the questionnaires and expanded the range of contact points (termination, policy redemption, assistance services). We send customers a service satisfaction questionnaire by e-mail, we call dissatisfied customers by phone, listen to them and find the best solution to improve the experience.

Based on customer feedback and an analysis of their needs, in 2025 we continued focusing on the integrated management and optimization of the customer experience. By actively upgrading the use of digital forms, we further simplified the customer experience and thereby improved our brand promise.

Because customer satisfaction is one of the key measures of our success, we continuously monitor it through the results of marketing research - both among the general Slovenian population and among our customers.

Surveys confirm high satisfaction with Generali zavarovalnica (average rating 4.2 on a scale of 1 to 5).* Policyholders highlight the experience and professionalism of employees, the reputation of the Company, friendly attitude towards customers, quality services, clear and understandable communication and the Company's social responsibility as the main reasons for their satisfaction.

Satisfied customers also recommend Generali insurance because of its strong customer focus and resulting excellent user experience – from adapting to their needs and effective communication to fast, correct and easy claim management.**

Claim management remains one of the most important factors in satisfaction. Compared to its main competitors, in 2025 the users of Generali zavarovalnica showed the highest level of satisfaction in both motor vehicle (94% (completely satisfied*)) and property damage (92% (completely satisfied*)).

In 2025, we further strengthened our customer satisfaction monitoring by conducting a survey within the framework of the internal Generali research panel. An engaged and representative customer base enabled us to gain a deeper understanding of customer needs and contributed to the improvement and development of new or renewed insurance products, effective communication solutions and a holistic user experience.

* Aragon, BrandTrack online survey, May 2025, representative sample of general Slovenian population (aged 18 to 75), N = 1,005.

** Epiphany, Brand Health online survey in RNPS Tracking, January–September 2025, representative sample of financial decision makers in a household with at least one insurance policy.

NPS-Index 75 in 2025

The Company's NPS customer satisfaction index grew significantly in 2025 and, despite numerous global challenges and changes in the domestic market, remains at a very high level.

Source: Internal customer satisfaction survey of Generali zavarovalnica (Medallia NPS), 2025, N = 27,994.

11.7 CLAIM SETTLEMENT PROCESS

The year 2025 was more favourable in terms of property claims than 2024. We experienced significantly fewer natural events and extreme weather events, which are usually the most important source of large-scale claims in non-life insurance. Despite individual local disasters, the year passed without major weather disasters that would have significantly burdened the claims portfolio.

The impact of weather conditions was not as pronounced in motor vehicle damage, as most damage results from everyday traffic rather than natural disasters. However, we also observed slightly fewer cases related to hail and storms in this area.

Efficiency of claim settlement and digital support

In 2025, we continued with intensive digitization of processes and introduced significant technological improvements. A key innovation was the introduction of robotic process automation (RPA) in part of the claims procedures. This enabled faster processing of simpler claims, further reduction of administrative burdens, shorter response times, higher consistency of processes and greater availability of expert teams for more demanding cases.

We also added additional improvements to the user experience. In 2025, we simplified online claim reporting, introduced additional automatic status notifications, improved transparency and speed of communication with customers, and expanded the options for quick claim settlement. Among other things, we enabled cash payout for simple motor vehicle claims, advanced remote viewings using video tools, and for the first time used artificial intelligence in resolving health insurance assistance claims. The digitization and modernization of procedures thus further shortened the settlement time and increased the transparency of the process.

Customer satisfaction

In terms of customer satisfaction, 2025 was an extremely successful year. Medallia's internal survey showed that the customer satisfaction index NPS reached 77.7, which represents a significant increase compared to the already very high result from 2024 (NPS 74). This is one of the highest results in recent years.

Customer comments again this year highlighted the following:

- friendliness, professionalism and responsiveness of employees,
- simple online claim reporting process,
- clear and regular communication about the progress of claim management,
- speed of settling simple claims, especially after the introduction of robotic procedures.

The results confirm that user-centricity, investments in technology and optimization of internal processes bring concrete results for both customers and the Company.

Financial aspect and repair costs

Despite the lower number of loss events, the trend of increasing repair costs continued in 2025. These are increasing mainly due to the constant increase in the prices of spare parts, higher material costs and increasing pressure on repair shops to increase the prices of working hours and services.

These factors increase the loss burden, especially in motor vehicle and partly in property claims, and consequently affect the long-term sustainability of premium models. By optimizing processes, digitization and cooperation with providers, we strive to maintain the most stable cost level possible and the right measure between service quality and business economics.

HERE NOW





FOR PARTNERSHIPS

More than
30 long-standing
partners,
together creating
positive effects in
society.

12. SUSTAINABILITY

12.1 SUSTAINABILITY REPORT

The Slovenian Companies Act requires large companies that are public interest entities and whose average number of employees during the financial year exceeds 500 on the balance sheet cut-off date, which includes the Insurance Company, to compile a sustainability report as part of their annual report. The requirement implements the provisions of the European Union Corporate Sustainability Reporting Directive (CSRD), which aims to enhance operational transparency and promote responsible corporate behaviour, contributing to sustainable development and green transition.

The mandatory production of a sustainability report represents an important step towards achieving the

goals of the European Green Deal, which strives for transition to a more sustainable and circular economy.

Directive 2025/794/EU of the European Parliament and of the Council of the European Union was adopted on 14 April 2025, postponing the obligation to report on sustainability for certain categories of companies, however this postponement does not apply to the Company.

Article 70c of the Slovenian Companies Act requires public interest entities to include a sustainability report in the company's business report as a separate section, however the Insurance Company is exempt from the obligation of independent reporting in accordance with Paragraphs 8 and 9 of Article 70.c of the Companies Act.

The Company will have the Consolidated Business Report of the Controlling Company Assicurazioni Generali S.p.A., having its registered office in Trieste, Piazza Duca degli Abruzzi 2, for the financial year 2025 translated. The Report includes the sustainability report and the opinion on the compliance



of the sustainability report with the rules on sustainability reporting. The Company will submit the translation of the report to AJPES (Agency of the Republic of Slovenia for Public Legal Records and Related Services) for publication within one month of the publication of the Consolidated Business Report of the Controlling Company on its website www.generali.com. The translation of the Consolidated Business Report of the Controlling Company will not be certified.

Pursuant to the requirements of the Regulation (EU) 2019/2088, which sets out harmonized rules for financial market participants and financial advisers regarding transparency in relation to the integration of sustainability risks in their processes, by taking into account adverse impacts regarding sustainability in their processes and providing sustainability-related information with respect to financial products, Generali zavarovalnica published on its website (www.generali.si) disclosures about integration of sustainability risks in its investment decision-making process.

12.2 SUSTAINABILITY COMMITMENT

The cornerstones of the Generali Group's and Generali zavarovalnica's Strategy are sustainable development, ensuring long-term financial performance and changing the society in which we operate for the better. The focusing on sustainability is the generator of business, whereby we want to be responsible at all levels of our operation: as an insurance company, investor, employer and, last but not least, as responsible citizens, and in this way further strengthen our role as a lifetime partner to customers. Commitment to sustainability is the foundation of our strategy, and we build long-term, lifetime partnerships with our customers, employees, shareholders, investors and suppliers.

We strive for a transition to sustainable business and a sustainability-driven transformation of our products. Our business strategy therefore goes beyond financial indicators and strives for a long-term positive impact on society and the environment.



Green Star Certificate

FOR SUSTAINABLE BUSINESS IN 2024
RECEIVED THE HIGHEST RATING – 5 STARS

Our efforts and operating guidelines are confirmed by the results of the projects we implement, as well as by the Green Star certificate for sustainable business re-acquired in late 2025 - this time with the highest rating - five stars, placing us in the prestigious "Green Star" category.

12.3 SUSTAINABILITY AND CLIMATE CHANGE RISKS

Sustainability risk is the risk associated with environmental, social and governance (ESG) events or conditions that, if materialised, may have a significant negative impact on the invested assets of companies and their liability, which in turn negatively affects the value or performance of investments. Identifying sustainable risks that can significantly affect the value of our investments is a duty we owe to our stakeholders and investors.

Climate Change Risk

In its latest Global Risk Report, the World Economic Forum noted that the risks related to environmental aspects are increasing year by year in terms of both probability and strength of impact. Among the various risks associated with environmental factors, including reduced biodiversity and water and soil pollution, the risk due to climate change is particularly important. Failure to act and extreme events are considered the most important risks today.

The Generali Group is implementing a dedicated project to identify, measure, manage and report on transition risk and physical risk that balance sheets and investments may face based on different climate scenarios. The aim is also to better understand which industries and companies are most exposed according to their activity and geographical location.

12.4 SUSTAINABILITY POLICY

Sustainability policy establishes a framework enabling the Company to identify, evaluate and manage risks and opportunities related to environmental, social and governance factors (ESG factors) in line with the objective of fostering sustainable business development and creating long-term value.

Sustainability policy establishes rules for:

- identifying, evaluating and managing ESG factors which may pose risks and opportunities for achieving business objectives;
- identifying, evaluating and managing the positive and negative consequences of business decisions and activities on the external environment and the legitimate interests of stakeholders.

12.5 REMUNERATION POLICY

Since sustainability commitments are the pillar of the Generali Group's business priorities, they are fully integrated into the Generali Group's remuneration policy and into the incentive scheme in connection with long-term and sustainable value creation. The remuneration structure is a fundamental tool for aligning performance with strategies to support the strategic achievement of financial and non-financial results, among which sustainability plays a key role. The focus is on both DEI (Diversity, Equity, Inclusion) results and indicators of ESG components.

12.6 POLICIES ON THE INTEGRATION OF SUSTAINABILITY RISKS INTO THE INVESTMENT DECISION-MAKING PROCESS

The purpose of the Sustainability Risk Policy is to include such risks into the investment decision-making process by identifying, measuring and managing risks arising from ESG factors.

Sustainability risk is the risk associated with environmental, social and governance (ESG) events or conditions that, if materialised, may have a significant negative impact on the invested assets of companies and their liability, which in turn negatively affects the value or performance of investments. Identifying sustainable risks that can significantly affect the value of our investments is a duty we owe to our stakeholders and investors. The Company believes that risks related to ESG will have a significant impact on macroeconomic risk factors and thus on risks and portfolio returns.

The sustainability risk determination process ensures the correct determination, assessment and consideration of all significant risks to which the company is exposed, based on the probability of their occurrence and their severity. The process also helps to determine and correctly implement mitigation measures.

Sustainability risks or the ESG factors, which may adversely affect the value of investments, are identified within a two-tier framework and measured from a quantitative and qualitative point of view, providing the most up-to-date and reliable figures and information for the investment decision-making process.

Sustainability risk can be measured in absolute and relative (by comparison) terms. The design of the data set is based on the results of research by in-house experts on ESG factors, as well as news, assessments and raw data provided by various external providers. Third party data, i.e. data provided by external data providers on aspects of the ESG are reviewed and crosschecked against external and internal research. Qualitative assessments may also be carried out within the Generali Group in cases where the available data are insufficient to correctly calculate and manage significant sustainability risks.

We strive to identify and quantify those factors and insights that can strengthen and improve the provision of information required for investment recommendations based on their financial importance.

We believe that an issuer having a positive view of the ESG is more likely to have resilience and a better long-term strategic position than issuers with a negative view of the ESG. As important indicators can affect the issuer's balance sheet, income statement and cash flow statement, the key principle of avoiding the "reputational risk", i.e. news which could negatively affect the reputation and valuation of the issuer, is built into our approach.

defined within the "Engagement Committees" and driven by an evaluation of the ESG risks of investments.

Engagement Case – Each Engagement Case is composed of different elements: identified risks, questions, suggestions, task force creation, strategy, status and results.

Engagement Execution – the Investment Stewardship is in charge for the engagement execution activities.

Engagement Monitoring – The Engagement Committee evaluates, at the Group level, the status of each Engagement Case presented depending on the initial goals defined. Based on this evaluation, the Company may decide to continue the engagement activities, increase engagement intensity or close the Engagement Case.

Engagement Impacts – All Engagement Cases identify specific metrics as indicators to be improved over time as a result of the engagement.

12.7 ENGAGEMENT POLICY OVERVIEW

The goal of Generali Group and Generali zavarovalnica as an institutional investor is to promote positive change by making an impact through their investments. As part of the dialogue with companies - issuers of securities - we encourage them to act responsibly and request explanations from them when their operations do not comply with established sustainability standards.

The engagement process has the following structure:

Engagement approach – engagement as a constructive dialogue with different goals: to reinforce the understanding of the investee companies, to share the concerns on ESG and finally making actionable suggestions aimed to resolve potential ESG issues.

Definition of Engagement priority list – The first step is to define „Priority Engagement Lists” (list of issuers),

12.8 LIABILITY TOWARDS COMMUNITY

Sustainability is one of the cornerstones of our new strategic plan under which we also strive to have a positive impact on society. The Company and its employees invest a lot of effort and resources in the development of the community in which we do business. We support many projects, initiatives and campaigns of local, regional and national importance, thus enriching the social environment in various ways. Through long-term partnerships, we pursue our sustainability goals, we pay a lot of attention to sports, a healthy lifestyle, traffic safety, support arts and cultural heritage as well as charity and other projects that bring improvements in society. In doing so, we dedicate special attention to the most vulnerable groups, supporting them in developing their potential.

By supporting numerous projects, we encourage the community and wider society to adopt preventive behaviour in road traffic and strive for greater safety for all participants, especially children and young drivers. In 2025, together with the Varna pot Institute, we opened the Safe Mobility Park in Ljubljana, and also designed the high-profile prevention campaign *Great Speed, Great Emptiness*. Based on the shocking stories of the loss of loved ones in traffic accidents, which were shared with the public by

the Institute's ambassadors, we raised awareness of the dangers of speeding. We also continued to cooperate with the VOZIM Institute in their initiative Heroji furajo v pižamah (Heroes Drive in Pyjamas), which we have been supporting since its beginning, or for the 9th year in a

We actively participate in The Human Safety Net (THSN) global movement of the Generali Group, providing assistance to vulnerable groups. Employees of Generali Slovenia, as active volunteers, cooperate with the Anita Ogulin & ZPM Association in the "Rastemo skupaj" (Together We Grow) Programme and as a lifetime partner we help children and their parents coming from a socially weaker background. Through various campaigns, we help them develop their capabilities and provide both financial and non-financial assistance.

The Company has for many years been one of the most significant supporters of high-level Slovenian sport in a wide variety of disciplines. We support the Slovenian Alpine Ski National Team, and we also upgraded our sponsorship by joining the *Snowflake* project, a comprehensive content programme (mentoring and workshops) to support young and promising skiers who are still paving their way to the top. At the same time, in 2025 we continued our long-standing sponsorship of the Vitranc Cup, the men's World Cup competition in Kranjska Gora.

We support the men's and women's volleyball national teams and the youngest who are still developing into top athletes, including cyclists in the Pika Team and Pogi Team UAE Generali of the Rog Cycling Association. Also in 2025, we were the gold sponsor of the Prekmurje premier league football club NŠ Mura and the sponsor of the Bravo football club.

Our support is also intended for recreational athletes and cares for fostering sports development of young people. As a diamond sponsor, we were part of the largest Slovenian running event, the NLB 29 Ljubljana Marathon, we supported the Small Karst Marathon and the cycling event featuring Tadej Pogačar, the Pogi Challenge, where we also organized a competitive experience for children, the Junior Pogi Challenge Generali.

Aware of the importance of supporting smaller clubs, associations, teams and individuals who are just developing their potential, we provide them with assistance. Since 2021, we have been supporting initiatives that enable sports activities, including the Goran Dragič Foundation and the organization of a basketball camp where we take children from the most vulnerable backgrounds every year. We also cooperate with the Alpine Association of Slovenia and provide all its members with more affordable insurance and assistance abroad.

In the field of natural and cultural heritage protection, the Company has been a long-time supporter of the Volčji Potok Arboretum and the stud farms for breeding Lipizzans in the world – the Lipica Stud Farm, which is included in the UNESCO's Intangible Cultural Heritage List. Our partners in

the field of culture also work with the support of the Company: SiTi Theatre in Ljubljana and the Lent Festival in Maribor, the National Gallery of Ljubljana and the Portorož Auditorium, as well as several educational and social institutions within the Municipality of Ljubljana (Kinodvor, Pionirski dom, Mala ulica and the Home Care Institute). We have also shown our support for professionalism and values such as kindness, humanity and a respectful attitude towards patients in the My Doctor campaign organised by the Viva magazine.

We also encourage other companies to have a positive impact on the community and society. Through the international SME EnterPRIZE competition, we recognize and reward the best sustainable practices of small and medium-sized Slovenian companies. We award the best ones every year - both for their contribution to environmental protection and for the care of the well-being of employees, the community and society.



Generali Gallery

A notable part of the Company's socially responsible and sustainable orientation is the activity of its own art gallery at Dunajska cesta 63 in Ljubljana, where we have been exhibiting the works of the best Slovenian artists for more than 10 years, thus promoting the development of art and the preservation of our cultural heritage. In addition to organising exhibitions, we also maintain a collection of more than a thousand works of art, mostly paintings and a few sculptures, mainly by Slovenian artists.

The gallery's activities are presented on the [Generali Gallery website](#), where viewers can take a virtual tour of the exhibitions. In 2025, the Gallery hosted high-profile and well-attended exhibitions by renowned academic painters: Aleksij Kobal and Narcis Kantardžić, Silvester Plotajs Sicoe, Mitja Ficko and Robert Deutsch, and Klemen Zupanc. In addition to the grand opening, in 2025 we also prepared a guided tour of the exhibitions with the authors, which further strengthened the reputation of our gallery as an important meeting place for art and the public.



12.9 RESPONSIBLE ATTITUDE TOWARDS THE NATURAL ENVIRONMENT

Our commitment is to ensure long-term financial performance and to change the society in which we operate for the better. We maintain a constant dialogue and build long-term, lifetime partnerships with our stakeholders – customers, employees, shareholders, investors and suppliers. Sustainability is one of the priorities of the implementation of the 2025-2027 strategic cycle.

Aware of the importance of caring for the protection of the natural environment, we joined the Environmental Management System, led by the Generali Group, as early as in 2022. Using this system, we continued to monitor our carbon footprint also in 2025.

Generali zavarovalnica has set the following goals in reducing emissions against the 2019 baseline:

- by 2026 by 65%;
- by 2028 by 71%;
- by 2030 by 73%.

In 2025, we pursued and even exceeded the goal of reducing greenhouse gas emissions by 58% against the 2019 baseline.

Analyses show that the carbon footprint has been steadily decreasing since 2019, as shown in the table below. We also recorded a decrease in 2025, which actually brought us very close to the target we set for 2026, as we reduced our carbon footprint by as much as 64% (the target for 2026 is 65%). This is a clear sign that we are very successful in integrating sustainable practices into our operations.

Year	Total greenhouse gas emissions v tCO ₂ e ¹
2019	3,223
2020	2,550
2021	2,474
2022	2,019
2023	1,931
2024	1,702
2025	1,163

The following tables show the breakdown of greenhouse gas data and goals by year, scope and source.

Carbon footprint and goals

CARBON FOOTPRINT	2019	2020	2021	2022	2023	2024	2025
TOTAL tCO₂e	3,223	2,550	2,474	2,019	1,931	1,702	1,163
Scope 1	1,031	767	761	899	836	739	510
Scope 2	1,271	1,175	1,132	453	456	405	207
Scope 3	921	608	581	667	640	558	446
Reduction of the carbon footprint against the 2019 baseline				-37.6%	-41%	-47%	-64%

Individual activities by scope	CO ₂ Emissions (in t)							Index
	2025	2024	2023	2022	2021	2020	2019	2025/2019
Scope 1 – energy consumption for heating	182	329	390	389	389	388	353	51
Scope 1 – fuel consumption for company cars	327	410	445	510	372	379	678	48
Scope 1 – direct emissions	510	739	836	899	761	767	1,031	49
Scope 2 – indirect emissions	207	405	456	453	1,132	1,175	1,271	16
Scope 3 – energy consumption for heating	49	68	78	78	82	79	76	64
Scope 3 – electric energy consumption	63	69	85	71	76	82	93	68
Scope 3 – paper consumption	29	32	38	48	53	66	96	30
Scope 3 – water consumption and waste management	36	50	53	54	56	66	59	61
Scope 3 – business trips (vehicle, plane, train)	269	339	385	417	315	314	597	45
Scope 3 – other direct emissions	446	558	640	667	581	608	921	48
Total – emissions 1-3	1,163	1,702	1,931	2,019	2,474	2,550	3,223	36

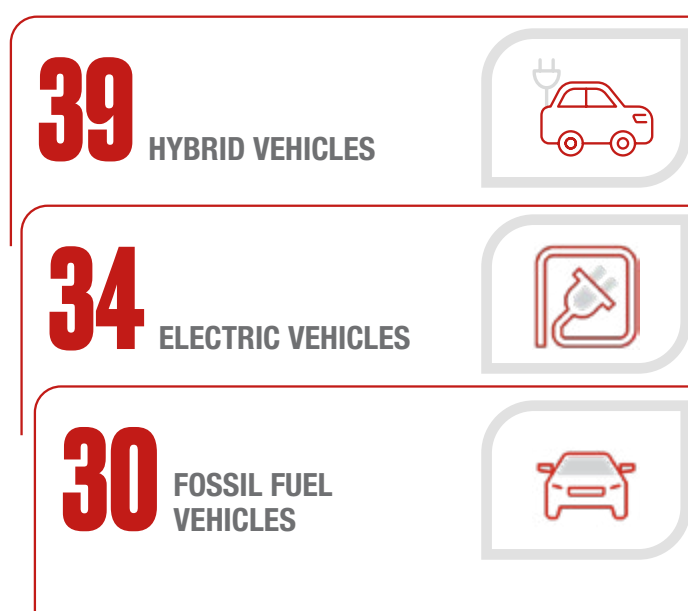
¹ tCO₂e – tonnes of carbon dioxide equivalents – the unit contains, in addition to carbon dioxide, other greenhouse gases (e.g. methane), which have a different impact on climate change than carbon dioxide. In order to compare them with the influence of carbon dioxide, they are therefore converted to carbon dioxide.

In 2025, we pursued and even exceeded the goal of reducing greenhouse gas emissions by 58% against the 2019 baseline, emission were reduced by 64%.

Given the continued reduction in emissions in 2025, Generali zavarovalnica Generali zavarovalnica expects the set long-term goal to be met. The sustainability strategy and its measures set to achieve the goals will be updated in 2026.

Scope 1 decarbonisation activities

As in previous years, in 2025 the most effective measures to reduce emissions in Scope 1 were those related to the vehicle fleet. In 2025, we also successfully increased the share of the so-called “green” vehicles (mainly electric) in the vehicle fleet. The number of electric vehicles is increasing the most, while the number of fossil-fuel vehicles, which pollute the environment the most, is decreasing. At the end of 2025, our fleet consisted of:



One more hybrid vehicle and 2 electric vehicles were ordered, which will be delivered in the first half of 2026, while later in 2026 several more fossil-fuel vehicles are scheduled to be replaced by with “green” vehicles. This will accelerate our approach to the goals (also shown in the image below) set by the Generali Group regarding its fleet, namely:

- from 2025 on → new vehicles can only be “green” (electric and hybrid)
- from 2027 on → new vehicles for management personnel can only be electric
- from 2030 on → new vehicles for others (e.g. general purpose vehicles, vehicles for claims centres, sales, etc.) can only be electric
- from 2032 on → all vehicles for management personnel must be electric
- from 2035 on → the entire fleet can only consist of electric vehicles

As many as 25 charging stations are currently used to charge electric vehicles at our branches, with at least 4 new ones to be installed in 2026. Generali zavarovalnica has also decided to finance the installation of charging stations at home for those employees who use their company electric vehicles for private purposes. 18 of our employees already have charging stations installed at their homes, and a few more will be installed in 2026.

In 2025, the energy efficiency was improved by renovating some business premises, namely in Litija, Idrija, Ribnica, Maribor, Ilirska Bistrica and Bovec. The Ptuj branch office moved to a new location, which is designed in accordance with sustainable standards and is more energy efficient than the previous one. In early 2026, the claims management centre in Ljubljana will also move to new, sustainably designed premises.

We are proudly planning to move the headquarters of Generali zavarovalnica to the new Vilharia office building in late 2026. This is the first office building in Slovenia to receive the highest international sustainability certificate – LEED Platinum. LEED is the world’s leading green building rating system. It provides comprehensive standards for the design, construction, maintenance and efficiency of green buildings, enabling the reduction of operating costs, negative environmental impact and increased productivity, comfort, health and well-being of users.

As many as 25 charging stations are currently used to charge electric vehicles at our branches, with at least 4 new ones to be installed in 2026.

Scope 2 decarbonisation activities

We have been purchasing electricity from renewable sources only since 2022. . We will continue with the same strategy, as we leased the so-called ‘green’

electricity also for 2026. Such electricity will be available at all those locations where we have a free hand in choosing a supplier. This means that at least 90% of our business premises are supplied with 'green' energy.

In 2025, the solar power plant on the roof of the branch in Nova Gorica produced 35.4 MWh of electricity, some of which was used to operate the branch and some was sent to the grid. The solar power plant thus provided us with approximately 25% of the building's total electricity consumption throughout the year.

One of the measures that significantly contributed to the reduction of emissions is the cessation of the use of liquefied petroleum gas, which was used for heating in only one branch, but its impact on the amount of emissions was extremely large. A heat pump was installed in this branch in 2025, which significantly reduced emissions in 2025, and the reduction will be even greater in 2026.

Scope 3 decarbonisation activities

Within Scope 3, we continue implementing primarily the so-called smaller activities that do not require a large financial investment, but nevertheless have an impact on reducing the carbon footprint. The following is worth highlighting:

- Switching from plastic water bottles to glass jars and glasses,
- Replacing water dispensers that use plastic gallon water bottles with water fountains that use the plumbing system and water filtration (without excess plastic),
- Reducing use of paper, reducing printing,
- Hand dryers instead of paper towels,
- Installing faucet water filters to reduce use of water.



13. INFORMATION TECHNOLOGY

In 2025, we prepared a new IT strategy based on the Generali Insurance Company and Generali Group strategy for 2025–2027, the management's strategic priorities, strategic initiatives, projects and programmes of the Group, the business environment, trends in IT, industry requirements and good IT management practices. The Generali Group's strategy is focused on transforming its operations by introducing cutting-edge technologies, such as artificial intelligence (AI) and generative artificial intelligence (GenAI), with the aim of increasing productivity and operational efficiency. Key strategic topics include the cost program, IT platform consolidation and the expansion of the use of AI and data, with cooperation between the Group's business units being essential to achieving operational efficiency goals.

With the customer at the heart of our mission, we remain committed to excellence in customer relations. In 2025, we further strengthened the user experience and offered innovative solutions for our customers by introducing the new My Generali mobile application and upgrading the Generali ZAME platform. We also updated the WIZ and G24 web portals, which enable easy insurance conclusion. In addition to expanding the possibilities of taking out additional insurance products and modernizing the insurance purchase platforms, we improved the accessibility of websites for people with disabilities in accordance with EU requirements, thereby ensuring an inclusive and modern digital experience.

We upgraded digital tools for employees and partners with new functionalities and adapted them to the needs of users for even more optimal work.

By making appropriate adjustments to our IT solutions, we continued optimizing business processes, as their efficiency is the foundation for providing quality services to our customers. We placed special emphasis on automating selected parts of processes with robotic automation (RPA) solutions, which contributes to greater accuracy, speed, and reliability of task execution.

Together with persons responsible for AI solutions within the Generali Group, in 2025 we began analysing the suitability of the Group's offered solutions and preparing an implementation plan for the coming years.

In 2025, taking into account the importance of modern technological solutions, we carried out a minor reorganization of this area. Within the new Business Information Systems Development and Automation department, we created the Automation and Intelligent Solutions section, which will provide technological support in the implementation of advanced solutions based on technologies such as artificial intelligence (AI) and robotic process automation (RPA). This change represents an important step towards greater integration of intelligent technologies into business processes and strengthening of the digital transformation of the Insurance Company.

We initiated the process of upgrading our existing Oracle Forms-based solutions to the more modern Oracle APEX platform. This step will enable greater flexibility, a better user experience, and the long-term sustainability of our information systems.

We also implemented key upgrades to our IT infrastructure to increase performance, security and scalability. We upgraded the core network infrastructure in our Koper and Ljubljana data centres, which now enables significantly faster data transfers in the server environment. We installed the latest generation firewalls and introduced additional services, thus achieving better protection and control over network activity. We migrated the virtual environment to new, high-performance servers, which improved virtualization efficiency and reduced risks associated with the hardware lifecycle. We also provided new dedicated servers for the business intelligence environment, which enable faster analytics and reporting.

Database modernization was a key priority. We upgraded most Oracle databases to version 19c, ensuring compatibility with modern applications and improved performance. We also revamped the database activity monitoring system.

We expanded the backup system with additional servers and increased capacity, reducing the time for creating backups and extending their retention period. We also upgraded the main disk system. We migrated AIX servers to Linux, which reduced operating costs and increased performance. We also installed a new tool for monitoring the operation of the infrastructure and key applications.

In the second half of 2025, we launched the SSP 2025–2027 strategic program, which comprises an initiative for advanced cyber risk management and DORA regulation compliance. We updated the security vulnerability management process and increased the scope of security reviews and scans. The Security Operations Centre (SOC) monitors information systems 24/7, we conduct regular self-assessments and record IT risks in a dedicated tool.

Special attention is dedicated to digital risks, strengthening operational resilience and raising employee awareness. All employees are comprised by regular information security training and phishing attack simulations several times a year; additionally, we conduct specialized security training for IT staff.

In the second half of 2025, we launched the SSP 2025–2027 strategic program, which comprises advanced cyber risk management and DORA regulation compliance. We updated vulnerability management processes, expanded security reviews and strengthened control of access to information resources. We expanded the use of the application firewall and introduced multi-factor authentication on additional systems. We strengthened the management of ICT suppliers and their security compliance verification. We are introducing a “one security” approach that combines corporate and physical security into a single framework. Cybersecurity remains our priority in support of digital transformation and resilience.

We revamped our business continuity management process and crisis management model. We reviewed our business continuity plan and disaster recovery procedures for all critical information systems. All employees have been trained in business continuity and crisis management.

In 2025, we continued to develop a modern, intuitive and secure computing environment that enables high productivity and smooth collaboration for employees and partners. The foundation remains solutions from the Microsoft cloud technology suite, which ensure constant accessibility, security and up-to-date tools. In addition to maintaining standards, we implemented several strategic projects that significantly contributed to the optimization, security and digital transformation of the company.

Special emphasis was placed on strengthening security mechanisms by installing a hardware security module (HSM Ultimaco), which enables centralized management of digital certificates and cryptographic keys, and ensures the highest level of protection in accordance with international standards. This solution brings greater reliability, scalability and support for qualified electronic signatures, which is key to secure business operations.

In the area of printing optimization, we reduced the number of devices and introduced modern multifunction printers, which resulted in significant cost reductions, simplified management and greater environmental efficiency. The introduction of rules for secure and double-sided printing and centralized consumption monitoring further contribute to sustainable business operations.

An important step was the migration of the partner sales network’s email to the Microsoft 365 platform, which ensured greater security, advanced functionalities and better integration with other tools. Users now have access to services from anywhere, improved protection against threats and the ability to collaborate in real time.

We established a project portal as a modern platform to support project management processes. The portal enables data centralization, progress transparency, and automated reporting, which increases the efficiency of project teams and facilitates strategic decision-making.

2025 saw a wider introduction of Microsoft Copilot, which has become an indispensable assistant in everyday work. Copilot enables the automation of routine tasks, content preparation, data analysis and meeting summaries, which significantly increases productivity and the quality of decision-making.

The implemented activities solidified the foundations for a modern, flexible and safe working environment that supports the Company’s strategic goals and enables employees to work effectively in the digital age.

Compliance with legislation is the foundation of trust between an insurance company and its customers. Only by consistently meeting regulatory requirements can we maintain our reputation, manage risks and ensure business security. In the past year, special attention was paid to meeting the requirements of the DORA (Digital Operational Resilience Act) regulation, thereby strengthening digital resilience and service reliability. At the same time, we actively monitored legislation related to artificial intelligence – both at the local and European level – to ensure compliance with new standards and thereby strengthen our customers’ trust in the responsible and safe use of technologies.

Within the Insurance in a Box (IiaB), a strategic project of the Generali Group, in 2025 we continued with the renovation and consolidation of back-end information systems, which represent the foundation for concluding and processing insurance contracts. The project is of key strategic importance, as it enables long-term streamlining of processes, greater operational efficiency and improved user experience. The main goal is the gradual replacement of all central insurance systems with a single, modern platform and the migration of data to the target information system. The renovation is taking place in phases; in 2025 we carried out activities to support the first unit-linked life insurance product, which represents an important milestone in the project. The start of pilot production is planned for the first quarter of 2026.

During the renovation, we ensure uninterrupted operations, a high level of data security and full compliance with the law. The existing back-end systems will remain operating until the portfolio migration is completed, which ensures stability and reliability of operations. In addition, as part of the consolidation in 2025, we already successfully terminated one of the existing back-end systems, which confirms the progress in rationalizing the infrastructure.

In 2025, we continued providing comprehensive IT support and hosting in the Company's private cloud to companies owned by Generali zavarovalnica. This infrastructure significantly contributes to the security, reliability and efficiency of operations, while also supporting the Company's sustainability goals by optimizing resource consumption and reducing its environmental footprint.

13.1 BUSINESS INTELLIGENCE

In the area of business intelligence, we achieved significant progress in data management, modernization of reporting solutions and support for key business processes in 2025. We successfully prepared reports for the Generali Group, regulatory reports and data for audit purposes, ensuring completeness, traceability, and consistency of data.

The newly formed Data Governance Group enabled the systematic management and definition of key data sources, providing a solid foundation for a reliable, transparent and harmonised data environment. It took responsibility for data source definitions and standardisation of data access.

We completed a fundamental consolidation of data transfer from all back-end systems to the analytical data warehouse (ADW). As part of the modernization of analytical tools, we implemented the first phase of a large-scale migration from QlikView to Qlik Sense, which represents a key step towards a more modern BI architecture. In addition, we established the pilot project Qlik Sense External Access, which allows a selected set of users to access Qlik Sense applications outside the Generali internal network in a secure way.

We prepared data for regulatory reports and ensured compliance with external audit requirements. We provided various stakeholders with the necessary information to make decisions in designing a sustainable, market- and customer-tailored offering and to monitor sales and claims trends, which contributed to better responsiveness and strategic planning.

As part of the CLTV (Customer Lifetime Value) project, we successfully completed the first phase, which represents an important step towards better understanding customer value throughout the entire lifecycle.

13.2 SECURITY RISKS

In the second half of 2025, we launched the Generali Group's SSP 2025-2027 strategic program, which will run until the end of 2027. Among other things, the program includes the Advanced Cyber Risk Management initiative, aimed at upgrading existing models and tools and implementing, acquiring or developing software for managing cyber and IT risks. The goal is to expand the scope of management to additional risk areas (e.g. risks related to new technologies) and to include operational resilience requirements in accordance with the DORA regulation. The initiative will allow for the alignment of approaches with emerging risk scenarios and specific business circumstances (e.g. number of customers, market position) and cybersecurity aspects (e.g. vulnerabilities, incidents).

We updated the process of managing security vulnerabilities, which we identify through security reviews and regular scans of information systems. The Generali Group Security Operations Centre (SOC) monitors events in our information systems 24/7 and regularly reports on potential security events detected. In addition, we conduct annual security and cyber self-assessments, within which we identify IT risks and record them in the IT risk management tool. We also identify risks through IT audits, vulnerability management and ad-hoc. The areas of information technology, information security and risk management actively participate in managing IT risks.

The scope of security reviews and scans of information systems increased significantly in 2025 compared to the previous year, further strengthening our cyber resilience. Special attention is paid to digital risks, following the requirements of the DORA regulation, which, among other things, emphasizes the importance of managing digital risks and ensuring operational resilience.

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1. STATEMENT OF MANAGEMENT RESPONSIBILITY

The Management Board of GENERALI zavarovalnica d.d. confirms the financial statements of GENERALI zavarovalnica d.d. for the year ended on 31st of December 2025 and the applied accounting policies and notes to the financial statements.

The Management Board is responsible for the preparation of the Insurance Company's GENERALI zavarovalnica d.d. Financial Statements in accordance with the International Financial Reporting Standards as adopted by the EU and with the requirements of the Companies Act and the Insurance Act, so that it presents a true and fair view of the financial position and performance results of the Insurance Company for the year ended on 31 December 2025.

The Management Board confirms that the appropriate accounting policies were consistently applied and that the accounting estimates are based on the principle of prudence and good management. The Management Board also confirms that the financial statements of the Insurance Company, and the notes thereto, were prepared on a going concern basis and in compliance with the applicable

legislation and with the International Financial Reporting Standards as adopted by the EU. In addition to the financial statements, the Management Board agrees to and confirms the content of other parts of the 2025 Annual Report.

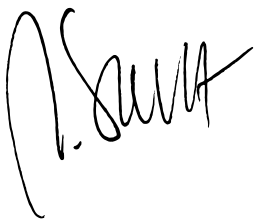
The Management Board is also responsible for proper management of accounting, for taking appropriate measures to protect the assets and for preventing and detecting fraud and other irregularities or illegal acts.

The tax authorities may, at any time within five years of the date on which the tax was due, inspect the Company's operations, which may result in additional tax liabilities, default interest and penalties arising from corporate tax or other taxes and duties. The Management Board is not aware of any circumstances which may give rise to any material liability arising from these taxes.

Ljubljana, 1. April 2026

Management Board of the Company:

Vanja Hrovat,
*President of the
Management Board*



Mitja Feri,
*Member of the
Management Board*



Katarina Guzej,
*Member of the
Management Board*





2. INDEPENDENT AUDITORS' REPORT



This is an English translation of the Independent Auditor's Report on the separate financial statements originally issued in Slovenian. In the event of any differences, the Slovenian original prevails. This report should be read in conjunction with the complete set of separate financial statements issued in Slovenian to which it relates. The accompanying English financial statements are a convenience translation and are not the audited financial statements.

Independent Auditor's Report

To the shareholder of GENERALI zavarovalnica d.d.

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of GENERALI zavarovalnica d.d. ("the Insurance Company"), which comprise:

- the statement of financial position as at 31 December 2025;

and, for the year from 1 January 2025 to 31 December 2025:

- the income statement;
- the statement of other comprehensive income;
- the statement of changes in equity;
- the statement of cash flows;

and

- notes, comprising material accounting policies and other explanatory information

("the separate financial statements").

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Insurance Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS EU").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities (OJ L 158, 27 May 2014, p. 77–112, "Regulation (EU) No 537/2014"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report.

We are independent of the Insurance Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") as applicable to audits of the separate financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the separate financial statements of public interest entities in the Republic of Slovenia, and we have 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of liability for remaining coverage for life insurance contracts not measured under the premium allocation approach (PAA)

The net carrying amount of liability for remaining coverage for life insurance contracts not measured under the PAA: credit balance EUR 543,114 thousand as at 31 December 2025 and EUR 540,088 thousand as at 31 December 2024.

Refer to Note 5. "Summary of Significant accounting policies" and Note 7.7 "Insurance and reinsurance contracts" of the separate financial statements.

The key audit matter	How the matter was addressed in our audit
<p>The outstanding balance (debit or credit) of liability for remaining coverage for life insurance contracts not measured under PAA (LRC) represents a significant element of, respectively, insurance contract assets and liabilities in the Insurance Company's statement of financial position. In measuring the LRC, management is required to estimate the present value of future cash flows (PVFCFs), risk adjustment for non-financial risk (RA) and contractual service margin (CSM).</p> <p>Measurement of the PVFCFs requires the management of the Insurance Company to apply professional judgment, as well as complex and subjective assumptions, including those with a long-time horizon. Those assumptions are treated as inputs into the cash flow models using actuarial methods. PVFCFs and further data and assumptions are then used to calculate the RA and CSM.</p> <p>Relatively insignificant changes in the key assumptions may have a material impact on the amount of the LRC. The key assumptions include:</p> <ul style="list-style-type: none"> • mortality and morbidity rates, • lapse ratios, • cost per policy, • coverage units, and • discount rates. <p>Complex models using forward-looking assumptions tend to be prone to greater risk of management bias, error and inconsistent application. These conditions necessitate our additional attention in the audit, in particular to address the relevance and reliability of data</p>	<p>Our audit procedures, performed with the assistance of our own IT audit and actuarial specialists, included, among others:</p> <ul style="list-style-type: none"> - Evaluating the Insurance Company's methods and models applied in estimating the LRC, for consistency of application and also against relevant legal, regulatory and financial reporting requirements; - Testing the design, implementation and operating effectiveness of selected IT-based and manual controls within the process of measuring the LRC, including those over: <ul style="list-style-type: none"> o creating and updating actuarial assumptions; o quality of underlying data, including completeness of the insurance policy portfolio data used; and o integrity of the actuarial model for PVFCFs; - Performing a retrospective assessment of the Insurance Company's cash flow model estimates by comparing the prior year's cash flow predictions to the actual outcomes; - Testing, on a sample basis, the relevance and reliability of the key data elements used in the cash flow projections by reference to underlying insurance policies; - Challenging the key actuarial assumptions used by the Insurance Company, as follows: <ul style="list-style-type: none"> o mortality and morbidity rates, lapse ratios and cost per policy - by reference to Insurance Company's historical studies or external market data; o coverage units – by independent recalculation for a sample of contracts using underlying insurance policy data;



<p>sources used for the assumptions, and their consistent application.</p> <p>For the above reasons, the audit team considered the liability for remaining coverage for life insurance contracts not measured under PAA to be a key audit matter.</p>	<ul style="list-style-type: none"> ○ discount rates – primarily by reference to risk free rates obtained from publicly available external sources; - Based on the outcome from the preceding procedures, independently estimating the CSM as at 31 December 2025 for the entire insurance portfolio; - Examining whether the LRC-related disclosures in the separate financial statements appropriately address the qualitative and quantitative requirements of the relevant financial reporting standards.
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Measurement of liability for incurred claims (LIC) for non-life insurance contracts under the premium allocation approach (PAA)	
<p>The carrying amount of LIC for non-life insurance contracts under PAA: EUR 228,623 thousand as at 31 December 2025 and EUR 218,153 thousand as at 31 December 2024.</p>	
<p>Refer to Note 5. “Summary of Significant accounting policies” and Note 7.7 “Insurance and reinsurance contracts” of the separate financial statements.</p>	
The key audit matter	How the matter was addressed in our audit
<p>Liability for incurred claims for non-life insurance contracts under PAA (LIC) constitutes a significant element of insurance contract liabilities in the Company’s statement of financial position. In measuring the liability, management was required to establish:</p> <ul style="list-style-type: none"> • present value of future cashflows for claims that occurred until 31 December 2025; and • risk adjustment for non-financial risk arising from uncertainty in the said cashflows. <p>Measurement of the liability requires the Insurance Company to apply significant judgment as well as complex and subjective assumptions. Management estimates LIC using a complex model, with key assumptions including those in respect of the claims development factors and discount rate. The relevance and reliability of the data underlying the actuarial projections is also an area of our audit focus.</p> <p>In addition, a number of acceptable actuarial methods exist for determining the liability for incurred claims, including methods for estimation of the present value of future cashflows and of the risk adjustment for non-financial risk.</p> <p>In the wake of the above factors, satisfying ourselves regarding measurement of LIC for non-life insurance contracts under PAA required our</p>	<p>Our audit procedures, performed with the assistance of our own actuarial specialists, included, among others:</p> <ul style="list-style-type: none"> - Testing of the design, implementation and operating effectiveness of selected controls within the actuarial process, including those over management’s determination and approval of actuarial assumptions and LIC measurement model’s output; - Performing a retrospective assessment of the LIC estimation by comparing the prior year’s estimate with the actual outcomes; - Evaluating the methods and models used in the measurement of LIC against the relevant financial reporting requirements and market practice; - Assessing whether the claims development factors assumptions used by the Insurance Company was properly extracted from its experience studies; - Assessing the discount rate primarily by reference to risk free rates obtained from publicly available external sources; - Tracing the claims data underlying the actuarial projections to source systems and, on a sample basis, to the underlying policy and claims documentation; - Using the Insurance Company’s historical claims data and assumed discount rate and our own assumptions as to the future claims development, independently estimating LIC for selected groups of insurance contracts;





increased attention in the audit and as such was determined to be a key audit matter	- Examining whether the Insurance Company's disclosures in the separate financial statements relating to LIC for non-life insurance contracts under PAA appropriately address the relevant quantitative and qualitative requirements of the applicable financial reporting framework.
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Other Information

Management is responsible for the other information. The other information comprises the "Letter from the President of the Management Board" and the "Business Report" that includes the "Report of Supervisory Board for business year 2025", and the "Appendix to the separate financial statements" included in the Annual Report but does not include the separate financial statements and our auditor's report thereon. Other information was obtained prior to the date of this auditors' report, except for the Report of the Supervisory Board, which will be available after that date.

Our opinion on the separate financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon as part of our engagement to audit the separate financial statement

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Reporting Responsibilities Related to Other Information – Business Report

In addition, with respect to the Business Report, we are required to report on its consistency with the separate financial statements and on whether the Business Report includes the disclosures required by the Companies Act dated 4 May 2006 (Official Gazette of the Republic of Slovenia no. 42/2006 with amendments - hereafter referred to as "the applicable legal requirements"). Based solely on the work required to be undertaken in the course of the audit of the separate financial statements and the procedures above, in our opinion:

- the information given in the Business Report for the financial year for which the separate financial statements are prepared is consistent, in all material respects, with the separate financial statements; and
- the Business Report has been prepared in accordance with the applicable legal requirements.

In addition, in light of the knowledge and understanding of the Insurance Company and its environment, obtained in the course of our audit, we are required to report if we have identified material misstatements in other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation of the separate financial statements that give a true and fair view in accordance with IFRS EU, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the separate financial statements, management is responsible for assessing the Insurance Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Insurance Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Insurance Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 ISAs and EU Regulation (EU) No 537/2014 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 financial statements.

As part of an audit in accordance with ISAs and EU Regulation (EU) No 537/2014, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate 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.
- 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 Insurance Company's internal control.
- 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 Insurance Company'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 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 Insurance Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions 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 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

Information Required by Regulation (EU) No. 537/2014 of the European Parliament and the Council

Appointment of Auditor and Period of Engagement

We have been appointed to audit the annual separate financial statements of the Insurance Company by resolution of shareholder dated 16 April 2025. Our period of total uninterrupted engagement is 5 years, covering the periods ended 31 December 2021 to 31 December 2025.

Consistency with Additional Report to Audit Committee

We confirm that our audit opinion is consistent with the additional report to the Audit Committee.

Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided and that we remained independent in conducting the audit.

On behalf of audit firm

KPMG SLOVENIJA,
podjetje za revidiranje, d.o.o.

Signed on the Slovenian original

Domagoj Vuković, FCCA

Certified Auditor

Partner

Ljubljana, 2 April 2026

3. SEPARATE FINANCIAL STATEMENTS

3.1 STATEMENT OF FINANCIAL POSITION

Statement of financial position as at 31 December 2025

(in EUR)	Note	31.12.2025	31.12.2024
ASSETS			
Property, plant and equipment	7.2	25,703,349	25,844,201
Investment property	7.4	8,354,435	8,470,374
Assets arising from a lease	7.3	7,022,595	4,665,301
Intangible assets and goodwill	7.1	8,188,211	6,997,443
Deferred tax assets	7.21	2,155,717	3,985,114
Investments in subsidiaries	7.5	289,162	289,162
Investments in associates	7.5	32,148	32,148
Financial assets, measured at:	7.6	1,072,037,268	1,037,747,849
Fair value through other comprehensive income		566,430,669	550,714,679
Amortised cost		-	41,718
Fair value through profit or loss		505,606,599	486,991,452
Investment contract assets:	7.8	48,185,107	45,856,110
Financial assets, measured at:		46,636,544	45,342,524
Fair value through profit or loss		46,636,544	45,342,524
Receivables		6,079	9,137
Cash and cash equivalents		1,540,370	504,449
Insurance contracts assets	7.7	22,102,966	25,893,068
Reinsurance contracts assets	7.7	46,643,036	57,236,973
Current tax assets	7.21	1,890,056	1,701,264
Receivables	7.9	10,957,668	10,364,358
Cash and cash equivalents	7.10	7,085,907	7,277,353
Other assets		1,812,537	1,432,859
TOTAL ASSETS		1,262,458,048	1,237,793,577

(in EUR)	Note	31.12.2025	31.12.2024
EQUITY			
Share capital	7.11	39,520,347	39,520,347
Capital reserve	7.11	20,771,169	20,771,169
Reserves from profit	7.11	9,996,942	9,721,593
Accumulated other comprehensive income	7.11	11,524,437	1,977,068
Retained earnings	7.11	124,373,933	124,534,210
Net profit loss for the period	7.11	33,072,153	33,535,377
TOTAL EQUITY		239,258,981	230,059,764
LIABILITIES			
Subordinated liabilities	7.12	30,947,803	31,231,211
Deferred tax liabilities	7.21	1,117,697	555,771
Insurance contracts issued that are liabilities	7.7	880,711,073	873,911,983
Reinsurance contracts held that are liabilities	7.7	416,874	1,171,659
Investment contracts liabilities	7.8	48,182,993	45,856,110
Provisions	7.13	8,402,986	7,692,324
Other financial liabilities	7.14.1	7,172,879	4,768,324
Current tax liabilities	7.20	2,384,800	3,193,528
Other liabilities	7.14.2	43,861,961	39,352,904
TOTAL LIABILITIES		1,023,199,066	1,007,733,813
TOTAL EQUITY AND LIABILITIES		1,262,458,048	1,237,793,577

The accounting policies and notes set out on pages from 124 to 226 form an integral part of the financial statements.

3.2 INCOME STATEMENT

Income statement for the period from 1 January 2025 to 31 December 2025

(in EUR)	Note	2025	2024
INSURANCE SERVICE RESULT			
Insurance revenue from insurance contracts		388,561,797	366,303,956
Insurance service expenses from insurance contracts		(317,724,141)	(325,726,188)
Net expenses from reinsurance contracts		(28,158,658)	(5,810,920)
Insurance service result	7.15	42,678,998	34,766,847
INVESTMENT INCOME			
Interest revenue calculated using the effective interest method		12,020,067	9,831,083
Dividend income		1,567,249	1,086,978
Net gains/losses on derecognition of financial assets measured at:		1,861,191	2,951,100
- fair value through profit or loss		1,888,918	3,391,071
- fair value through other comprehensive income		(27,727)	(439,970)
Net impairments on financial assets		(241,362)	17,611
Other investment income		28,153,233	68,927,550
Net investment income/expenses	7.16	43,360,378	82,814,322
Net finance expenses from insurance contracts		(33,060,195)	(73,804,406)
Net finance income from reinsurance contracts		757,375	868,495
Finance income/expenses from insurance contracts	7.15	(32,302,820)	(72,935,910)
CHANGE OF INVESTMENT CONTRACT LIABILITIES	7.17	603,661	569,384
OTHER INCOME AND EXPENSES	7.19	(12,662,648)	(2,652,593)
Revenue from investment management services		802,570	714,750
Other operating income and expenses		1,185,023	1,817,408
Other finance income and expenses		(1,469,099)	(2,023,254)
Non-attributable expenses		(14,115,747)	(12,215,932)
Net impairments on non- financial assets		75,086	32,721
Other income and expenses		859,518	9,021,714
PROFIT BEFORE TAX		41,677,569	42,562,049
Current income taxes		(8,876,903)	(9,142,265)
Deferred taxes		271,486	115,592
NET PROFIT FOR THE ACCOUNTING PERIOD FROM CONTINUING OPERATIONS		33,072,153	33,535,377
PROFIT AFTER TAX		33,072,153	33,535,377

The accounting policies and notes set out on pages from 124 to 226 form an integral part of the financial statements.

3.3 STATEMENT OF OTHER COMPREHENSIVE INCOME

Statement of other comprehensive income for the period from 1 January 2025 to 31 December 2025

(in EUR)	Note	2025	2024
PROFIT FOR THE YEAR		33,072,153	33,535,377
OTHER COMPREHENSIVE INCOME AFTER TAX	7.11	9,547,369	6,034,613
Total items that may be reclassified subsequently to profit or loss		11,242,176	7,968,753
Unrealised change in value of financial assets measured at fair value through other comprehensive income		4,723,133	12,684,151
Net change in fair value		4,734,996	13,124,121
Net amount reclassified to profit or loss		(11,863)	(439,970)
Net finance expenses from insurance contracts		6,156,588	(4,818,711)
Net finance income from reinsurance contracts	7.11	362,454	103,313
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss		(2,473,279)	(1,753,125)
Total items that will not be reclassified to profit or loss		778,472	(181,015)
Other items that will not be reclassified subsequently to profit or loss		968,003	(232,070)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss		(189,531)	51,055
Comprehensive income		42,619,522	39,569,990

The accounting policies and notes set out on pages from 124 to 226 form an integral part of the financial statements.

3.4 STATEMENT OF CASH FLOWS

Statement of cash flows for the period from 1 January 2024 to 31 December 2025

(in EUR)	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income statement items		40,312,321	25,181,297
Net income		33,072,153	33,535,377
Adjustments to net income for:		7,240,168	(8,354,080)
Depreciation and amortisation		6,200,693	6,861,450
Net income and expenses from investments		(12,702,155)	(10,702,199)
Changes in other provisions		1,082,140	396,520
Realised gains/profits in disposal of subsidiaries		(22,879)	(123,999)
Revaluation gains/losses		(28,434,698)	(69,068,109)
- from receivables value adjustment		(126,831)	(339,602)
- from financial investments		(28,344,993)	(69,374,422)
- from intangible assets and property, plant and equipment		37,126	645,915
Tax expenses		8,605,417	(9,257,857)
Net exchange difference		36,806	(5,256)
Write-off of receivables		172,024	609,459
Net financial income and expenses from insurance contracts issued and reinsurance contracts received		32,302,820	72,935,910
Changes in net operating assets (receivables for insurance, other receivables, other assets and deferred tax assets and liabilities) of balance sheet items		(10,126,796)	15,983,352
Net change in assets and liabilities from insurance contracts		(16,314,414)	(24,631,603)
Net change in assets and liabilities from reinsurance contracts		10,958,982	14,080,515
Opening less closing other receivables and assets		(16,761,916)	(9,748,175)
Closing less opening other liabilities		19,869,936	17,375,036
Cash payments for payment of tax		(7,879,383)	18,907,580
Net cash flow from operating activities		30,185,525	41,164,649

(in EUR)	Note	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash inflows from investing activities		326,244,993	230,623,609
Cash inflows from interest received from investing activities		12,308,488	9,831,549
Cash inflows from dividends and participations in profit of others		1,567,249	1,799,963
Cash inflows from disposal subsidiaries and other companies		-	11,567,025
Other cash inflows from disposal of financial investments		312,369,256	207,425,073
Cash outflows from investing activities		(318,853,639)	(266,758,364)
Cash outflows for acquisition of intangible assets		(3,758,419)	(2,986,095)
Cash outflows for acquisition of property, plant and equipment		(1,376,681)	(42,757)
Cash outflows for acquisition of financial investments		(313,718,539)	(263,729,512)
Other cash outflows for acquisition of financial investments		(313,718,539)	(263,729,512)
Net cash flow from investing activities		7,391,354	(36,134,755)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash outflows for financing activities		(37,645,915)	(4,318,463)
Cash outflows for interest paid		(2,189,088)	(2,213,939)
Cash outflows for payments of long-term financial liabilities		(1,927,323)	(2,104,525)
Cash outflows for dividends and profit sharing		(33,529,503)	-
Net cash flow from financing activities		(37,645,915)	(4,318,463)
Closing balance of cash and cash equivalents		7,085,907	7,277,354
Net cash flow for the period		(69,036)	711,431
Effects of exchange rate differences +		(122,410)	(9,689)
Opening balance of cash and cash equivalents	7.10	7,277,353	6,575,612

The accounting policies and notes set out on pages from 124 to 226 form an integral part of the financial statements.

3.5 STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity for the period from 1 January 2025 to 31 December 2025

(in EUR)	Note	I. Share capital	II. Capital reserve	Legal and statutory
OPENING BALANCE IN THE FINANCIAL PERIOD		39,520,347	20,771,169	1,742,399
Accumulated other comprehensive income net of tax	7.11	-	-	-
Net profit/loss for the year		-	-	-
Accumulated other comprehensive income net of tax	7.11	-	-	-
Allocation of net profit/loss for the preceeding year to retained profit/loss		-	-	-
Payment (accounting) of dividends	7.11	-	-	-
Other		-	-	-
CLOSING BALANCE AS AT 31 DECEMBER		39,520,347	20,771,169	1,742,399

The accounting policies and notes set out on pages from 124 to 226 form an integral part of the financial statements.

Statement of changes in equity for the period from 1 January 2024 to 31 December 2024

(in EUR)	Note	I. Share capital	II. Capital reserve	Legal and statutory
OPENING BALANCE IN THE FINANCIAL PERIOD		39,520,347	20,771,169	1,742,399
Accumulated other comprehensive income net of tax	7.11	-	-	-
Net profit/loss for the year		-	-	-
Accumulated other comprehensive income net of tax	7.11	-	-	-
Allocation of net profit/loss for the preceeding year to retained profit/loss		-	-	-
Other		-	-	-
CLOSING BALANCE AS AT 31 DECEMBER		39,520,347	20,771,169	1,742,399

The accounting policies and notes set out on pages from 124 to 226 form an integral part of the financial statements.



III. Reserves from profit Other reserves	IV. Accumulated other comprehensive income	V. Retained earnings	VI. Net profit/loss	TOTAL EQUITY
7,979,194	1,977,068	124,534,210	33,535,377	230,059,764
-	9,547,369	-	33,072,153	42,619,522
-	-	-	33,072,153	33,072,153
-	9,547,369	-	-	9,547,369
-	-	33,535,377	(33,535,377)	-
-	-	(33,529,503)	-	(33,529,503)
275,349	-	(166,150)	-	109,199
8,254,543	11,524,438	124,373,933	33,072,153	239,258,981

III. Reserves from profit Other reserves	IV. Accumulated other comprehensive income	V. Retained earnings	VI. Net profit/loss	TOTAL EQUITY
7,846,687	(4,057,544)	122,777,468	1,436,436	190,036,961
-	6,034,613	320,305	33,535,377	39,890,295
-	-	-	33,535,377	33,535,377
-	6,034,613	320,305	-	6,354,918
-	-	1,435,392	(1,435,392)	-
132,507	-	1,044	(1,044)	132,507
7,979,194	1,977,068	124,534,210	33,535,377	230,059,764

4. GENERAL INFORMATION

4.1 BASIC INFORMATION CONCERNING GENERALI ZAVAROVALNICA

GENERALI zavarovalnica d.d. (hereinafter the Insurance Company, Generali or the Company) is a joint stock company having its registered office in Ljubljana, Kržičeva ulica 3, Slovenia. The Company is registered with the Companies Register kept by the Court Register of the Ljubljana District Court.

Access to consolidated annual reports and financial statements for the year ended on 31 December 2025

GENERALI zavarovalnica d.d. is owned by the Generali CEE Holding B.V. having its registered office in Amsterdam, The Netherlands, De Entree 91, 11014 BH Amsterdam Group and is included in the consolidated financial statements of the company Assicurazioni Generali S.p.A., which prepares the consolidated annual report for the widest range of companies in the Group.

Assicurazioni Generali S. p. A., the ultimate parent company having its registered office in Trieste, Piazza Duca degli Abruzzi 2, Italy, where the consolidated report for the entire Generali Group (hereinafter the Generali Group) can be obtained once finalised, controls the company Generali CEE Holding B.V.

4.2 MANAGEMENT AND GOVERNANCE BODIES

Management Board

- Vanja Hrovat - President of the Management Board
- Katarina Guzej- Member of the Management Board
- Mitja Feri - Member of the Management Board

Supervisory Board

- Gregor Pilgram – Chairman of the Supervisory Board
- Carlo Schiavetto – Member, Deputy President Member
- Miroslav Singer – Member
- Andrea Leskovská – Member
- Suzana Meglič – Member, employee representative
- Matjaž Pavlin – Member, employee representative

Audit Committee

- Carlo Schiavetto – Chairman
- Gregor Pilgram - Member
- Renata Eržen Potisek - Member

Shareholder as at 31 December 2025

Generali CEE Holding B. V.	100%
TOTAL	100%

4.3 STATEMENT ON COMPLIANCE

Financial Statements for GENERALI zavarovalnica d.d. for 2025 have been prepared in accordance with the provisions of International Financial Reporting Standards (IFRS), as adopted by the EU. The financial statements and annual report have also been prepared in accordance with the provisions of local legislation, the Companies Act (ZGD-1) and its amendments, the Insurance Act (ZZavar-1) and in accordance with by-laws, the Decision on annual reports and quarterly financial statements of insurance companies issued by the ISA - Insurance Supervision Agency (Official Gazette of the Republic of Slovenia, No. 82/2020).

The Annual Reports for 2024 and 2025 are approved by the Management Board and confirmed by the Supervisory Board. The financial statements for year 2024 were approved by the Management Board on 26.03.2025. Financial statements for year 2025 were approved by the Management Board and on 1.4.2026.

The annual report with financial statements is available at the headquarters of GENERALI zavarovalnica d.d. and on website <https://www.generalisi/aboutus/annual-reports>.

when selecting accounting policies and deciding on their application and when preparing financial statements. In the current financial year, the same accounting policies were observed as in the preparation of financial statements for the previous financial year.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that may have a material effect on the value of reported assets and liabilities at the reporting date and on the amount of revenues and expenses in the reporting period. Estimates and assumptions are reviewed and determined based on past experience and other factors, including expectations of future events (further discussed in Section 5.1).

4.5 CONSOLIDATION

GENERALI zavarovalnica d.d., as the parent company of subsidiaries from Slovenia, does not prepare consolidated financial statements because it meets conditions for exemptions/excluded companies under IFRS 10, for which it is allowed not to prepare consolidated financial statements, and also because it meets the requirements referred to in Article 56(6) of the Companies Act (ZGD-1), since the Insurance Company's securities are not traded on a regulated securities market.

Subsidiaries are included in the consolidated financial statements of Assicurazioni Generali S.p.A having its registered office in Trieste, Piazza Duca degli Abruzzi 2, Italy, which is the parent company of Generali CEE Holding B.V. established in Amsterdam, and the indirect parent company of GENERALI zavarovalnica d.d.

The consolidated financial statements of the insurance group are publicly available on the website:

- for Assicurazioni Generali S. p. A. Group on Generali Group <https://www.generalicom/investors/reports-and-presentations>.

4.4 BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the going concern assumption. The reporting periods of the insurance is equal to the calendar year.

The Management takes into account the requirements of comprehensibility, adequacy, reliability and comparability

4.6 TRANSLATION FROM FOREIGN CURRENCIES

4.6.1 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in euros, which is the functional and presentation currency of GENERALI zavarovalnica d.d. All financial statement disclosures are also presented in euros. Due to rounding of amounts, very small differences may arise from summing up certain items (EUR ±1).

4.6.2 FOREIGN CURRENCY TRANSACTIONS AND ITEMS

The translation of items of assets and liabilities in foreign currency into the functional currency is made at the reference exchange rates of the European Central Bank - ECB (for currencies for which the ECB does not publish reference exchange rates, the reference exchange rates of the Bank of Slovenia are applied) at the date of the financial statements. The effects of translation are shown in the income statement as net foreign exchange gains or losses.

All transactions in foreign currency are translated into the functional currency at the exchange rate on the day of the individual business event. Foreign exchange gains and losses from such transactions and from the translation of monetary assets and liabilities, denominated in foreign currencies at the balance sheet date and translated into the functional currency, are recognized in the income statement.

Non-monetary items that are measured at purchase price in a foreign currency are translated using the exchange rate applicable at the date of the event, while non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate applicable at the date when the fair value was determined.

In the context of changes in the fair value of securities denominated in foreign currency classified as at fair value through other comprehensive income (FVTOCI), a change in amortised cost resulting from a change in the exchange rate is accounted for separately from other changes in the carrying amount of the securities. Translation differences related to changes in the amortised cost are recognised

in the income statement. Translation differences on financial assets and liabilities are treated as an integral part of fair value gains or losses. Translation differences on financial assets and liabilities are reported in the income statement as part of the fair value gain or loss. Translation differences for debt securities at fair value through other comprehensive income (FVTOCI) are recognized in the income statement, while for equity securities they are recognized under the impact of the valuation at fair value in the statement of comprehensive income.

4.7 GLOSSARY OF PROFESSIONAL ACRONYMS

Acronyms	Description
CSM	Contractual service margin
LRC	Liabilities for remaining coverage
LIC	Liabilities for incurred claims
ARC	Assets for remaining coverage
AIC	Assets for incurred claims
RI	Risk adjustment for non-financial risk
PAA	Premium allocation approach
GMM	General Measurement Model
BBA	Building block approach
VFA	Variable fee approach
ECL	Expected Credit Loss

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used for the preparation of the financial statements are presented in the text below and were followed consistently in the preparation of the financial statements for the financial year 2025.

- Measurement of insurance and reinsurance contracts: determining the techniques for estimating risk adjustments for non-financial risk and the coverage units provided under a contract.

Accounting judgements, estimates and assumptions in the recognition and measurement of financial assets and liabilities.

- Determination of business model and assessing whether the contractual cash flows represent exclusively principal repayments and interest on the outstanding principal amount (SPPI test).
- Measurement of the fair value of financial instruments.

5.1 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Insurance Company prepares the financial statements by using estimates, judgements and assumptions, that affect the value of assets and liabilities on the reporting date and the amount of income and expenses in the reporting period.

Information about assumptions and estimation uncertainties at 31 December 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year disclosed in paragraph 5.14.1.

Accounting judgements, estimates and assumptions in the recognition and measurement of assets and liabilities from insurance contracts.

- Classification of insurance, reinsurance and investment contracts: assessing whether the contract transfers significant insurance risk and whether an insurance contract contains direct participation features.

5.2 INTANGIBLE ASSETS

Intangible assets are valued at the cost value, that is, intangible assets are carried at cost less amortisation and any accumulated impairment losses.

The annual amortisation rates are determined according to the useful life of an individual intangible asset. The straight-line depreciation method was used. The amortisation of intangible assets is calculated individually by applying the following amortisation rates:

Amortisation rates and useful lives of intangible assets:

Name of intangible asset by amortisation groups	Amortisation rate	Useful life
Investments in third party intangible assets	20%	5
Other material rights	10%	10
Computer software	20%	5
Other intangible assets	10–33.3%	3–10

The expected useful life of intangible assets is the period in which it is possible to expect economic benefits from the asset. It is determined according to the duration of contractual or other rights. Based on this, the useful life cannot be longer from the period in which the Company may use the asset; however, it may be shorter.

The impairment assessment is performed for all significant intangible assets, if their carrying amount exceeds their recoverable amount. The assessment is performed for all assets whose individual purchase price exceeds EUR 50,000. The determined impairment loss (the asset's carrying amount that exceeds its recoverable amount) is recognised in the income statement as loss due to impairment.

The Company derecognizes the recognized intangible assets upon disposal when no future benefits from their use or disposal are expected. Gains or losses arising from derecognition of an intangible asset are recognized as a difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the income statement as revaluation income/expense non-financial assets.

asset is recognized as part of property, plant and equipment once it is ready for use. The value also includes the costs incurred to replace parts of property, plant and equipment that help prolong the useful life of the asset are accounted for as well as the costs which increase future economic benefits from its use (modernisation costs, enhancement costs, costs increasing the capability of the fixed asset).

In the event of changed circumstances, which affect the estimated useful life of an item of property, plant and equipment, the effects of such changes in the useful life are recognised in the income statement.

The annual depreciation rates are determined according to the useful life of an individual item of property, plant and equipment. The useful life of an asset is determined by the expected useful life for the Company. The assessment of the useful life of an asset is a matter of judgment based on the experience of the Company with similar assets. The depreciation method used by the Company is straight-line depreciation. Assets are depreciated when they are available for use, on the first day of the following month.

Depreciation rates and useful lives of property, plant and equipment

Property, plant and equipment by depreciation groups	Depreciation rate	Useful life
Buildings	1.3 -1.8%	56–77
Motor vehicles	12.5-15.5%	6–8
Computer equipment	20.0%-50.0%	2–5
Office equipment	10 -25%	4–10
Other equipment (furniture, fittings & fixtures)	10 -33.3%	3–10

Property (buildings) held by the Company for own use are part of a whole – of the cash-generating unit. Therefore, the Company, which generates cash inflows by performing its principal activities. The Company has defined three cash-generating units: non-life insurance, health insurance and life insurance. The recoverable amount is generally the amount that is larger either the value in use or fair value decreased by costs of sale.

The management believes that in normal - expected business conditions, the carrying amount of property held for own use is at least equal to the recoverable amount of property. Operating conditions deviate from normal if in the past three years the cash-generating unit has reached a negative profit, which in each case exceeds the amount of the Insurance Company's significance and there are no prospects for improving its business in the coming years.

The management assesses the values of these properties in the case the business circumstances significantly change or deviate from normal (expected) business conditions

5.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are classified according to their nature as property (property held for own use) and equipment, which are further divided in subcategories based on their purpose. They are recognised at the time of its acquisition and valued at initial recognition at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item includes its purchase price and all costs directly attributable to bringing the asset to use. An

(in the last three years, the cash generating unit achieves a negative operating result) or if the properties intended for own use are reclassified into investment properties.

In such cases, recoverable amount is determined based on property appraisals by external certified appraisers. The appraisals are prepared using the same methodology as used by the Insurance Company for measurement of recoverable amounts of investment property. If the recoverable amount of properties is lower than their carrying amount, such properties are impaired, and this difference is recognized in the income statement as another financial income and expenses.

The management derecognises an item of property, plant and equipment when it is disposed of or when it is determined that no economic benefits can be expected from its use, at least annually. Gains or losses arising from the derecognition of an item of property, plant and equipment, as the difference between any net disposal proceeds and the carrying amount of the asset and disposal costs, are recognized in profit or loss as revaluation income or expenses.

5.4 RIGHT TO USE LEASE ASSETS

Leases of property, plant and equipment are classified in accordance with the contract and the provisions of IFRS 16 Leases. At the time of concluding the contract, the Company assesses whether it is a lease contract, i.e. whether the contract contains all elements of a lease. A contract is a lease or contains a lease if it transfers the right to control the use of an identified asset for a specified period in exchange for compensation.

Upon initial recognition of a lease, the lessee recognizes an asset that represents a right to use and lease a liability.

At the date of commencement of the lease, the lessee measures the asset that represents the right to use at cost. The lessee, at the commencement date of the lease, measures the lease liability at the present value of the leases not yet paid at that date. Rents are discounted using a discount rate, which is equal to the current market interest rate applicable to the Company's lending on the date of the lease.

The highest annual depreciation rate corresponding to the actual depreciation period of the asset is used for the depreciation of the right to use the lease asset.

Lease liabilities are measured according to the estimated duration of the lease. The Company determines the duration of the lease as the period during which the lease cannot be cancelled. In cases where it is fairly certain that the lessee will exercise the option to extend the lease, the lease is considered to be long-term.

Rents related to short-term leases (lease duration up to one year) and leases where the leased asset is of small value (up to EUR 5,000) are recognized as lease costs within operating costs.

5.5 INVESTMENT PROPERTIES

Investment properties (land and buildings) are assets held by the Company with the purpose to earn cash flow from rent, increase in value or both. If a property is classified as an investment property, the management considers the purpose of the property.

Investment properties (land and buildings) are measured initially at their cost and recognised at cost comprised of transaction costs and any expenditure directly attributable to purchase. Subsequently, they are measured at cost less any accumulated depreciation and any accumulated impairment losses. The straight-line method is used to calculate depreciation.

Depreciation rates and useful lives of investment properties

Investment properties	Depreciation rate	Useful life
Buildings	1.3 -1.8%	56-77

At least once per year, the Management performs an impairment test of investment properties, using accredited independent appraisers qualified to perform valuation of property. For new property, its purchase price is considered as fair value.

In the performance of the impairment test for investment properties, the return of each property and market profitability criteria are considered. If the actual return of an individual property exceeds the required return of property, the property does not show signs of impairment.

Otherwise, the recoverable amount is determined for the property, using the following property valuation methods; the market value approach: this approach determines the indication value of the real property based on transactions for the same or very similar property. This approach is especially useful for real properties that are sold in large numbers on the secondary market (fair value).

Property, which the management intends to sell in near future and whose carrying amount will be settled mainly through sale rather than further use, are classified under non-current assets held for trading.

Gains or losses arising from derecognition or disposal of investment property are recognised in the income statement through other financial income and expenses.

Lease income from investment property is charged based on contracts and is stated in the financial statements among other financial income and expenses.

needs are determined at the end of the financial year or during the year if there are indications of impairment. The assessment of recoverable amount is performed by external appraisers based on external appraisals of companies or using internal assessments and evaluations.

The following valuation procedures are used to recognize impairment losses for subsidiaries.

- subsidiaries in bankruptcy, financial reorganization (compulsory settlement) or liquidation are impaired to the amount of recoverable amount,
- subsidiaries whose operating results deteriorate, and operating losses increase are impaired in the amount of the loss in proportion to the share of ownership if that the value of the company's capital, in proportion to the share of ownership, is lower than the cost of the investment,
- valuation based on discounted cash flows,
- net asset value method.

Impairment losses are measured as the difference between the carrying amount of the investment in the subsidiary and its recoverable amount or amount of the estimated future cash flows, discounted at present market returns for similar assets. The difference in value is recognized as other investments income.

Associates

The Company considers an investment to be an investment in an associate if it holds a significant but not controlling influence, which is usually accompanied by direct or indirect ownership of between 20% and 50% of the capital.

After initial recognition, the Company values the investment in the associate at cost. Any impairment needs are determined at the end of the financial year or during the year if there are indications of impairment. The assessment of possible impairments is performed by external appraisers based on external valuations of companies or using internal models. The same procedures are used for the recognition of impairment losses as for subsidiaries, and the difference in value is recognized as other investments income.

5.6 FINANCIAL INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries

Subsidiaries are companies in which the Insurance Company, as the controlling company, directly or indirectly holds more than 50% of the voting rights. Irrespective of the nature of its participation in the company, the Insurance Company assesses whether it controls the company and determines whether the company is a controlling company or a subsidiary.

Investments in a subsidiary are valued in financial statements using the cost method, which means that they are shown at cost less impairment. Any impairment

5.7 FINANCIAL INVESTMENTS

The Insurance Company manages financial instruments in accordance with IFRS 9 – Financial Instruments.

Classification and measurement

Financial assets

IFRS 9 introduces an approach to classifying financial instruments based on business models for managing them and the characteristics of contractual cash flows (SPPI test – solely payments of principal and interest).

The standard defines three business models:

- **“Hold to collect”** financial assets are held to maturity for the purpose of collecting contractual cash flows.
- **“Hold to collect and sell”** financial assets are held both to collect contractual cash flows and to realize gains through sales.
- **“Other”** includes all cases not covered by the previous two business models.

The Insurance Company conducted a comprehensive analysis of investment portfolio management, considering the specifics of insurance operations, and concluded that the company’s business model is **“Hold to collect and sell”**.

In addition to the business model analysis, the standard requires an assessment of the contractual terms of financial assets. To classify an asset at amortized cost (AC) or at fair value through other comprehensive income (FVOCI), the cash flows from the financial asset must represent solely payments of principal and interest (SPPI test). This analysis is performed for debt securities and loans at the level of each financial instrument upon initial recognition.

If contractual terms introduce exposure to risk or volatility in cash flows that are inconsistent with the concept of a “basic lending arrangement,” the SPPI test is not met (e.g., cash flows linked to equity prices, indices, or commodities). If the terms modify the time value of money, a comparative cash flow test is performed, including quantitative and qualitative elements.

Based on the business model and the SPPI test, financial assets are classified into the following categories:

- **Financial assets measured at amortized cost:** include debt instruments managed under the “Hold to collect” business model, whose contractual

terms represent solely payments of principal and interest (SPPI test successfully passed).

- **Financial assets measured at fair value through other comprehensive income with subsequent recognition in profit or loss:** include debt instruments managed under the “Hold to collect and sell” business model, whose contractual terms represent solely payments of principal and interest (SPPI test successfully passed).
- **Financial assets measured at fair value through profit or loss:** include all financial assets managed under the “Other” business model and financial assets that must be measured at fair value due to failing the SPPI test.

For equity instruments, the standard prescribes measurement at fair value through profit or loss, unless the Company irrevocably elects measurement at fair value through other comprehensive income. In this case, income components other than dividends are not included in profit or loss. The Company has adopted this option for equity instruments in portfolios, except those underlying insurance contracts with direct participation features (VFA).

There is also an option for initial designation at fair value through profit or loss if this eliminates or significantly reduces accounting mismatches in the measurement of assets or liabilities or in the recognition of related gains and losses.

Financial liabilities

IFRS 9 does not significantly change the accounting rules for classifying and measuring financial liabilities. The key difference lies in recognizing changes in the fair value of financial liabilities measured at fair value through profit or loss: the portion of the change attributable to the issuer’s credit risk is recognized in other comprehensive income.

The Insurance Company has not recorded a material impact from this requirement. The only financial liabilities measured at fair value through profit or loss are financial contracts whose value changes are linked to an asset rather than to the credit risk of the liability. Loan liabilities are measured at amortized cost.

Impairment

IFRS 9 introduces a new approach to the impairment of debt instruments measured at amortized cost or at fair value through other comprehensive income, based on expected credit losses (ECL). The impairment model classifies instruments into three groups according to changes in the credit quality of the instrument since initial recognition:

- Stage 1 includes debt instruments without a significant increase in credit risk since initial recognition or with low credit risk (investment grade). Twelve-month expected credit losses are recognized, and interest is calculated on the gross carrying amount.

- Stage 2 includes debt instruments with a significant increase in credit risk since initial recognition (unless they have an investment-grade rating at the reporting date), but without evidence of impairment. Lifetime expected credit losses are recognized, and interest is calculated on the gross carrying amount.
- Stage 3 includes debt instruments with evidence of impairment. Lifetime expected credit losses are recognized, and interest is calculated on the net carrying amount.

The model calculates expected credit losses (ECL) and is applied based on the staging approach.

The ECL model is based on a combination of quantitative elements (e.g., comparison of default probabilities over the entire lifetime) and qualitative elements (e.g., monitoring checklists). A similar approach is used to identify default events that lead to classification into Stage 3. The low credit risk exemption is not directly considered in the quantitative model.

For trade receivables and lease receivables, a simplified approach is applied, under which lifetime expected credit losses are always recognized.

The introduction of the expected credit loss model had a limited impact on the financial statements, reflecting the high credit quality of the debt securities portfolio.

Fair Value

Financial assets measured at fair value through profit or loss (FVTPL) at initial recognition and assets measured at fair value through other comprehensive income (FVOCI) are presented at fair value. Loans, deposits, receivables, and assets held to maturity are measured at amortized cost using the discounted cash flow method based on the effective interest rate, reduced by impairments.

Fair value is recognized when it can be reliably measured and is based on available market data. For financial instruments listed on an exchange, fair value is determined as the product of the number of units and the quoted market price on the balance sheet date. The reference market is determined according to the type of investment, and prices are primarily obtained from the Bloomberg Data License (BDL) system.

Units of mutual funds not traded on an organized market are valued at the net asset value (NAV) per unit, calculated and published by the management company or in the Bloomberg (BDL) system on the balance sheet date. If the NAV of a mutual fund unit is not published in Bloomberg (BDL), data from the management company or other publicly available prices are used. For mutual fund units where the NAV is calculated and published with a delay, the last known value as of the balance sheet date is used for valuation.

An active market is one where transactions occur frequently and in sufficient volume to provide regular price information. An active market is considered one where the selected security has been traded and an exchange rate has been published.

When assessing the fair value of equity securities, the Insurance Company continuously monitors market activity, ensuring that the closing price of the last trading day is not older than 14 calendar days. If the published price on a regulated market does not meet the criteria of an active market, fair value is determined using an appropriate valuation model. In cases where observed market prices do not reflect fair value, the Insurance Company uses an internal valuation model or engages an external certified appraiser.

For debt securities traded on an organized securities market, the Insurance Company determines the exchange rate based on the closing price published on the exchange on the balance sheet date to perform valuation as of that date. If no closing price is available for a specific debt security on the balance sheet date, the closing price of the last trading day is used, provided it is not older than 14 days. Non-traded securities or securities not listed on an exchange, and securities with prices older than 14 days, are considered to belong to an inactive market and are valued using an internal model.

For debt securities traded on an organized securities market, fair value is determined in the following order of price sources:

- Bloomberg CBBT Close BID as the executable market price;
- Bloomberg BGN Close BID as the market consensus price;
- Bloomberg BVAL Close BID as a third-party price provider;
- EJV Refinitiv as a third-party price provider;
- Based on the internal model for calculating the fair value of the debt security, i.e., a price determined using valuation techniques.

Bloomberg prices take precedence. When obtaining prices from a third-party provider, the Insurance Company assesses whether the price reflects the fair value of the debt security. If these prices are not available, the internal model for calculating fair value is used.

The bid price (BID) represents fair value in accordance with IFRS 13, while the mid-price (MID) is used as an unbiased value between buyer and seller in a transaction.

If market prices are not available, fair value is determined using an internal model based on the discounted cash flow method. Each financial instrument is defined by a set of parameters that uniquely determine its future cash flows. These cash flows are discounted using the appropriate yield curve as of the observation date. The sum of all discounted future cash flows determines the fair value of the instrument.

The table below presents valuation methods and key parameters for individual financial assets, and the use of different types of methods is also classified according to the fair value hierarchy.

Allocation according to the fair value hierarchy

In order to improve consistency and comparability in fair value measurement and related disclosures, financial assets are classified into three levels of the fair value hierarchy based on the type of inputs used in valuation:

- **Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the Insurance Company can access at the measurement date. These inputs provide the most reliable evidence of fair value and are used without adjustments..
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable either directly or indirectly. This includes quoted prices for similar assets in active or inactive markets and other observable market data.

- **Level 3:** Unobservable inputs based on assumptions that market participants would use, including assumptions about risk. These inputs are applied when observable market data is not available.

Classification into a specific level is based on the inputs used in the valuation techniques. Within the hierarchy, unadjusted quoted prices in active markets (Level 1) have the highest priority, while unobservable inputs (Level 3) have the lowest.

The Insurance Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable ones. The objective is to determine the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

Financial assets for which there is no active market and whose fair value cannot be reliably measured are valued at cost, with impairment assessed individually. These assets are classified as Level 3 in the fair value hierarchy.

Techniques of value estimation and inputs for allocation to Level 2 and Level 3 of the fair value hierarchy

Main market	Level 1	Level 2	Level 3
Equity securities			
Stock exchange	<ul style="list-style-type: none"> • Shares valued on the basis of the closing price on the stock exchange while meeting the criteria of an active market. • Mutual funds valued at the value of the unit on the day of valuation published in the Bloomberg system or if the price is not published in the Bloomberg system, the price obtained from the management company or other publicly announced price list. 	<ul style="list-style-type: none"> • Equity securities, valued using the valuation model (internal model or valuation by an internal/external business appraiser on the basis of Level 2 inputs, which are not quoted prices included in Level 1 and cannot be observable directly or indirectly). 	<ul style="list-style-type: none"> • Equity securities valued using the valuation model based on Level 3 inputs and are unobservable inputs.
Debt securities			
OTC market	<ul style="list-style-type: none"> • Debt securities, which are valued on the basis of the BID price obtained from CBBT. • Debt securities, which are valued on the basis of the BID price obtained from BNG. 	<ul style="list-style-type: none"> • Debt securities valued using the valuation model (internal model or valuation by an internal/external business appraiser on the basis of Level 2 inputs, which are not quoted prices included in Level 1 and cannot be observable directly or indirectly). • Debt securities, valued based on the prices obtained from external providers Bloomberg BVAL and EJV Refinitiv, considering only prices with a rating of 7 or higher. 	<ul style="list-style-type: none"> • Debt securities, valued based on prices obtained from external providers Bloomberg BVAL and EJV Refinitiv, considering prices with a rating below 7. • Debt securities valued using the valuation model based on Level 3 inputs and are unobservable inputs.
Deposits, certificates of deposit and loans			
Deposits, certificates of deposit and loans with fixed maturity			<ul style="list-style-type: none"> • Valued at amortized cost.
Loans received			
Loans received			<ul style="list-style-type: none"> • Valued at amortized cost.

5.8 FINANCIAL ASSETS WHERE THE INVESTMENTS RISK IS BORNE BY POLICYHOLDERS

Assets where the investments risk is borne by policyholders are measured at fair value through profit or loss (FVTPL) upon initial recognition. Assets relate to VFA business portfolios and therefore not directly impacting the income statement, as changes in the fair value of the underlying financial assets are offset by symmetrical movement in the reference insurance liabilities.

5.9 OTHER ASSETS

Other assets comprise inventories, deferred acquisition costs and short-term deferred costs (expenses) and accrued revenues for the cases where the payment of the rendered services refers to a later period.

5.10 CASH AND CASH EQUIVALENTS

Cash and balances held on the accounts with banks and other financial institutions are treated separately for monetary assets denominated in local currency and separately for monetary assets denominated in foreign currencies, which must be broken down into monetary assets available immediately and those placed as deposits redeemable at

notice (demand deposits). Cash of the Insurance Company consists solely of cash, while cash equivalents include demand deposits serving to ensure short-term liquidity and short-term deposits placed with maturity up to three months.

Revaluation of monetary assets is performed only for the monetary assets denominated in foreign currencies, if after initial recognition the exchange rate of the foreign currency against the euro is changed. The foreign exchange difference is recognised as other finance income and expenses in income statement.

5.11 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Assets and liabilities are offset in the balance sheet when there is a legally enforceable right to set off the recognised amounts on a net basis, namely, to realise the asset and settle the liability simultaneously.

Receivables and liabilities arising from internal relationships (between individual funds or general ledgers) are separately presented in financial statements. At the end of the reporting period, the receivables and liabilities among individual funds are offset and the balance is presented as receivables or liabilities, which are offset, i.e. balanced, in the cumulative balance sheet.

5.12 EQUITY

The Company, as a composite Insurance Company, discloses the share capital and other capital components separately by insurance segments. The baseline split ratio is established to ensure capital adequacy separately for the non-life insurance segment and separately for the life insurance segment.

Share capital

Share capital is defined with the amounts invested by the owners and with amounts that have been generated through operations and that belong to the owners. Share capital is the nominal value of the fully paid ordinary no-par value shares denominated in euros.

Capital reserves

Capital reserves consist of the paid-up surplus capital and the amount generated by the elimination of the general capital revaluation adjustment. Capital reserves can be used in accordance with the Companies Act, which strictly defines the terms of capital reserves usage for covering net loss of the period, net loss carried forward or increase of equity using assets of the Insurance Company.

Reserves from profit

Reserves from profit are divided to contingency reserves, legal and statutory reserves, treasury shares reserve and other reserves from profit. The reserves from profit are formed pursuant to provisions of the Slovenian Companies Act (ZGD-1), legislation governing insurance for establishing reserves and on the basis of the decision adopted by the Management Board and endorsed by the Supervisory Board according to the needs for achieving and preserving the adequate level of capital adequacy (other reserves from profit).

Other comprehensive income

The revaluation surplus includes a revaluation adjustment in connection with the changes in and valuation of financial assets at fair value through other comprehensive income. The amounts of the revaluation surplus shown in the balance sheet are adjusted by the amounts of deferred tax.

Accumulated profit or loss and net profit for the financial year

Accumulated profit or loss consist of retained earnings from previous years, while net profit for the financial year consists of net profit in the current year. The net profit of an individual financial year is recognized as retained earnings when a decision on the distribution of the profit of an individual financial year is made and the amounts for settling past losses, amounts for reserves and dividends are excluded from it.

5.13 SUBORDINATED LIABILITIES

Among subordinated liabilities, the Insurance Company includes a subordinated loan received from a related party GP Reinsurance EAD, Bulgaria. The subordinated loan is measured at amortized cost.

5.14 IFRS 17 INSURANCE CONTRACTS

5.14.1 SIGNIFICANT JUDGEMENTS AND ESTIMATES

Fulfilment cash flows

Fulfilment cash flows comprise:

- estimates of future cash flows;
- an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows; and
- a risk adjustment for non-financial risk.

Estimates of future cash flows

In estimating future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Company's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Company considered into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not considered until the change in legislation is substantively enacted. The Company derives cost inflation assumptions based on the combined information on Harmonized Consumer Price Index (HCPI) and Labour Cost Index (LCI).

Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling the contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include:

- claims handling, maintenance and administration costs;
- recurring commissions payable on instalment premiums receivable within the contract boundary;
- costs that the Company will incur in providing investment services;
- costs that the Company will incur in performing investment activities to the extent that the Company performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs; and
- income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Where not required by specific regulatory requirements, the operating assumptions underlying the projections of Expected Future Cash Flows are generally in line with the ones adopted within the Solvency 2 framework. However, as regards expense perimeter, differences may arise because of the IFRS 17 requirement envisaging that only expenses directly attributable to insurance and reinsurance contracts must be considered for the measurement of Expected Future Cash Flows.

Contract boundaries

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Insurance Company's substantive rights and obligations under the contract.

GENERALI zavarovalnica d.d. considers the contract boundary requirements as linked to the Company's ability to fully reprice a contract. All future premiums and policyholder options should be included in the initial projections if the Company does not have the ability to fully reprice the contract when the premium is paid/the option is exercised. According to this requirement, the contract boundaries are set considering the insurance contract as a whole rather than considering each single component independently, leading methodologically to a potential difference compared to the current approach applied under Solvency 2. However, for life insurance, in practice the Company uses the same contract boundaries for IFRS 17 and Solvency 2 measurement.

The Company has two different types of policy loans:

- the loans that are bundled with policies and modelled together with the policy cash flows;
- the loans that are valued under IFRS 9; for those policy loans there is no link to the cash flows.

In the case of reinsurance contracts, cash flows are within the boundary of a contract if the Insurance Company can require the reinsurance company to provide coverage and other services, or if there is a significant obligation of the Insurance Company to pay a reinsurance premium to the reinsurance company.

Life insurance contracts

Assumptions about mortality/longevity, morbidity and policyholder behaviour that are used in estimating future cash flows are developed by homogeneous classes of risks, reflecting recent experience and the profiles of policyholders within a group of insurance contracts.

Mortality/longevity assumptions are derived using national mortality data and Company's recent experience. Historical national mortality data is used to derive a Lee-Carter mortality table which is then adjusted by selection factors reflecting Company's recent experience.

Morbidity assumptions are developed using tables defined by reinsurers and Company's recent experience, whereby the disability assumptions and assumptions about policyholder behaviour rely on Company's recent experience.



Policyholder behaviour is a key assumption in the measurement of life savings and participating insurance contracts. Each type of policyholder behaviour is estimated based on trends in recent experience.

For participating contracts, the assumed estimated participation percentages are generally based on the actual percentages applied in the current year. The participation percentages applied in both 2024 and 2023 were the minimum participation rates.

The Company's future discretionary profit participation (other than obligatory profit participation) for life insurance contracts is not anticipated, based on the management decision.

Non-life insurance contracts

The Company determines the fulfilment cash flows associated with claims incurred but not yet settled at the reporting date. These estimates include the ultimate cost of claims incurred, whether reported or not, as well as expected salvages and subrogation, unallocated and allocated loss adjustment expenses, future inflation and other recoveries (particularly from reinsurance contracts).

To determine the ultimate cost of settling claims, the Company applies a range of generally accepted actuarial reserving techniques, including but not limited to the Chain Ladder methods and the Bornhuetter Ferguson methods on the paid/incurred triangles. These techniques rely on the assumption, that historical claims development patterns are a reasonable basis for projecting future development and, consequently, the ultimate claims cost. The estimation process is performed separately for each line of business. Large claims are assessed separately due to their unique characteristics and volatility.

The assumptions underlying these techniques—such as expected loss ratios, development patterns and future claims inflation—are derived from historical claims development data. However, significant judgement is required to evaluate the extent to which historical trends may not be indicative of expected future amounts. This includes assessing structural changes in the portfolio, shifts in claims handling practices, legislative or judicial developments, and emerging trends that may influence future claims behaviour.

For YE2025, the modelling process was influenced by some methodological and data-related changes. First, historical development triangles were shorter, shifting the starting point from accident year 2000 in YE2024 to accident year 2006 in the current evaluation. This change resulted from the implementation of the new data warehouse (DWH), which ensures more coherent valuations with quarterly ones and enhances data quality and consistency. Second, changes in reserving approach were introduced for the creation of reported but not settled (RBNS) provisions.

These changes were particularly relevant for models on incurred claims applied to long tail business, where different starting points were selected for the use of best-fit curve compared to YE2024 estimate. These adjustments were made to avoid underestimation of the tail and to appropriately reflect the changes in RBNS reserving approach, resulting in a higher expected cash flows for incurred but not (enough) reported claims.

Discount rates

IFRS 17 requires adjusting the estimates of expected cash flows to reflect the time value of money and the financial risks associated with those cash flows to the extent that the financial risks are not already included in the cash flow estimates.

In order to comply with the market consistent approach prescribed by the principle, the Company applies a bottom-up approach to define the discount rates to apply to insurance and reinsurance contracts, consistently with Solvency 2 framework, where appropriate. In detail, the Company's position is to apply a risk neutral approach for IFRS 17 both for participating and non-participating business for the purpose of fulfilling market consistency requirements. In this context, the IFRS 17 discount curve, is determined as the sum of:

- a risk-free base curve; and
- an adjustment for the illiquidity premium (so-called IFRS 17 adjustment).

As regards the risk-free base curve, the approach is aligned with the parametrization and the current Solvency 2 method. In particular, the same extrapolation algorithm is applied (i.e., the Smith-Wilson method).

To determine the IFRS 17 adjustment, the average spread of a reference asset portfolio is considered, adjusted to exclude credit risk components (i.e., risk corrections) and the effect of potential misalignments of cash flows of underlying assets with respect to the portfolio of liabilities. In particular:

- for the BBA (Building block approach) and PAA (Premium allocation approach) businesses, the same Solvency 2 adjustment is used (i.e., the volatility adjustment);
- for the VFA (Variable fee approach) business, no IFRS 17 adjustment is applied.

The table below sets out the yield curves used to discount the cash flows of insurance contracts.

Annual rate for the duration in the year 2025	1 year	5 years	10 years	15 years	20 years
Insurance contracts					
Life insurance					
BBA	2.22%	2.62%	3.00%	3.25%	3.35%
VFA	2.08%	2.48%	2.86%	3.11%	3.21%
Non - life insurance	2.22%	2.62%	3.00%	3.25%	3.35%

Annual rate for the duration in the year 2024	1 year	5 years	10 years	15 years	20 years
Insurance contracts					
Life insurance					
BBA	2.47%	2.37%	2.50%	2.56%	2.49%
VFA	2.24%	2.14%	2.27%	2.33%	2.26%
Non - life insurance	2.47%	2.37%	2.50%	2.56%	2.49%

Risk Adjustment

The Risk Adjustment (RA) corresponds to the component of the insurance liability that captures the uncertainty the entity bears on the amount and timing of cash flows arising from non-financial risk. In evaluating the Risk Adjustment, GENERALI zavarovalnica d.d. considers the following scope of risks:

- Life and Health Underwriting risks (i.e., mortality and mortality catastrophe, longevity, lapse, morbidity);
- P&C Underwriting risks (i.e., Reserving risk and Pricing risk, Lapse and CAT risks); and
- expense risk.

The Company's RA reflects the risk diversification at segment level only (life/non-life), not benefitting from diversification among the segments.

Differently from Solvency 2 framework for which the Cost of Capital method is applied to quantify the Risk Margin, IFRS 17 does not prescribe a specific method to calculate the Risk Adjustment. In this context, GENERALI zavarovalnica d.d. defines the RA as the value at risk at the 75th percentile of the PVFCF probability distribution, leveraging on methodology and calculation models developed for the Solvency 2, and therefore with the so called "one-year view" for the calibration of the underlying shocks, anyway, applied over the whole cash flows projection.

For the sake of comparison, please note that the 75-th percentile applied by GENERALI zavarovalnica d.d. adopting a "one-year" approach is estimated to be equivalent, at entity level, to the following percentiles determined on

the basis of an "ultimate" view, i.e., considering a risk distribution that reflects cash flows volatility on a multi-year horizon, consistent with liability's duration:

- the 60-th percentile for Life segment – assuming a normal distribution of future cash flows;
- the 70-th percentile for P&C segment – deriving from "ultimate" distribution of P&C Underwriting risks.

Contractual Service Margin

The Contractual Service Margin (CSM) reflects the estimate of the unearned profit of a group of insurance contracts that has not yet been recognized in profit or loss at the reporting date, because it relates to future service still to be provided.

Determination of coverage units

IFRS 17 requires to calculate the release of CSM in accordance to the pattern of the coverage units that are determined by considering for each contract the quantity of the benefits provided to the policyholder and its expected coverage duration.

Depending on the type of service provided, the coverage unit and the related quantity of benefit are defined by GENERALI zavarovalnica d.d. based on the following rules that vary on the basis of product's features and type of coverage:

- in case of insurance contracts with direct participation features, the coverage units are generally defined as a function of the assets under management and sum insured;

- in case of traditional contracts without direct participation features, the coverage units are generally defined as a function of the sum insured;
- In case of riders, the coverage units are generally defined as a function of premium.

Future coverage units used to determine the CSM release are generally discounted. In details:

- for GMM business, coverage units are discounted using the reference locked-in curve of each group of insurance contracts,
- for VFA business, in order to avoid undue CSM release volatility caused by the fluctuations of interest rates, a 10-year rolling weighted average curve is applied.

Investment components

The Company identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

The investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms less any accrued fees and surrender charges.

5.14.2 SIGNIFICANT ACCOUNTING POLICIES

Insurance, reinsurance and investment contracts – Classification

Contracts under which the Company accepts significant insurance risk are classified as insurance contracts. Contracts held by the Company under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts.

According to the Standard, IFRS 17 is applied to all contracts that meet the definition of an insurance contract:

- insurance contracts, including reinsurance contracts (i.e., assumed business), issued;
- reinsurance contracts held; and
- investment contracts with discretionary participation features (DPF) issued if the entity also issues insurance contracts.

Some contracts entered into by the Company have the legal form of insurance contracts but do not transfer significant insurance risk. These contracts are classified as 'investment contracts'. In particular, policies of the Life segment are classified as insurance contracts or investments contracts on the basis of the following steps:

- identification of the characteristics of products (guarantees/options, discretionary participation features) and services provided;
- determination of the level of insurance risk in the contract.

The Company has no significant impacts on the insurance contract classification when compared to IFRS 4, except for pension insurance contracts during the saving period, which are treated in accordance with IFRS 9.

Above mentioned pension contracts are purely financial accumulation contracts. In case of death or cancelation of contract the outpayment is done based on the accumulated paid premium (without costs), including the earned interest.

Insurance contracts are classified as direct participating contracts or contracts without direct participation features. Direct participating contracts are contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the Company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the PAA.

Insurance and reinsurance contracts

Separation of components of an insurance contract

Insurance contracts create a bundle of rights and obligations which work together to generate a package of cash flows. While some types of insurance contracts only provide insurance coverage (e.g. most short-term non-life contracts), other types of insurance contracts may contain one or more components which would be within the scope of another standard if they were separate contracts. Some insurance contracts may contain:

- investment components (e.g., pure deposits, such as financial instruments whereby an entity receives a specified sum and undertakes to repay that sum with interest);

- goods and services components (e.g., services other than insurance contract services, such as pension administration, risk management services, asset management or custody services); and
- embedded derivatives (e.g., financial derivatives, such as interest rate options or options linked to an equity index).

In certain cases, specifically defined by IFRS 17, the above-mentioned components must be separately considered and measured under another IFRS standard.

IFRS 17 requires separating a distinct investment component from the host contract. In fact, an investment component is distinct if, and only if, both the following conditions are met:

- the investment component and the insurance component are not highly interrelated. The two components are highly interrelated if the value of one component varies with the value of the other component and hence the entity is unable to measure each component without considering the other one. The components are also highly interrelated if the policyholder is unable to benefit from one component unless the other is also present;
- a contract with terms equivalent to the investment component is sold, or could be sold, separately in the same market or same jurisdiction.

If the investment component does not satisfy the two conditions above, it would be identified as non-distinct and IFRS 17 would apply on the contract as a whole (no separation from host contract) whereby the effect of the investment component is excluded from insurance revenue and insurance expenses.

With reference to service component, the latter is considered as a separate component when cash flows and its associated risks are not closely related with the one arising from the primary insurance contract and therefore there is no evidence of an integration between service and insurance component.

The Company does not have significant impacts on the insurance contract classification when compared to IFRS 4, nor on the separation of distinct investment components, except for pension insurance contracts during the saving period, which are treated in accordance with IFRS 9.

Level of aggregation and initial recognition

IFRS 17 requires that an entity should aggregate contracts at inception in groups for recognition, measurement, presentation and disclosure. An entity shall establish the groups at initial recognition and shall not reassess the composition of the groups subsequently.

The starting point for aggregating contracts is to identify portfolios of insurance contracts. A portfolio comprises contracts that are subject to similar risks and managed together.

The assessment of “similar risks” should take into consideration the prevailing risks of the contracts. In case the prevailing risks are similar, then two contracts can be considered as exposed to similar risks.

GENERALI zavarovalnica d.d. applies level of aggregation on Life and Nonlife segment.

With reference to reinsurance contracts, the GENERALI zavarovalnica d.d.'s position is that a portfolio of reinsurance contracts could be composed by one or more reinsurance treaties grouped together that are managed together if exposed to similar risks. Type of coverage (proportional or non-proportional, Loss Occurring or Risk Attaching), as well as the nature of reinsurance contracts, can be considered as drivers that may be used to determine whether reinsurance contracts belong to the same portfolio.

IFRS 17 then requires the entity to divide the contracts in each portfolio on initial recognition into the following groups:

- group of contracts that are onerous at initial recognition;
- group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- group of the remaining contracts in the portfolio.

IFRS 17 prescribes that an entity cannot include contracts issued more than one year apart in the same group.

Therefore, each portfolio should be disaggregated into annual cohorts, or cohorts consisting of periods of less than one year. With regard to life insurance, the Company disaggregates each portfolio into annual cohorts or cohorts consisting of periods of less than one year. The Company applies the PAA for the valuation of non-life insurance contracts and reinsurance contracts (for life and non-life insurance).

However, as per amendment done in the endorsement phase of IFRS 17, the Art.2 of European Commission Regulation (EU) 2021/2036 grants an entity applying IFRS 17 the option (i.e., Carve-out option) not to apply the requirement laid down in paragraph 22 of the IFRS 17 (i.e., annual cohort requirement) to:

- groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features as defined in Appendix A to the Annex to the Regulation, and with cash flows that affect or are affected by cash flows to policyholders of other contracts as laid down in paragraphs B67 and B68 of Appendix B of that Annex;
- groups of insurance contracts that are managed across generations of contracts and that meet the conditions laid down in Article 77b of Directive 2009/138/EC and have been approved by supervisory authorities for the application of the matching adjustment.

GENERALI zavarovalnica d.d. did not adopt the exemption for applying the annual cohort to most of its profit-sharing contracts valued according to the VFA model, as there is no mutuality among the cash flows of the different generations of policyholders.

The Company divides the portfolios of reinsurance contracts held in the same way as for insurance contracts issued, whereby the references to onerous contracts in those paragraphs are replaced with a reference to contracts on which there is a net gain on initial recognition.

A group of insurance contracts issued is recognized from the earliest of the following events:

- the beginning of the coverage period;
- the date when the first payment from a policyholder in the group becomes due;
- for a group of onerous contracts, when the group becomes onerous.

With reference to reinsurance contracts held, the initial recognition is set:

- at the beginning of the coverage period, except reinsurance contracts for which the initial recognition is postponed until the date that the underlying insurance contract is initially recognised;
- at the date the entity recognizes an onerous group of underlying insurance contracts if the entity entered into the related reinsurance contract at or before that date.

The Company recognises a group of insurance contracts in accordance with the Standard.

Insurance acquisition cash flows

Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort.

If insurance acquisition cash flows are directly attributable to a group of contracts (e.g. commissions paid on issuance of a contract), then they are allocated to that group. If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

At each reporting date, the Company revises the amounts allocated to groups to reflect any changes in assumptions that determine the inputs to the allocation method used. Amounts allocated to a group are not revised once all contracts have been added to the group.

Contract boundaries

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group, determined as follows.

a. Insurance contracts

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay premiums or has a substantive obligation to provide services.

A substantive obligation to provide services ends when:

- the Company has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
- the Company has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

The reassessment of risks considers only insurance or financial risks transferred from policyholders to the Company.

b. Reinsurance contracts

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.

A substantive right to receive services from the reinsurer ends when the reinsurer:

- has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or
- has a substantive right to terminate the coverage.

The contract boundary is reassessed at each reporting date to include the effect of changes in circumstances on the Company's substantive rights and obligations and, therefore, may change over time.

Measurement Model

General Model Measurement (GMM)

The GMM represents the standard measurement model envisaged by the standard for the measurement of insurance assets and liabilities.

According to the provisions of the standard, the General Measurement Model (GMM) or the Building Block Approach (BBA) is used as the basic method for measuring insurance contracts.

Within the Life segment, the GMM measurement model is mainly applied to pure risk multiyear products and traditional savings policies not eligible for application of the VFA business.

On initial recognition, the Company measures a group of insurance contracts as the total of (a) the fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the CSM.

The CSM of a group of insurance contracts represents the unearned profit that the Company will recognise as it provides services under those contracts. If, on initial recognition of a group of insurance contracts, the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group, is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total is a net outflow, then the group is onerous. In this case, the net outflow is recognised as a loss in profit or loss. A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as run-off of losses on onerous contracts and are excluded from insurance revenue.

The carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and claim handling costs that have not yet been paid, including claims that have been incurred but not yet reported.

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current

estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows.

Changes relating to future services.	Adjusted against the CSM (or recognised in the insurance service result in profit or loss if the group is onerous).
Changes relating to current or past services.	Recognised in the insurance service result in profit or loss.
Effects of the time value of money, financial risk and changes therein on estimated future cash flows.	Recognised as insurance finance income or expenses.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group in the year;
- interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
- changes in fulfilment cash flows that relate to future services, except to the extent that:
 - any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in profit or loss and creates a loss component; or
 - any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in profit or loss;
- the effect of any currency exchange differences on the CSM; and
- the amount recognised as insurance revenue because of the services provided in the year (CSM release).

Changes in fulfilment cash flows that relate to future services comprise:

- experience adjustments arising from premiums received in the year that relate to future services and related cash flows, measured at the discount rates determined on initial recognition;
- changes in estimates of the present value of future cash flows in the liability for remaining coverage, measured at the discount rates determined on initial recognition, except for those that arise from the effects of the time value of money, financial risk and changes therein;
- differences between (a) any investment component expected to become payable in the year, determined as the payment expected at the start of the year plus any insurance finance income or expenses related to that

expected payment before it becomes payable; and (b) the actual amount that becomes payable in the year;

- differences between any loan to a policyholder expected to become repayable in the year and the actual amount that becomes repayable in the year; and
- changes in the risk adjustment for non-financial risk that relate to future services.

Changes in discretionary cash flows are regarded as relating to future services and accordingly adjust the CSM.

Variable Fee Approach (VFA)

Standard prescribes that VFA can be applied if the following conditions are met:

- there is a clearly identified pool of underlying items contractually defined (B.101a)
- the entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items (B.101b) and
- the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

These conditions are fulfilled only for Unit Linked and Hybrid products.

For direct participating contracts the Company's obligation to the policyholder is the net of:

- the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- a variable fee in exchange for future services provided by the contracts, being the amount of the Company's share of the fair value of the underlying items less fulfilment cash flows that do not vary based on the returns on underlying items. The Company provides investment services under these contracts by promising an investment return based on underlying items, in addition to insurance coverage.

GENERALI zavarovalnica d.d. assesses whether the conditions above are met using its expectations at inception of the contract and does not expect to repeat the assessment unless the contract is modified.

When measuring a group of direct participating contracts, the Company applies Variable Fee Approach (VFA) by adjusting the fulfilment cash flows for the whole of the changes in the obligation to pay policyholders an amount equal to the fair value of the underlying items. These changes do not relate to future services and are recognised in profit or loss. The Company then adjusts CSM for changes in the amount of the Company's share of the fair value of the underlying items, which relate to future services, as explained below.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group in the year;
- the change in the amount of the Company's share of the fair value of the underlying items and changes in fulfilment cash flows that relate to future services, except to the extent that:
 - a decrease in the amount of the Company's share of the fair value of the underlying items, or an increase in the fulfilment cash flows that relate to future services, exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss (included in insurance service expenses) and creating a loss component; or
 - an increase in the amount of the Company's share of the fair value of the underlying items, or a decrease in the fulfilment cash flows that relate to future services, is allocated to the loss component, reversing losses previously recognised in profit or loss (included in insurance service expenses);
- the effect of any currency exchange differences on the CSM; and
- the amount recognised as insurance revenue because of the services provided in the year (CSM release).

Changes in fulfilment cash flows that relate to future services include the changes relating to future services specified above for contracts without direct participation features (measured at current discount rates) and changes in the effect of the time value of money and financial risks that do not arise from underlying items – e.g. the effect of financial guarantees.

GENERALI zavarovalnica d.d. applies the VFA only to the insurance portfolio of the Life segment.

Premium Allocation Approach (PAA)

This is a simplified method for the measurement of insurance contracts. It can be applied for contracts having a coverage period shorter than one year or when the entity reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the entity that would not differ materially from the one that would be produced applying the GMM. Using the Premium Allocation Approach, the Liability for Remaining Coverage is equal to premiums received at initial recognition less any insurance acquisition cash flows and any amounts recognized on a pro-rata temporis basis as insurance revenue at the closing date. The GMM remains applicable for the measurement of the Liability for Incurred Claims.

This model is predominantly applied to the insurance portfolio of the P&C segment.

Company's non-life insurance and reinsurance contracts applies (PAA) approach, and therefore it applies the simplified approach (PAA), pursuant to the IFRS 17.

With reference to life insurance, the application of this measurement model by the Company is limited to reinsurance contracts only.

Insurance contracts

On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured as the premiums received on initial recognition minus any insurance acquisition cash flows allocated to the group at that date and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows). The Company has chosen not to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses and decreased by the amount recognised as insurance revenue for services provided and any additional insurance acquisition cash flows allocated after initial recognition. On initial recognition of each group of contracts, the Company expects that the time between providing each part of the services, and the related premium due date is no more than a year. Accordingly, the Company has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, the Company recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows are discounted (at current rates) if the liability for incurred claims is also discounted.

The Company recognises the liability for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows are discounted (at current rates).

Reinsurance contracts

The Company applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

If a loss-recovery component is created for a group of reinsurance contracts measured under

the PAA, then the Company adjusts the carrying amount of the asset for remaining coverage.

Derecognition and contract modification

The Company derecognises a contract when it is extinguished – i.e. when the specified obligations in the contract expire or are discharged or cancelled.

The Company also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

On derecognition of a contract from within a group of contracts not measured under the PAA:

- the fulfilment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognised;
- the CSM of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component; and
- the number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognised from the group.

If a contract is derecognised because it is transferred to a third party, the CSM is also adjusted for the premium charged by the third party, unless the group is onerous.

If a contract is derecognised because its terms are modified, then the CSM is also adjusted for the premium that would have been charged had the Company entered into a contract with the new contract's terms at the date of modification, less any additional premium charged for the modification. The new contract recognised is measured assuming that, at the date of modification, the Company received the premium that it would have charged less any additional premium charged for the modification.

Presentation and Disclosure

The Company presents separately in the statement of financial position the carrying amount of portfolios of:

- insurance contracts issued that are assets;
- insurance contracts issued that are liabilities;
- reinsurance contracts held that are assets; and
- reinsurance contracts held that are liabilities.

The Company disaggregates the amounts recognised in the statement of profit or loss and other comprehensive income into:

- an insurance service result, comprising insurance revenue and insurance service expenses; and
- insurance finance income or expenses.

Insurance revenue – Contracts not measured under the PAA

The Company recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services provided by Company in the period and comprises the following items:

- A release of the CSM, measured based on coverage units provided.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts, which are recognised as insurance revenue and insurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

In addition, the Company allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Company recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

Release of the CSM

The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each year is determined by identifying the coverage units in the group, allocating the CSM remaining at the end of the year (before any allocation) equally to each coverage unit provided in the year and expected to be provided in future years, and recognising in profit or loss the amount of the CSM allocated to coverage units provided in the year. The number of coverage units is the quantity of services

provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

Services provided by insurance contracts include insurance coverage and, for all direct participating contracts, investment services for managing underlying items on behalf of policyholders. In addition, life savings contracts may also provide investment services for generating an investment return for the policyholder, but only if:

- an investment component exists, or the policyholder has a right to withdraw an amount (e.g. the policyholder's right to receive a surrender value on cancellation of a contract);
- the investment component or withdrawal amount is expected to include an investment return; and
- the Company expects to perform investment activities to generate that investment return.

The expected coverage period reflects expectations of lapses and cancellations of contracts, as well as the likelihood of insured events occurring to the extent that they would affect the expected coverage period. The period of investment services ends no later than the date on which all amounts due to current policyholders relating to those services have been paid.

Insurance revenue – Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Company allocates the expected premium receipts to each period on the following bases:

- certain property contracts: the expected timing of incurred insurance service expenses; and
- other contracts: the passage of time.

Loss components

For contracts not measured under the PAA, the Company establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for non-financial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Changes in fulfilment cash flows relating to future services and changes in the amount of the Company's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items:

- Incurred claims and other insurance service expenses.
- Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Company amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

The Company recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

For life risk and life savings contracts, the Company has chosen to disaggregate insurance finance income or expenses between profit or loss and OCI. The amount included in profit or loss is determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts. The systematic allocation is determined using the discount rates determined on initial recognition for life risk and life savings contracts.

Amounts presented in OCI are accumulated in the insurance finance reserve. If the Company derecognises a contract without direct participation features as a result of a transfer to a third party or a contract modification, then any remaining amounts of accumulated OCI for the contract are reclassified to profit or loss as a reclassification adjustment.

For participating and non-life contracts, the Company presents insurance finance income or expenses in profit or loss.

5.15 ASSETS AND LIABILITIES FROM INVESTMENT CONTRACTS

Investment contracts comprise voluntary supplementary pension insurance concluded under the Pokojninsko varčevanje AS – individualno (Pension savings AS – individual), Pokojninsko varčevanje AS – kolektivno (pension savings AS – collective) and Kritni sklad z zajamčenim donosom PN-A01 pension schemes.

The Company manages assets from supplementary pension insurance in the pension funds Pokojninsko varčevanje AS in accordance with the life cycle investment policy. Pension funds Pokojninsko varčevanje AS and Kritni sklad z zajamčenim donosom PN-A01 were formed based on the legislation of the Republic of Slovenia regulating supplementary pension insurance (SPI) and provides significant financial optimization of saving for supplementary pension as well as tax benefits to both employees and employers.

The Pokojninsko varčevanje AS (Pension savings) life cycle funds consists of:

- the Pokojninsko varčevanje AS Drzni up to 50 fund;
- the Pokojninsko varčevanje AS Umirjeni between 50 and 60 fund;
- the Pokojninsko varčevanje AS Zajamčeni above 60 fund.

The investment policy of each pension funds is designed specifically for the target age group of policyholders and in accordance with the investment goals for the age group, at which individual funds are aimed.

For the Pokojninsko varčevanje AS Zajamčeni above 60 and Kritni sklad z zajamčenim donosom PN-A01, the Insurance Company guarantees a return of 60% of average annual interest rate (yield) on Slovenian government securities with a maturity of more than one year, taking into account the legal basis prescribed by the Slovenian Ministry of finance for the calculation of the minimum return (yield). Annual interest rate (yield) is published at the beginning of business year.

All financial assets, loans, deposits and cash are classified as financial assets measured at fair value through profit and loss. Liabilities from investment contracts comprise obligations of the Pokojninsko varčevanje AS funds and Kritni sklad z zajamčenim donosom PN-A01. Those are formed

for voluntary supplemental pension insurance concluded using all pension funds offered by Insurance Company. They are calculated based on the collected net premium from policyholders by savings account and fund by multiplying the number of asset units in the fund with the value of an asset unit in the fund on the valuation date. Net premium of policyholders is gross written premium less entry costs.

For investment contracts in the fund with a guaranteed return (Pokojninsko varčevanje AS Zajamčeni above 60), the guaranteed asset value is also calculated – the number of guaranteed asset units multiplied with the value of the guaranteed asset unit on the valuation date. The guaranteed return under the adopted pension scheme for the Pokojninsko varčevanje AS Zajamčeni above 60 provides guaranteed return of 60% of the average annual interest rate on government securities with a maturity of more than one year, considering the legal basis prescribed by the Slovenian Ministry of finance to calculate the minimum guaranteed return.

If asset value in an individual savings account is lower than the guaranteed asset value, the Company forms liabilities due to not achieving the guaranteed return for the total value of this difference on personal accounts (policies). The liability may not, however, exceed 20% of the capital of the Company. The liability to policyholder for failing to achieve guaranteed return are formed for the Company's own life insurance funds, namely among other long-term liabilities under Pension and Disability Insurance Act (ZPIZ 2). For the fund Pokojninsko varčevanje AS Zajamčeni above 60, these liabilities are formed as contingent liabilities to policyholders among off-balance sheet items, which are, upon payment (surrender), paid in the value calculated on the day of surrender as the difference between the higher guaranteed value and the actual value in the personal account of the policyholder.

5.16 OTHER PROVISIONS

Other provisions are formed for present obligations arising from past events to be settled for the period that has not been determined with certainty and whose value cannot be reliably assessed.

Employee benefits

Employee benefits include provisions for the unused part of annual leave, provisions for long-service benefits and provisions for termination benefits at retirement and are presented as a separate item under other provisions and accruals.

Post-employment and other long-term employee benefits

The items referring to post-employment and other long-term employee benefits include:

- retirement allowances and
- long-service benefits,

for which provisions for long service benefits and retirement allowances are formed. Provisions are calculated in accordance with the Projected Unit Credit Method in accordance with the IAS 19 (the method for calculating benefits in proportion to the work performed), and the calculation takes into account mortality, employee retention, future increase in salaries, expected inflation rate and expected return on investments. In the balance sheet, liabilities are recognised as net present value of all post-employment liabilities. The future cash flows are discounted by applying the market rate for high quality long-term bonds on the balance-sheet date. The discount rate assumption is based on the ECB curve, including all EU countries, by taking into account the average interest rate according to the expected duration of liabilities arising from retirement allowances and long service benefits. The adequacy of the applied actuarial assumptions is reviewed periodically.

For the purpose of forming provisions for length of the service benefits, the amount of one to two Company average gross salaries, depending on the long service, is taken into account. The liability for long service benefits upon reaching the threshold of 10, 20 or 30 years of service of an employee is recognised pro rata with the years of service with the employer.

As a basis for establishing retirement allowances, the amount of three or two (set out in an individual employment contract/collective agreement) gross salaries (of the employee or the average salary in the Republic of Slovenia if the latter is higher) is taken into account. The liability for retirement allowances is increased and recognised through the entire period of service of the employee.

The liabilities for provisions for retirement allowances and long service benefits are recognised on the basis of obligations, which arise from the concluded employment contracts and effective labour legislation, including also taxes and contributions of the employer.

Changes in the provisions for employees due to repayments or new formations are recognised as operating costs (labour costs) in the income statement. Revaluation of provisions arising from an increase or decrease of the present value of liabilities due to changes in actuarial assumptions and adjustments arising from experience are recognised as actuarial gains or losses within other comprehensive income, however only with relation to provisions for retirement allowances.

5.17 OPERATING LIABILITIES

Operating liabilities are initially carried at fair value that arises from appropriate documents. Later on, they are increased in accordance with the documents and decreased on the same basis or based on the payments made.

Other financial liabilities (long-term lease liabilities and short-term loans), current tax liabilities, and other operating liabilities are recognized among operating liabilities.

5.17.1 OTHER LIABILITIES

Other liabilities include Current operating liabilities and Accrued expenses and deferred income/expenses.

Current operating liabilities

Current operating liabilities include liabilities to suppliers, employees, and the state (excluding income tax liabilities). Short-term liabilities to employees are calculated at nominal value and shown as labor costs in the income statement. Short-term employee benefits represent salaries, vacation costs, etc. Additionally, other business liabilities include other liabilities from insurance operations.

Accrued expenses and deferred income/expenses

Accrued expenses and deferred income/expenses are set up with the intention to spread disbursements over the income statement, even though these income/ expenses is recognised through profit or loss. Apart from that, expenses for unused annual leave are also carried under have not yet occurred. Considering past developments in operations, the management can estimate the expenses that will occur for the period concerned, even though they did not yet receive appropriate documents. Based on this estimate, the amount is taken into account in the financial statement. When the business event occurs, accrued income/expenses are decreased and the difference between accrued and actual income/expenses is recognised through profit or loss. Apart from that, expenses for unused annual leave are also carried under short-term accrued expenses.

5.18 REVENUES AND EXPENSES

Revenues include fair value of received compensation or receivables for the sale of services under the normal operating conditions of the Company.

Revenues and expenses from investments

Revenues and expenses from investments include revenues arising from interest, unrealised gains/losses, realised gains/losses from the disposal of investments, dividends, gains and losses from foreign exchange differences, revenues, and expenses from the expected credit loss of financial assets and impairment of participations.

Revenues and expenses for interest on investments are recognised through profit or loss upon their occurrence and are calculated in accordance with the effective interest rate method, except for financial assets measured at fair value through profit or loss, in which case, they are calculated using the nominal interest method.

Unrealised gains and losses for financial assets at fair value through profit or loss are recognised in profit and loss statement.

Profit (loss) arising from disposal of investments is recognised in the income statement within net gains/(losses) on derecognition of financial assets. Except for capital instruments valued at fair value through other comprehensive income, realised gain or loss is recognised within retained earnings in balance sheet.

Gains and losses from exchange differences are calculated for assets in foreign currencies. They are translated at the balance sheet date by applying the reference exchange rate of the European Central Bank.

Dividend income on a capital instrument recognised in the income statement when the right to receive payment is established.

Expected credit loss for debt instruments valued at fair value through other comprehensive income or at amortised cost is recognised through profit and loss.

Impairment of participations is recognised if there is objective evidence of impairment due to an event occurring after the initial recognition of the asset and that event has an impact on the estimated future cash flows from the financial asset.

Other revenues

Other revenues include revenues from rentals of investment properties charged on the basis of the concluded lease contracts and other operating revenues such as the recovered amount of previously written-off debt, received fines and compensations, and other similar items.

Other expenses

Expenses from investment properties, revaluation operating expenses, and other operating and financial expenses not arising from investments are included in other expenses.

5.19 TAXES AND DEFERRED TAXES

Tax expense includes current tax and deferred tax. The effects of recognizing deferred tax assets and liabilities are recognized as income or expense in the income statement, except when the tax arises from an event recognized in other comprehensive income.

Current tax

The Company calculates and pays tax on insurance transactions in accordance with the Insurance Premium Tax Act at the rate of 8.5% of the taxable amount.

The Company charges VAT for the taxable part of its activities in accordance with the Value Added Tax Act and exercises the right to deductible VAT. For its basic activity the Company is entitled to a 1% deduction of VAT (the rate is checked annually). The Company exercises the right to a 100% deduction of VAT for the activity of property lease.

Current tax or corporate income tax is calculated in accordance with the Corporate Income Tax Act in the Republic of Slovenia, whereby the tax rate is equal to the legally valid rate on the date of the balance sheet. The tax rate for 2025 was 22% (2024 was 22%).

Tax expenses consist of current taxes and deferred taxes. These are recognized in the income statement or in the statement of other comprehensive income when taxes relate to revenue or expenses recognized through the statement of other comprehensive income (in equity) or if tax liabilities are recognized for tax assets from previous periods.

Deferred taxes

Deferred taxes are effects of the differences between the carrying amount of the posted items in the balance sheet and their tax value, calculated in accordance with the liability method under the balance sheet for all temporary differences. Deferred taxes are accounted for as deferred tax assets or as deferred tax liabilities.

Deferred tax assets and deferred tax liabilities have been established for the financial year under review and for the past financial years to the extent that it is probable that future taxable profit will be available, and tax will be paid to the tax authorities (recovered from the tax authorities), by applying the tax rates (and tax regulations) effective as at the balance sheet date. Any deductible temporary differences are recognised if it is to be expected that disposable taxable income will be recognised against which the temporary differences can be utilised. Any deductible temporary differences are recognised by the prescribed tax rate for the year when disposable taxable profit is expected.

Deductible temporary differences are expenses not recognised for tax purposes that arise primarily from provisions set up for employee benefits, calculated depreciation that exceeds the amount of the calculated depreciation at the rates recognised for tax purposes, and revaluation adjustments as a consequence of temporary impairment of receivables and financial investments in the statement of other comprehensive income.

5.20 NEW AND AMENDED STANDARDS THAT ARE NOT YET IN EFFECT

The following new and amended standards are effective for annual reporting periods beginning after January 1, 2025 (earlier application permitted). The Insurance Company has not early adopted any of these new and amended standards and does not expect them to have a significant impact on its financial statements upon adoption, except for IFRS 18, the impact of which is currently being assessed:

- amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates. Translation to a Hyperinflationary;
- amendments to IFRS 9 and IFRS 7: Enhancements to the Classification and Measurement of Financial Instruments;
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-Linked Electricity;
- IFRS 18: Presentation and Disclosure in Financial Statements;
- IFRS 19: Subsidiaries Without Public Accountability: Disclosures; and
- annual Improvements to IFRS Standards – 11th Cycle.

5.21 MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

Fair value of financial assets and liabilities is the amount by which an asset can be exchanged, or a debt can be repaid between knowledgeable and willing parties in an orderly transaction. The fair value assessment of financial investments depends on the availability of market data serving as a basis for fair value assessment by the insurance. The insurance uses the valuation techniques presented in Section 5.7. to measure financial assets at fair value and classify them into hierarchy.

Assets, operating receivables and operating liabilities which are of short-term nature are not included in the display of assets and liabilities at fair value because it has been confirmed that their carrying value is a very good approximation of fair value.

Classification of financial assets and financial liabilities 2025

(in EUR)	Financial assets measured at fair value through P&L (FVTPL) - not passed SPPI test (Mandatory)	Financial assets measured at fair value through OCI
Equity securities	5,019,619	-
Corporate bonds	8,534,087	-
Government bonds	-	-
Investment fund units	28,134,576	-
Assets from investment contracts	-	-
Financial assets where the investment risk is borne by policyholder	-	-
Total financial assets for which the fair value is disclosed	41,688,282	-
Subordinated liabilities	-	-
Investment contracts liabilities	-	-
Total financial liabilities	-	-

Classification of financial assets and financial liabilities 2024

(in EUR)	Financial assets measured at fair value through P&L (FVTPL) - not passed SPPI test (Mandatory)	Financial assets measured at fair value through OCI
Equity securities	5,833,267	-
Corporate bonds	2,615,574	-
Government bonds	-	-
Investment fund units	26,046,820	-
Assets from investment contracts	-	-
Financial assets where the investment risk is borne by policyholder	-	-
Loans and deposits	-	-
Total financial assets for which the fair value is disclosed	34,495,661	-
Subordinated liabilities	-	-
Investment contracts liabilities	-	-
Total financial liabilities	-	-



Assets measured at P&L (FVTPL) - (Designated)	Financial assets measured at fair value through other comprehensive income (FVTOCI)	Financial assets measured at fair value through other comprehensive income (FVTOCI - without recycling)	At amortised costs (AC)	Total 31.12.2025
-	-	15,896,189	-	20,915,808
-	145,055,237	-	-	153,589,324
-	387,228,673	-	-	387,228,673
-	18,250,570	-	-	46,385,146
46,636,544	-	-	-	46,636,544
463,918,317	-	-	-	463,918,317
510,554,861	550,534,480	15,896,189	-	1,118,673,812
-	-	-	30,947,803	30,947,803
48,182,993	-	-	-	48,182,993
48,182,993	-	-	30,947,803	79,130,796

Assets measured at P&L (FVTPL) - (Designated)	Financial assets measured at fair value through other comprehensive income (FVTOCI)	Financial assets measured at fair value through other comprehensive income (FVTOCI - without recycling)	At amortised costs (AC)	Total 31.12.2024
-	-	15,034,686	-	20,867,953
-	104,386,822	-	-	107,002,396
-	416,062,920	-	-	416,062,920
-	15,230,251	-	-	41,277,071
45,342,524	-	-	-	45,342,524
452,495,791	-	-	-	452,495,791
-	-	-	41,718	41,718
497,838,315	535,679,993	15,034,686	41,718	1,083,090,373
-	-	-	31,231,211	31,231,211
45,856,110	-	-	-	45,856,110
45,856,110	-	-	31,231,211	77,087,321

Financial assets and liabilities categorised in the fair value hierarchy in 2025

in EUR as at 31.12.2024	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	41,688,282	41,688,282	11,407,285	2,765,124	27,515,873
Equity securities	5,019,619	5,019,619	-	-	5,019,619
Debt securities	8,534,087	8,534,087	5,768,963	2,765,124	-
Investment fund units	28,134,576	28,134,576	5,638,322	-	22,496,254
Financial assets at fair value through other comprehensive income	566,430,669	566,430,669	528,640,726	21,893,792	15,896,152
Equity securities	15,896,189	15,896,189	37	-	15,896,152
Debt securities	532,283,910	532,283,910	528,640,689	3,643,222	-
Investment fund units	18,250,570	18,250,570	-	18,250,570	-
Financial assets where the investment risk is borne by policyholder	463,918,317	463,918,317	433,465,799	5,645,826	24,806,692
Assets from investment contracts	46,636,544	46,636,544	46,567,667	-	68,877
Total financial assets measured at fair value	1,118,673,812	1,118,673,812	1,020,081,477	30,304,742	68,287,594
TOTAL ASSETS	1,118,673,812	1,118,673,812	1,020,081,477	30,304,742	68,287,594
Subordinated liabilities	30,947,803	30,936,561	-	-	30,936,561
Investment contracts liabilities	48,182,993	-	-	48,182,993	-
Total liabilities for which the fair value is disclosed	79,130,796	30,936,561	-	48,182,993	30,936,561
TOTAL LIABILITIES	79,130,796	30,936,561	-	48,182,993	30,936,561

Financial assets and liabilities categorised in the fair value hierarchy in 2024

in EUR as at 31.12.2024	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	34,495,661	34,495,661	4,918,561	-	29,577,100
Equity securities	5,833,267	5,833,267	-	-	5,833,267
Debt securities	2,615,574	2,615,574	2,615,574	-	-
Investment fund units	26,046,820	26,046,820	2,302,987	-	23,743,833
Financial assets at fair value through other comprehensive income	550,714,679	550,714,679	508,579,517	27,100,477	15,034,686
Equity securities	15,034,686	15,034,686	-	-	15,034,686
Debt securities	520,449,742	520,449,742	508,579,517	11,870,226	-
Investment fund units	15,230,251	15,230,251	-	15,230,251	-
Financial assets where the investment risk is borne by policyholder	452,495,791	452,495,791	409,697,779	-	42,798,012
Assets from investment contracts	45,339,863	45,339,863	44,999,328	298,163	42,371
Total financial assets measured at fair value	1,083,045,994	1,083,045,994	968,195,185	27,398,640	87,452,169
Deposits and loans	41,718	41,718	-	-	41,718
Assets from investment contracts	2,661	2,661	-	-	2,661
Total financial assets for which the fair value is disclosed	44,379	44,379	-	-	44,379
TOTAL ASSETS	1,083,090,373	1,083,090,373	968,195,185	27,398,640	87,496,548
Subordinated liabilities	31,231,211	31,305,782	-	-	31,305,782
Investment contracts liabilities	45,856,110	-	-	45,856,110	-
Total liabilities for which the fair value is disclosed	77,087,321	31,305,782	-	45,856,110	31,305,782
TOTAL LIABILITIES	77,087,321	31,305,782	-	45,856,110	31,305,782

Level 3 financial assets and liabilities

Financial assets and liabilities categorised in the fair value hierarchy – Level 3 movement in 2025

(in EUR)	1.01.2025	Total profit/loss in profit or loss	Total profit/ loss in comprehensive income
Assets measured at fair value			
Financial assets at fair value through profit or loss	29,577,100	841,184	-
Equity securities	5,833,267	(45,636)	-
Investment fund units	23,743,833	886,820	-
Financial assets at fair value through other comprehensive income	15,034,686	-	861,496
Equity securities	15,034,686	-	861,496
Financial assets where the investment risk is borne by policyholder	42,798,012	2,144,240	-
Assets from investment contracts	42,371	(663)	-
TOTAL ASSETS	87,452,169	2,984,761	861,496

Financial assets and liabilities categorised in the fair value hierarchy – Level 3 movement in 2024

(in EUR)	1.01.2024	Total profit/loss in profit or loss	Total profit/ loss in comprehensive income
Assets measured at fair value			
Financial assets at fair value through profit or loss	33,400,020	3,285,576	-
Equity securities	5,033,881	180,458	-
Debt securities	2,123,798	-	-
Investment fund units	26,242,341	3,105,118	-
Financial assets at fair value through other comprehensive income	44,080,625	-	452,542
Equity securities	15,266,756	-	(232,070)
Debt securities	28,813,869	-	684,612
Financial assets where the investment risk is borne by policyholder	44,488,449	1,026,006	-
Assets from investment contracts	143,479	(197)	-
TOTAL ASSETS	122,112,573	4,311,385	452,542



Purchase	Sale	Transfers to (from) Level 3	Exchange rate differences	31.12.2025
15,079,885	(17,982,295)	-	-	27,515,874
553,683	(1,321,694)	-	-	5,019,620
14,526,202	(16,660,601)	-	-	22,496,254
-	-	(31)	-	15,896,151
-	-	(31)	-	15,896,151
2,309,501	(22,445,062)	-	-	24,806,691
31,444	(6,936)	2,661	-	68,877
17,420,830	(40,434,293)	2,630	-	68,287,593

In 2025, the Insurance Company reclassified EUR 2,630 financial assets from Level 3 to Level 1, out of which:

- EUR 31 financial assets at fair value through other comprehensive income;
- EUR 2.661 assets from investment contracts.

Level 3 movements are shown only for financial assets measured at fair value.

Purchase	Sale	Transfers to (from) Level 3	Exchange rate differences	31.12.2024
1,917,559	(6,902,257)	(2,123,798)	-	29,577,100
1,294,076	(675,149)	-	-	5,833,266
-	-	(2,123,798)	-	-
623,483	(6,227,108)	-	-	23,743,834
-	(8,045,244)	(21,453,237)	-	15,034,686
-	-	-	-	15,034,686
-	(8,045,244)	(21,453,237)	-	0
2,936,328	(5,652,771)	-	-	42,798,012
24,988	(37,187)	(88,712)	-	42,371
4,878,875	(20,637,459)	(23,665,747)	-	87,452,169

In 2024, the Insurance Company reclassified EUR 23,665,747 financial assets from Level 3 to Level 1, out of which:

- EUR 21,453,237 financial assets at fair value through other comprehensive income,
- EUR 88,712 assets from investment contracts and
- EUR 2,123,798 financial assets at fair value through profit.

Level 3 movements are shown only for financial assets measured at fair value.

The following is an analysis of the sensitivity of financial assets classified in level 3, measured at fair value. The table does not include unit-linked investments of policyholders.

Sensitivity Factor	Factor Description
Change in fair value of equity securities	The analysis shows how much the fair values of these financial assets would increase or decrease according to differently applied assumptions which are not based on observable market data. In calculating the deviation, $\pm 25\%$ of the change in the value of the investment is taken into account.
Change in fair value of debt securities	The analysis shows how much the fair values of these financial assets would increase or decrease according to differently applied assumptions which are not based on observable market data. In calculating the deviation, $\pm 0.5\%$ (50 basis points) of the change in the value of the investment due to the change in the interest rate is taken into account.

Until 31 December 2025, the Company did not reclassify financial asset between groups due to the change in their intended.

The Insurance Company reclassified debt securities from Level 1 to Level 2 because the instruments no longer met the requirements for Level 1 fair value measurement. Specifically, the securities exhibited insufficient market liquidity, resulting in quoted prices that could no longer be considered readily and regularly available from an active market.

Conversely, the reclassification of debt securities from Level 2 back to Level 1 was performed when market liquidity improved to the point where quoted prices from active markets once again became observable and reliable as the primary input for fair value measurement.

Sensitivity analysis of securities - classified in Level 3, measured at fair value

(in EUR)	2025	2024
Value of debt instruments classified to Level 3	24,302,816	42,294,137
Estimated value deviation	+241,011 / -241,011	+377,802 / -377,802
Value of equity instruments classified to Level 3	43,984,778	45,158,033
Estimated value deviation	+10,996,194 / -10,996,194	+11,289,508 / -11,289,508

Level 3 financial assets valuation methods

Internal valuation models are used for the valuation of equity securities. For debt securities, the valuation is generally based on the bid price (BID) obtained from Bloomberg BVAL or EJV Refinitiv, considering only quotes with a quality score below 7. If no such market price is available, the company applies an internal valuation model relying on unobservable Level 3 inputs.

Assumption/Parameter	Change
Interest rate change	0.5

Reclassification of financial assets between Levels 1 and 2

(in EUR)	2025	2024
Reclassification from level 1 to level 2	9,003,439	13,235,603
Reclassification from level 2 to level 1	9,259,094	-

6. RISK MANAGEMENT

The Insurance Company is already exposed to insurance risks by the nature of its business, as its activity is underwriting insurance contracts and consequently accepting risk from its policyholders. As all other financial organizations, it is also exposed to various financial risks, such as liquidity, credit and market risks (interest rate, currency and price risks). In addition to exposure to insurance and financial risks, the companies are also exposed to operational risks and other risks, including strategic risk and reputational risk. In the last couple of years, sustainability risks are becoming increasingly important.

The purpose of risk management is to ensure stable and long-term operations and decrease exposure to individual risks. Risk management is a continuous cyclical process that can be broken down into several stages.

It begins with the identification of potential risks. In the second stage, these risks are measured or assessed.

Based on the identification and measurement of risks within the Insurance Company, the board implements appropriate measures to reduce or control them (third stage). Additionally, a continuous monitoring system has been established to track the success of implemented measures, monitor remaining risks, and detect potential new risks early. The Insurance Company employs various risk management levers, which vary depending on the level of exposure and the type of risk.

The below table shows the risk profile of the Insurance Company in accordance with the approach of the standard formula used by the Insurance Company to calculate the required solvency capital (hereafter SCR).

Pillar I Risks covered by Standard Formula

Financial risks	Counterparty default	Insurance risks- Non - life	Insurance risks - Health	Insurance risks Life	Operational risks	Non-Pillar I risks
Interest rate	Counterparty default	Premium & Reserve	NSLT Health	Mortality	Capital requirements for operational risk based on insurance technical provisions, premiums and costs of UL insurance	Liquidity risk
Equity		CAT	SLT Health	Longevity		Strategic risk
Property		Lapse	Health CAT	Disability		Reputational risk
Spread				Lapse		Contagion risk
Currency				Expense		Emerging risk
Concentration				CAT		ESG risks
				Revision		

In order for the risk management system to be effective, it follows the risk management strategy and policy adopted by the Company's management. The goal of effective risk management is not to avoid risks at any cost, but to consciously take appropriate risks and take appropriate measures to prevent their materialisation or to prevent that their eventual materialisation causes excessive economic damage. Management accepts risks with the awareness that, in principle, riskier transactions bring higher returns and that the optimisation of the risk-return ratio is crucial for ensuring adequate security for policyholders while at the same time increasing the Company's value.

In addition to setting guidelines regarding the balance between risks, returns and capital, guidelines for the implementation of business policies and strategies for individual segments in the Company, Management also promotes transparent and unambiguous decisions and processes which represent a very important building block of risk awareness in the Company. By constantly upgrading the risk management function, the Company remains prepared for all the risks that await them in future operations. A general presentation of the risk management system and processes is presented in the management part of the annual report in Section 8.1.

6.1 CAPITAL ADEQUACY REQUIREMENTS AND CAPITAL MANAGEMENT

One of the most important missions of insurance GENERALI is ensuring an adequate capital level (capital adequacy) in line with the volume and types of insurance business and the risks it is exposed to in the course of its operations.

In the framework of its capital management policy, the Company pursues the goal of maintaining a certain surplus of available capital above the required level (pursuant to applicable legislation), which not only ensures protection against unpredictable adverse events but also guarantees continued operation and coverage for potential losses from current operations, while maintaining adequate return on capital. Ensuring a suitable surplus of capital above the required level represents, apart from profitability of operations and liquidity, one of the two most significant accepted risk appetites.

In accordance with regulatory deadlines, the Company publishes the Solvency and Financial Condition Report for the previous year in early April, disclosing its capital requirements and eligible own funds calculated in accordance with the provisions of the Solvency 2 Directive and the EC Delegated Regulation. The report is also reviewed by an independent external auditor.

Risk profile of the Company in 2025

Risks	Explanation
Risk of capital inadequacy	The capital adequacy of the Company remains in the target area of the set risk appetite, which ensures a sufficient excess of own funds over capital requirements. The Company uses a standard formula to determine these. The Company manages the risk primarily by maintaining adequate excess capital over its solvency needs. The Company manages this risk primarily by maintaining an adequate surplus of capital above its solvency needs and in line with the adopted risk appetite regarding capital adequacy. The achieved capital adequacy of the Company exceeded the target levels in 2025, and a similar outcome is expected for 2026.
Insurance risks	With respect to its portfolio, among insurance risks the Company identifies risks arising from non-life insurance, health insurance and life insurance. Together, these underwriting risks represent the largest share of the company's capital requirements, with the largest individual modules of capital requirements being life risk and non-life underwriting risk modules. The Company has maintained premium growth also in 2025, the combined ratio has remained within the strategically defined area. The profitability of pension and life insurance is hampered by the difficult situation on the financial markets and inflation.
Credit risks	In order to manage credit risk, the Company regularly monitors and manages individual exposures within the risk and ensures a good diversification of the portfolio. Credit risks, as well as operational ones, do not represent a significant share of the Company's total capital requirements.
Market risks	Despite the demanding conditions on the financial markets and inflation, the Company manages market risks, maintains a conservative investment policy and considers sustainability criteria when investing. Market risks represent the third largest individual module of capital requirements according to the standard formula.
Operational risks	The Company regularly monitors operational risks and takes measures to manage them. Among the most critical are risks in the field of information technology (digital risks) and cyber security, which is why the company pays great attention to the evaluation and management of these risks. The capital requirement for operational risks is among the smaller individual modules in terms of size and increases in connection with the growth of the Company's business volume.

The Company performs the own risk and solvency assessment (ORSA) as an additional verification of capital surplus adequacy, bringing a new perspective on the assessment of the Company's capital adequacy by comparing the own assessment of the Company's risk profile with the assumptions used in the calculation of regulatory capital requirements to check if the regulatory SCR calculation method (standard formula) covers the entire risk profile of the Company correctly. As part of the own assessment, the impact of planned activities in terms of their effect on the Company's capital adequacy in its future operations was also tested.

The management and supervisory bodies of the Company need to be aware of and clearly understand the implications

of strategic decisions for the above-mentioned capital aspects of the Company, as well as consider whether these implications are desired, feasible or if the Company can even afford them, considering the amount and quality of own funds. Therefore, in line with the applicable policies, all major strategic decisions that could affect the capital requirements and the Company's available capital are examined in terms of their impact on the Company's capital adequacy.

According to the results of the actual own risk and solvency assessment, the capital adequacy of the Company exceeds risk appetite, also in comparison with the own assessment of capital requirements over the entire business planning period. Furthermore, according to the own risk and solvency assessment, the tested negative shocks and scenarios would not jeopardize capital adequacy.

6.2 TYPES OF RISKS

6.2.1 INSURANCE RISKS

Insurance risks are all risks which the Company faces during its principal activity - acceptance of risk from a policyholder.

Given the type of insurance contracts, insurance risk is random and unpredictable. It can be materialised at any stage of the Company's principal activity, be it the formation of insurance product (the product is improperly designed), the formation of price (price risk that the amount of premium is insufficient to cover contractual obligations and compensation of losses) or underwriting risk (wrong decision about risk acceptance, non-compliance with the price list and terms of insurance, signing insurance contracts based on false data, improper reinsurance for particular risks, improper assessment of probable maximum loss (PML), insurance for concentrated risks (e.g. geographic concentration), insufficient employee qualifications for risk assessment). When accepting risks for insurance, the following risks can materialise as well: the risk of insufficient technical provisions, claim risk (the risk that the reported number or amount of claims will exceed the expected values and that the retention will be too high due to improper reinsurance security, especially in case of catastrophic events), the risk of change in policyholder behaviour (which reflects especially in the number of insurance fraud attempts) and, the risk of changes in the economic environment, which can lead to a

lower number of policies signed due to a lower purchasing capacity on the one hand and a higher number of contract surrenders and of claims enforced on the other hand.

The Company manages insurance risks primarily through effective implementation of internal controls, internal auditing, through forming adequate technical provisions to cover future liabilities from already issued insurance contracts and through appropriate reinsurance. Much attention is devoted to the development of new products to ensure that the relevant statistics are carefully observed already in the process of product development, confirming the appropriateness of the considered assumptions. After the implementation of a product, the Company constantly monitors the underwriting results by line of business, analyses any deterioration and corrects premium rates or terms of insurance, if necessary. The other area, critical for the materialisation of insurance risks, is the underwriting process. The Company controls this risk by means of instructions on the underwriting process, stricter criteria and procedures for risk acceptance, especially for high sums insured and coverage. Specialised departments in charge of high risks (in the field of non-life insurance) monitor the development of particular insurance contracts and may deny renewal of contracts or re-assess the underwritten risk. Reinsurance is an important means of insurance risk management and will be described in further detail in the following text.

Concentration of insurance risk

Concentration of insurance risk is the exposure of the insurance portfolio to loss events over an individual territory, which may result in mass loss. The concentration of insurance risk is managed by means of various types of reinsurance per risk, per event and in annual aggregate, where all these types are complementary.

Non - life insurance contracts

As regards non-life insurance, the Company is exposed to various types of risk associated with the sectors of the economy in which policyholders engage in business activities.

The concentration of individual risks is determined by analysing the insurance portfolio. For this purpose, a detailed examination of the exposure to the following risks by number, area and amount of insurance is produced;

- earthquake,
- storm, and
- flood.

The analyses show that, according to its structure, the portfolio of the Company is most exposed to the above risks. These are managed by proportional reinsurance protection above the maximum own shares in the form of reinsurance of individual events, as well as a greater number of such events in the form of reinsurance coverage of annual claims aggregate.

In order to ensure an adequate level of reinsurance coverage, the results of internationally recognized

modelling of the exceptional events offered by the reinsurance broker are also used.

The level and form of the reinsurance programme have so far proved to be adequate. Over the past two years, reinsurance protection was activated in case of a major event and in case of coverage of the annual aggregate of claims.

Non - life insurance

Concentrations of underwriting risk - by country of issue

(in EUR)	Gross written premium 2025	Net of reinsurance 2025	Gross written premium 2024	Net of reinsurance 2024
Slovenija	347,012,812	298,524,473	326,229,066	286,877,553
EU	986,826	874,144	837,683	774,710
Total	347,999,637	299,398,617	327,066,748	287,652,263

Concentrations of underwriting risk - by type of product

(in EUR)	Gross written premium 2025	Net of reinsurance 2025	Gross written premium 2024	Net of reinsurance 2024
Motor insurance	174,476,677	162,659,227	167,542,149	158,352,454
Accident and health insurance	36,468,066	36,325,346	35,702,294	35,585,048
Other non - life insurance	137,054,894	100,414,045	123,822,305	93,714,761
Total non - life	347,999,637	299,398,617	327,066,748	287,652,263

Life insurance

The table below shows the concentration of insurance risk arising from life insurance contracts, and specifically the aggregate underwritten sum insured split into five categories according to the amount of the sum insured under a separate insurance contract.

Aggregate underwritten sum insured under all contracts

(in EUR)	Sum insured 2025	Net of reinsurance 2025	Sum insured 2024	Net of reinsurance 2024
0–9999 euros	231,666,918	222,980,028	257,250,227	248,088,328
10,000–29,999 euros	824,330,365	764,978,903	907,262,822	850,958,627
30,000–59,999 euros	1,249,282,586	924,528,886	1,268,711,649	918,004,840
60,000–99,999 euros	965,285,410	469,130,224	957,656,194	410,584,165
Over 100,000 euros	1,060,829,914	368,732,685	970,086,006	307,096,728
Total	4,331,395,193	2,750,350,728	4,360,966,897	2,734,732,689

For annuity insurance risk, concentration is presented with total annual annuities classified into five categories, depending on the amount of the annual annuity per individual policyholder. Annual annuity is considered to be the amount which the policyholder would receive if the payments under the contract were due.

Structure of annually paid annuities

(in EUR)	TOTAL ANNUAL ANNUITY PAYMENTS IN 2025		TOTAL ANNUAL ANNUITY PAYMENTS IN 2024	
	amount	%	amount	%
Annual annuity payments to the insured person as at 31 December				
EUR 0–999	335,623	10.92%	311,435	10.11%
EUR 1,000–1,999	976,601	31.78%	924,197	30.00%
EUR 2,000–2,999	516,392	16.80%	529,193	17.18%
EUR 3,000–3,999	383,661	12.48%	419,113	13.60%
Over EUR 4,000	861,204	28.02%	896,896	29.11%
Total	3,073,482	100.00%	3,080,834	100.00%

The structure of the concentration of insurance risk with respect to the annuity business is comparable with the previous year. Concentration of insurance risk was the highest in the EUR 1,000–1,999 payment bracket and in the over EUR 4,000 annuity payment bracket.

Sensitivity analysis

The table below analyses how the CSM, profit or loss and equity would have increased (decreased) if changes in underwriting risk variables that were reasonably possible at the reporting date had occurred. This analysis presents the sensitivities both before and after risk mitigation by reinsurance and assumes that all other variables remain constant.

Sensitivity analysis 2025

(in EUR)	CSM gross	Profit/loss gross	Profit/loss net of reinsurance	Equity gross	Equity net of reinsurance
Life insurance					
Mortality rate +10%	(1,104,424)	150,934	-	(1,721,987)	-
Mortality rate -10%	1,084,233	(148,174)	-	1,690,505	-
Morbidity and disability rate +10%	(301,186)	41,161	-	(469,600)	-
Morbidity and disability rate -10%	283,532	(38,748)	-	442,075	-
Expenses +10%	(1,908,327)	260,797	-	(2,975,409)	-
Expenses -10%	1,888,479	(258,085)	-	2,944,463	-
Lapse rate +10%	(1,395,348)	190,692	-	(2,175,587)	-
Lapse rate -10%	1,461,623	(199,749)	-	2,278,921	-
Life insurance - participating VFA					
Mortality rate +10%	(358,150)	33,466	-	-	-
Mortality rate -10%	357,651	(33,419)	-	-	-
Morbidity and disability rate +10%	(8,192)	766	-	-	-
Morbidity and disability rate -10%	5,887	(550)	-	-	-
Expenses +10%	(4,982,394)	465,557	-	-	-
Expenses -10%	4,980,049	(465,337)	-	-	-
Lapse rate +10%	(2,614,168)	244,269	-	-	-
Lapse rate -10%	2,811,304	(262,689)	-	-	-
Non - life insurance					
Expected claims + 5%	-	(9,166,938)	(8,501,636)	(9,166,938)	(8,501,636)
Expected claims - 5%	-	9,166,938	8,501,636	9,166,938	8,501,636

Sensitivity analysis 2024

(in EUR)	CSM gross	Profit/loss gross	Profit/loss net of reinsurance	Equity gross	Equity net of reinsurance
Life insurance					
Mortality rate +10%	(1,120,290)	152,490	-	(943,070)	-
Mortality rate -10%	1,121,470	(152,650)	-	942,900	-
Morbidity and disability rate +10%	(242,580)	33,020	-	(198,410)	-
Morbidity and disability rate -10%	244,670	(33,300)	-	198,530	-
Expenses +10%	(1,930,628)	262,786	-	(1,546,632)	-
Expenses -10%	1,861,280	(253,346)	-	1,546,632	-
Lapse rate +10%	(1,497,760)	203,866	-	(1,234,786)	-
Lapse rate -10%	1,553,022	(211,388)	-	1,277,470	-
Life insurance - participating VFA					
Mortality rate +10%	(363,920)	36,650	-	-	-
Mortality rate -10%	366,040	(36,870)	-	-	-
Expenses +10%	(4,791,380)	482,582	-	-	-
Expenses -10%	4,723,036	(475,698)	-	-	-
Lapse rate +10%	(1,285,098)	129,433	-	-	-
Lapse rate -10%	1,330,702	(134,026)	-	-	-
Non - life insurance					
Expected claims + 5%	-	(9,421,064)	(8,030,113)	(9,421,064)	(8,030,113)
Expected claims - 5%	-	9,421,064	8,030,113	9,421,064	8,030,113

6.2.2 INSURANCE RISK MANAGEMENT THROUGH REINSURANCE PROTECTION

Purpose and objectives of reinsurance protection

Insurance risks are managed through reinsurance protection programme, ensuring solvency and liquidity of operations, stability of operating results and financial soundness. The reinsurance programme is prepared centrally for the entire CEE Region, however, considers local needs. Most reinsurance contracts are concluded with reinsurers of the Generali Group.

The Company plans the amount of maximum own shares based on the portfolio structure, risk appetite, available capital, reinsurance guidelines, reinsurance policy and other risk-mitigation techniques. The Company focuses on providing optimal reinsurance protection, both against individual large claims and against the concentration of the insurance portfolio's exposure to natural forces, such as

hail, storms, floods and earthquakes, which are the most common in our country. Catastrophe reinsurance contracts are determined on the basis of a conservative analysis of several loss scenarios resulting from the processing of exposure data using advanced stochastic models, taking into account various levels of risk capital absorption. Such characteristics are identified for other risks through a comprehensive exposure analysis and portfolio loss history.

Reinsurance contracts provide the Company with automatic reinsurance coverage for the majority of the risks assumed up to the agreed limit and under the agreed conditions.

For exceptional risks, which exceed the limits of contractual reinsurance protection, the Company ensures facultative reinsurance protection. The programme of the planned reinsurance is composed of traditional proportional and non-proportional forms of facultative reinsurance protection.

Within the operational risk management, the Company integrated the control mechanisms in the information system which prevent concluding insurance contracts with sum insured that exceeds reinsurance contract

limits without prior confirmation of the Reinsurance Department that facultative reinsurance has been provided or that facultative reinsurance is not needed.

Analysis of the Company's portfolio from the aspect of reinsurance risk

Earthquake risk presents the highest concentration of the Company's insurance risk. Reinsurance protection for catastrophic risks is established for the entire region on the basis of the results of modelling individual portfolios and their exposure to catastrophic risks. Portfolio modelling is performed by experts hired by reinsurance intermediaries. The earthquake exposure is managed by the Company through excess of loss reinsurance for catastrophic risks.

6.2.3 FINANCIAL RISKS

Insurance companies are exposed to financial risks through its asset and liability management, reinsurance assets and liabilities arising from its insurance and investment contracts. The key financial risk is that the future changes in market and other financial conditions will affect the value of the Company's financial assets, meaning that the financial liabilities of counterparties will not be covered. This could potentially lead to a situation when the inflows from financial investments will not be sufficient to cover the outflows, arising from insurance and investment contracts.

In line with analyses of situations in financial markets, risk assessment and stress testing with regard to the changed circumstances in the financial market as well as by taking into consideration the general investment strategy of the Company, the Risk Management Department proposes limits for risk measures, exposures to individual investment grades, issuers and their rating as well as individual markets. They are addressed by the Risk Management Committee and then approved by the Investment Committee.

Strategic and tactical implementation of the investment activity is performed by the Investment Committee. Its competences and responsibilities as well as all other provisions relating to its operation are laid down in the Rules on the Performance of Investment Activity. The Treasury Department is responsible for operational implementation of the investment activity.

When designing individual investment policies, the Company takes into consideration the characteristics of liabilities and the assumed risk appetite. The Company actively manages and controls all risks to which it is exposed with its assets and liabilities by constantly monitoring cash flows and ensuring that it always has enough liquid assets at its disposal to settle its liabilities, by investing its assets in a manner which ensures long-term returns high enough to exceed the amount of returns on insurance liabilities, by matching the terms of financial assets against financial liabilities, and by ensuring adequacy of financial assets.

The most important components of financial risks, including market risks, are:

- liquidity risk,
- credit risk,
- risk of change in prices of equity securities,
- interest risk,
- currency risk.

Analysis of assets and liabilities for financial risk management as at 31 December 2025

(in EUR)	Life insurance BBA	Life insurance VFA	Life insurance PAA	Investment contracts pension savings	Non - life insurance contracts PAA	Other	Total 31.12.2025
FINANCIAL ASSETS							
Financial assets at fair value through profit or loss	3,997,194	463,918,317	-	46,636,544	37,691,088	-	552,243,143
Equity securities	-	-	-	16,149,820	5,019,619	-	21,169,439
Debt securities	3,825,686	24,302,816	-	18,201,603	4,708,401	-	51,038,506
Investment fund units	171,508	439,615,501	-	12,285,121	27,963,068	-	480,035,198
Financial assets at fair value through other comprehensive income	226,731,832	-	-	-	330,972,271	8,726,567	566,430,670
Equity securities	895,873	-	-	-	14,361,146	639,170	15,896,189
Debt securities	217,695,678	-	-	-	306,500,835	8,087,397	532,283,910
Investment fund units	8,140,281	-	-	-	10,110,290	-	18,250,571
Total financial investments	230,729,026	463,918,317	-	46,636,544	368,663,359	8,726,567	1,118,673,813
Investments in subsidiaries and associates	289,162	-	-	-	-	32,148	321,310
Investment properties	-	-	-	-	8,354,435	-	8,354,435
Total financial assets	231,018,188	463,918,317	-	46,636,544	377,017,794	8,758,715	1,127,349,558
Assets from insurance contracts	22,034,062	-	-	-	68,904	-	22,102,966
Assets from reinsurance contracts	-	-	-	-	46,643,035	-	46,643,035
Cash and cash equivalents	692,807	3,360,081	-	1,540,370	2,991,747	41,272	8,626,277
TOTAL ASSETS	253,745,057	467,278,398	-	48,176,914	426,721,480	8,799,987	1,204,721,836
LIABILITIES							
Liabilities from insurance contracts	106,041,774	478,714,356	-	-	295,954,943	-	880,711,073
Liabilities from reinsurance contracts	-	-	256,538	-	160,337	-	416,875
Liabilities from financial contracts	-	-	-	48,182,993	-	-	48,182,993
Subordinated liabilities	30,947,803	-	-	-	-	-	30,947,803
TOTAL LIABILITIES	136,989,577	478,714,356	256,538	48,182,993	296,115,280	-	960,258,744

Analysis of assets and liabilities for financial risk management as at 31 December 2024

(in EUR)	Life insurance BBA	Life insurance VFA	Life insurance PAA	Investment contracts pension savings	Non - life insurance contracts PAA	Other	Total 31.12.2024
FINANCIAL ASSETS							
Financial assets at fair value through profit or loss	17,995,127	452,495,792	-	45,342,524	16,500,534	-	532,333,977
Equity securities	-	-	-	15,072,365	5,833,267	-	20,905,632
Debt securities	2,615,574	42,294,137	-	20,221,913	-	-	65,131,624
Investment fund units	15,379,553	410,201,655	-	10,045,585	10,667,267	-	446,294,060
Deposits and loans	-	-	-	2,661	-	-	2,661
Financial assets at fair value through other comprehensive income	213,713,398	-	-	-	322,037,842	14,963,440	550,714,680
Equity securities	751,882	-	-	-	13,675,698	607,107	15,034,687
Debt securities	206,176,260	-	-	-	299,917,149	14,356,333	520,449,742
Investment fund units	6,785,256	-	-	-	8,444,995	-	15,230,251
Financial assets at amortised cost	-	-	-	-	41,718	-	41,718
Deposits and loans	-	-	-	-	41,718	-	41,718
Total financial investments	231,708,525	452,495,792	-	45,342,524	338,580,094	14,963,440	1,083,090,375
Investments in subsidiaries and associates	289,162	-	-	-	-	32,148	321,310
Investment properties	-	-	-	-	8,470,374	-	8,470,374
Total financial assets	231,997,687	452,495,792	-	45,342,524	347,050,468	14,995,588	1,091,882,059
Assets from insurance contracts	25,801,917	-	-	-	91,151	-	25,893,068
Assets from reinsurance contracts	-	-	-	-	57,236,973	-	57,236,973
Cash and cash equivalents	1,259,894	3,220,010	-	504,449	2,739,593	57,855	7,781,801
TOTAL ASSETS	259,059,498	455,715,802	-	45,846,973	407,118,185	15,053,443	1,182,793,901
LIABILITIES							
Liabilities from insurance contracts	117,861,214	464,444,038	-	-	291,606,731	-	873,911,983
Liabilities from reinsurance contracts	-	-	1,046,749	-	124,910	-	1,171,659
Liabilities from financial contracts	-	-	-	45,856,110	-	-	45,856,110
Subordinated liabilities	31,231,211	-	-	-	-	-	31,231,211
TOTAL LIABILITIES	149,092,425	464,444,038	1,046,749	45,856,110	291,731,641	-	952,170,963

Liquidity risk

Liquidity risk is the risk of liquidity-related difficulty and inability of the Company to fulfil current obligations from in-force insurance contracts and other current operating liabilities of the Company, due to mismatch between maturity of assets and liabilities. Liquidity risk also includes the risk of the Company suffering losses of liquid assets due to settlement of unexpected or unexpectedly high liabilities.

The Company mitigates its exposure to liquidity risk by maintaining a suitable structure and adequate diversification of investments, planning future cash flows to cover future foreseeable liabilities

and providing an adequate volume of high liquidity investments in order to cover future contingencies.

The exposure to liquidity risk is also measured through measurement of duration match between assets and liabilities. The following tables present the types of the Company's assets and liabilities through undiscounted cash flows according to their maturity.

In addition, liabilities arising from unit-linked insurance contracts are also disclosed. In the annual periods where the cash flows of assets and liabilities are not balanced, liquidity is balanced with available short-term investments without maturity.

Overview of maturity of assets and liabilities in 2025 Liquidity risk - Financial assets and liabilities - current year (UNDISCOUNTED CASH FLOWS)

(in EUR)	Without maturity	1 year or less	1 - 3 years	3 - 5 years	5 - 10 years	10 - 15 years	more than 15 years	Total 31.12.2025
FINANCIAL ASSETS								
Financial assets at fair value through profit or loss	33,154,195	415,375	830,907	2,230,593	4,789,375	3,450,000	3,450,000	48,320,445
Equity securities	5,019,619	-	-	-	-	-	-	5,019,619
Debt securities	-	415,375	830,907	2,230,593	4,789,375	3,450,000	3,450,000	15,166,250
Investment fund units	28,134,576	-	-	-	-	-	-	28,134,576
Financial assets at fair value through other comprehensive income	34,146,759	106,907,116	122,000,174	131,592,802	166,428,787	34,786,006	115,987,616	711,849,260
Equity securities	15,896,189	-	-	-	-	-	-	15,896,189
Debt securities	-	106,907,116	122,000,174	131,592,802	166,428,787	34,786,006	115,987,616	677,702,501
Investment fund units	18,250,570	-	-	-	-	-	-	18,250,570
Financial assets where the investment risk is borne by policyholder	439,615,501	9,546,000	9,765,832	5,000,781	-	-	-	463,928,114
Assets from investment contracts	29,975,311	2,745,838	3,545,913	4,062,650	7,765,861	1,189,748	1,897,511	51,182,832
Total financial investments	536,891,766	119,614,329	136,142,826	142,886,826	178,984,023	39,425,754	121,335,127	1,275,280,651
Cash and cash equivalents	7,085,907	-	-	-	-	-	-	7,085,907
TOTAL FINANCIAL ASSETS	543,977,673	119,614,329	136,142,826	142,886,826	178,984,023	39,425,754	121,335,127	1,282,366,558
FINANCIAL LIABILITIES								
Subordinated liabilities	-	1,524,000	3,052,776	3,048,600	31,524,300	-	-	39,149,676
Liabilities from investment contracts	-	9,895,345	7,190,917	6,213,505	12,435,130	6,365,005	6,012,625	48,112,527
TOTAL FINANCIAL LIABILITIES	-	11,419,345	10,243,693	9,262,105	43,959,430	6,365,005	6,012,625	87,262,203

Overview of maturity of assets and liabilities in 2024 Liquidity risk - Financial assets and liabilities - current year (UNDISCOUNTED CASH FLOWS)

(in EUR)	Without maturity	1 year or less	1 - 3 years	3 - 5 years	5 - 10 years	10 - 15 years	more than 15 years	Total 31.12.2024
FINANCIAL ASSETS								
Financial assets at fair value through profit or loss	31,880,087	112,500	225,000	225,000	562,500	3,562,500	3,562,500	40,130,087
Equity securities	5,833,267	-	-	-	-	-	-	5,833,267
Debt securities	-	112,500	225,000	225,000	562,500	3,562,500	3,562,500	8,250,000
Investment fund units	26,046,820	-	-	-	-	-	-	26,046,820
Financial assets at fair value through other comprehensive income	30,264,937	120,254,810	140,354,071	68,859,968	190,513,926	22,188,864	94,238,205	666,674,781
Equity securities	15,034,686	-	-	-	-	-	-	15,034,686
Debt securities	-	120,254,810	140,354,071	68,859,968	190,513,926	22,188,864	94,238,205	636,409,844
Investment fund units	15,230,251	-	-	-	-	-	-	15,230,251
Financial assets at amortised cost	-	42,267	-	-	-	-	-	42,267
Deposits and loans	-	42,267	-	-	-	-	-	42,267
Financial assets where the investment risk is borne by policyholder	410,201,655	14,525,214	17,833,800	11,002,313	-	-	-	453,562,982
Assets from investment contracts	25,622,399	3,001,650	4,130,634	3,851,622	8,699,511	1,820,688	2,748,675	49,875,179
Total financial investments	497,969,078	137,936,441	162,543,505	83,938,903	199,775,937	27,572,052	100,549,380	1,210,285,296
Cash and cash equivalents	7,277,353	-	-	-	-	-	-	7,277,353
TOTAL FINANCIAL ASSETS	505,246,431	137,936,441	162,543,505	83,938,903	199,775,937	27,572,052	100,549,380	1,217,562,649
FINANCIAL LIABILITIES								
Subordinated liabilities	-	1,979,700	3,942,000	3,947,400	33,942,000	-	-	43,811,100
Liabilities from investment contracts	-	6,925,101	6,915,868	6,089,986	12,867,095	6,320,664	6,655,616	45,774,330
TOTAL FINANCIAL LIABILITIES	-	8,904,801	10,857,868	10,037,386	46,809,095	6,320,664	6,655,616	89,585,430

Overview of maturity of liabilities in 2025 Liquidity risk – Insurance and reinsurance contracts- current year (UNDISCOUNTED CASH FLOWS)

Undiscounted cash flow - CF in the future year in EUR	1 year or less	1-2 years	2-3 years	3-4 years
Insurance contracts				
Life insurance LRC	(17,175,688)	(14,942,801)	(18,353,429)	(21,106,162)
BBA	3,042,817	2,101,600	1,247,754	320,133
VFA	(20,218,505)	(17,044,401)	(19,601,183)	(21,426,295)
Non - life insurance LIC - PAA	(107,851,298)	(33,390,526)	(19,982,107)	(13,335,656)
Direct	(106,779,547)	(32,742,461)	(19,551,858)	(13,020,683)
Assumed	(1,071,751)	(648,065)	(430,249)	(314,973)
TOTAL INSURANCE CONTRACTS	(125,026,986)	(48,333,327)	(38,335,536)	(34,441,818)
Reinsurance contracts				
Non - life reinsurance AIC - PAA	19,747,094	8,157,099	5,232,858	3,819,062
Reinsurance	19,213,488	7,828,861	5,017,219	3,662,053
Retroceded	533,606	328,238	215,639	157,009
TOTAL REINSURANCE CONTRACTS	19,747,094	8,157,099	5,232,858	3,819,062

Overview of maturity of liabilities in 2024 Liquidity risk – Insurance and reinsurance contracts- current year (UNDISCOUNTED CASH FLOWS)

Undiscounted cash flow - CF in the future year in EUR	1 year or less	1-2 years	2-3 years	3-4 years
Insurance contracts				
Life insurance LRC	(30,574,302)	(16,945,307)	(12,925,756)	(17,785,460)
BBA	301,433	1,042,258	1,754,993	48,979
VFA	(30,875,735)	(17,987,565)	(14,680,749)	(17,834,439)
Non - life insurance LIC - PAA	(103,814,267)	(30,175,593)	(17,218,120)	(12,020,610)
Direct	(102,558,847)	(29,409,831)	(16,755,216)	(11,709,114)
Assumed	(1,255,420)	(765,762)	(462,904)	(311,496)
TOTAL INSURANCE CONTRACTS	(134,388,569)	(47,120,900)	(30,143,876)	(29,806,070)
Reinsurance contracts				
Non - life reinsurance AIC - PAA	22,506,108	8,166,772	4,158,572	3,392,314
Reinsurance	21,732,052	7,690,115	3,881,338	3,205,522
Retroceded	774,056	476,657	277,234	186,792
TOTAL REINSURANCE CONTRACTS	22,506,108	8,166,772	4,158,572	3,392,314



4-5 years	More than 5 years	Total 31.12.2025
(20,011,440)	(571,898,274)	(663,487,794)
(1,258,307)	(50,730,907)	(45,276,910)
(18,753,133)	(521,167,367)	(618,210,884)
(9,822,463)	(68,752,018)	(253,134,068)
(9,589,419)	(67,684,565)	(249,368,533)
(233,044)	(1,067,453)	(3,765,535)
(29,833,903)	(640,650,292)	(916,621,862)

2,418,174	10,758,373	50,132,660
2,310,316	10,270,874	48,302,811
107,858	487,499	1,829,849
2,418,174	10,758,373	50,132,660

4-5 years	More than 5 years	Total 31.12.2024
(18,874,414)	(497,382,287)	(594,487,526)
(861,435)	(56,199,860)	(53,913,632)
(18,012,979)	(441,182,427)	(540,573,894)
(8,849,191)	(64,776,112)	(236,853,893)
(8,620,967)	(63,896,596)	(232,950,571)
(228,224)	(879,516)	(3,903,322)
(27,723,605)	(562,158,399)	(831,341,419)

2,541,138	15,920,197	56,685,101
2,407,353	15,463,169	54,379,549
133,785	457,028	2,305,552
2,541,138	15,920,197	56,685,101

Credit risk

Credit risk is a potential loss in case of failure by a third party/ debtor to fulfil the contractual obligations. The segments most exposed to credit risk are financial investments, assets from investments and reinsurance contracts.

The Company manages its exposure to credit risk mainly by constant monitoring of credit rating of issuers of financial instruments and ensuring adequate dispersal of investments between investments involving a degree of risk and no-risk investments. The Company monitors credit risk associated with receivables from insurance transactions and reinsurance assets on the basis of assessing the collectability of individual receivables. Credit rating procedures are based on obtaining and checking of publicly accessible information on the existing financial position of the issuers of financial instruments and their future liquidity.

In reinsurance, as with respect to financial assets, the credit risk management procedures involve checking the reinsurer's credit rating. In accordance with the strategy for credit risk management, liabilities covered by reinsurance arrangements are reinsured by first-class reinsurers.

Investments grade credit ratings

Category	Grading	External rating
Low risk	Grade 1	AAA
	Grade 2	AA- to AA+
	Grade 3	A- to A+
	Grade 4	BBB- to BBB+
Fair risk	Grade 5	BB- to BB+
Substandard	Grade 6	CCC- to B+
Doubtful	Grade 7	C to CC
Loss	Grade 8	D

Maximum exposure to credit risk by financial asset class as at 31 December 2025

(in EUR)	AAA	AA- do AA+	A- do A+	BBB- do BBB+
Financial assets at fair value through profit or loss	-	-	2,765,124	-
Debt securities	-	-	2,765,124	-
Financial assets at fair value through other comprehensive income	25,220,594	20,593,995	357,408,069	97,310,324
Debt securities	25,220,594	20,593,995	357,408,069	97,310,324
Stage 1	25,220,594	20,593,995	357,408,069	97,310,324
Assets from investment contracts	549,780	388,432	14,854,883	1,843,554
Debt securities	549,780	388,432	14,854,883	1,843,554
Financial assets where the investment risk is borne by policyholder	-	-	24,302,816	-
Debt securities	-	-	24,302,816	-
Total financial investments	25,770,374	20,982,427	399,330,892	99,153,878
Cash and cash equivalents	-	-	-	3,635,621
Stage 1	-	-	-	3,635,621
Total assets exposed to credit risk	25,770,374	20,982,427	399,330,892	102,789,499
Insurance and reinsurance contracts				
Insurance contracts	-	-	-	-
Reinsurance contracts	-	5,129,353	12,285,312	27,872,457
Total insurance and reinsurance contracts	-	5,129,353	12,285,312	27,872,457

Maximum exposure to credit risk by financial asset class as at 31 December 2024

(in EUR)	AAA	AA- do AA+	A- do A+	BBB- do BBB+
Financial assets at fair value through profit or loss	-	-	-	2,615,574
Debt securities	-	-	-	2,615,574
Financial assets at fair value through other comprehensive income	23,592,795	50,266,806	371,782,385	60,991,151
Debt securities	23,592,795	50,266,806	371,782,385	60,991,151
Stage 1	23,592,795	50,266,806	371,782,385	60,991,151
Financial assets at amortised cost	-	-	-	-
Stage 1	-	-	-	-
Assets from investment contracts	2,148,646	838,227	14,861,089	1,920,834
Debt securities	2,148,646	838,227	14,861,089	1,920,834
Financial assets where the investment risk is borne by policyholder	-	42,046,583	-	247,554
Debt securities	-	42,046,583	-	247,554
Total financial investments	25,741,441	93,151,616	386,643,474	65,775,113
Cash and cash equivalents	-	-	4,210	4,708,515
Stage 1	-	-	4,210	4,708,515
Total assets exposed to credit risk	25,741,441	93,151,616	386,647,684	70,483,628
Insurance and reinsurance contracts				
Insurance contracts	-	-	-	-
Reinsurance contracts	-	4,517,190	9,473,463	40,509,347
Total insurance and reinsurance contracts	-	4,517,190	9,473,463	40,509,347

Investments in debt securities that remained non-rated in 2024 comprises debt securities of Slovenian and European issuers. The largest



BB- do BB+	CCC- do B+	C do CC	D	No credit rating	Total 31.12.2025
5,768,963	-	-	-	-	8,534,087
5,768,963	-	-	-	-	8,534,087
31,750,928	-	-	-	-	532,283,910
31,750,928	-	-	-	-	532,283,910
31,750,928	-	-	-	-	532,283,910
564,953	-	-	-	-	18,201,602
564,953	-	-	-	-	18,201,602
-	-	-	-	-	24,302,816
-	-	-	-	-	24,302,816
38,084,844	-	-	-	-	583,322,415
-	-	-	-	3,450,286	7,085,907
-	-	-	-	3,450,286	7,085,907
38,084,844	-	-	-	3,450,286	590,408,322
-	-	-	-	22,363,239	22,363,239
-	-	-	-	220,127	45,507,250
-	-	-	-	22,583,366	67,870,489

BB- do BB+	CCC- do B+	C do CC	D	No credit rating	Total 31.12.2024
-	-	-	-	-	2,615,574
-	-	-	-	-	2,615,574
11,357,456	-	-	-	2,459,150	520,449,743
11,357,456	-	-	-	2,459,150	520,449,743
11,357,456	-	-	-	2,459,150	520,449,743
-	-	-	-	41,718	41,718
-	-	-	-	41,718	41,718
453,117	-	-	-	2,661	20,224,574
453,117	-	-	-	2,661	20,224,574
-	-	-	-	-	42,294,137
-	-	-	-	-	42,294,137
11,810,573	-	-	-	2,503,529	585,625,745
2,564,628	-	-	-	-	7,277,353
2,564,628	-	-	-	-	7,277,353
14,375,201	-	-	-	2,503,529	592,903,099
-	-	-	-	20,753,730	20,753,730
-	-	-	-	94,836	54,594,836
-	-	-	-	20,848,566	75,348,566

exposure from loans granted by an individual non-rated issuer is a loan in the amount of EUR 41,718.

Concentrations of credit risk

For the insurance company, the concentration of credit risk is diversified through GP RE across all geographical regions in which the reinsurers operate. The Insurance Company monitors concentrations of credit risk arising from

investments in debt instruments by geographic location of the issuer and by sector an analysis of the carrying amounts of financial investments is shown below.

Concentration of credit risk by area (Debt securities)

(in EUR)	2025	2024
Financial assets - Debt securities	565,120,813	565,359,453
Slovenia	291,042,556	295,706,407
EU	240,124,850	246,240,388
USA	14,371,611	16,586,490
Other	19,581,796	6,826,168
Assets from investment contracts - Debt securities	18,201,603	20,221,913
Slovenia	12,827,178	12,695,058
EU	4,632,705	7,337,057
USA	191,940	189,797
Other	549,780	-

Concentration of credit risk by sector (Debt securities)

(in EUR)	2025	2024
Financial assets - Debt securities	565,120,813	565,359,453
Government	387,228,673	416,062,920
Bank	105,497,064	94,253,801
Other financial organizations	5,500,112	15,236,460
Telecommunications	17,426,278	15,619,227
Other	49,468,686	24,187,045
Assets from investment contracts - Debt securities	18,201,602	20,221,913
Government	16,022,393	18,573,734
Bank	1,579,238	1,258,509
Other financial organizations	200,235	199,873
Other	399,736	189,797

Risk of changes in prices of equity securities

The risk of changes in prices of equity securities is defined as the risk of fluctuation in the price of equity investments which would affect the expected return of financial assets or their value, recognised in the investment portfolio of the Company. To mitigate this risk, the Company maintains a sector and geographic spread of share capital investments, does not cross the allowed limitations of exposure towards individual issuers and invests its assets in investments with an appropriate ratio between risk and profitability.

The risk of changes in prices of equity securities is measured by means of analysis of sensitivity to changes in share

prices. This risk affects equity securities, share mutual funds and mixed mutual funds (corresponding part). The results are presented within the market risks sensitivity analysis.

Sensitivity analysis to changes in prices of equity price risk

Factors

Changes in equity prices mainly affect the profit or loss and equity as follows. The effects on profit or loss and equity are presented net of the related income tax.

Sensitivity Factor	Factor Description
Profit or loss	<ul style="list-style-type: none"> Changes in the fair value of equity investments measured at FVTPL that are not underlying items. Changes in the amount of the insurance's share of the fair value of underlying items of onerous direct participating contracts. Changes in fulfilment cash flows of onerous direct participating contracts arising from equity guarantees.
Equity	<ul style="list-style-type: none"> Changes in the fair value of equity investments measured at FVOCI.

Sensitivity analysis

(in EUR)	Profit/loss	Equity
31 Dec 2024		
Financial assets		
Change in prices of equities +25%	118,192,424	8,536,690
Change in prices of equities -25%	(118,192,424)	(8,536,690)
Insurance contracts issued and reinsurance contracts held		
Total		
Total increase	118,192,424	8,536,690
Total decrease	(118,192,424)	(8,536,690)
31 Dec 2024		
Financial assets		
Change in prices of equities +25%	110,520,435	7,566,234
Change in prices of equities -25%	(110,520,435)	(7,566,234)
Insurance contracts issued and reinsurance contracts held		
Total		
Total increase	110,520,435	7,566,234
Total decrease	(110,520,435)	(7,566,234)

Under the sensitivity analysis, the changes in share prices refer to prices obtained through closing price on the reporting date for the current and previous years.

The investments of the unit-linked guarantee fund reflect to the greatest extent possible the value of the units of mutual funds arising from insurance contracts. The changes in values have no material effect on the profit or loss. The change affects both income from investments and changes in provisions, which means that the changes in prices of securities have no material impact on profit or loss.

Interest rate risk

Interest rate risk is the risk that a change in interest rates on the market will affect the value of assets and liabilities that are sensitive to interest rate fluctuations.

It is reflected in change in market value of investments in debt securities, except when they are classified into the group of financial instruments at amortised cost, or the risk associated with the ability to reinvest financial assets at maturity under at least identical conditions with those for financial assets past due. The change in interest rates can also affect the fair value of liabilities that are prone to this risk.

With the aim to manage its exposure to interest rate risk, the Company applies the following procedures:

- for liabilities with determinable future cash flows, it employs immunisation procedures, which allow it to balance the average duration of investments with the average duration of liabilities;
- ensuring the matching of lending and deposit rates; and
- ensuring a suitable structure of investments in terms of profitability and duration.

Interest rate risk is measured by means of sensitivity analysis, namely by changes in value of investments in debt financial instruments and value of provisions when interest rates change. The effect of changes in interest rates is presented within the following market risks sensitivity analysis.

Interest rate risk

(in EUR)	Fixed interest rate	Floating interest rate	Total 31.12.2025	Fixed interest rate	Floating interest rate	Total 31.12.2024
Financial assets						
Financial assets	525,698,070	15,119,927	540,817,997	519,022,604	4,084,430	523,107,034
Assets from investment contracts	18,201,603	-	18,201,603	20,221,913	2,661	20,224,574
Underlying items of participating contracts	24,302,816	-	24,302,816	42,294,137	-	42,294,137
Financial liabilities	-	(30,947,803)	(30,947,803)	-	(31,231,211)	(31,231,211)
Total financial assets	568,202,489	(15,827,876)	552,374,613	581,538,654	(27,144,120)	554,394,534

Interest rate sensitivity analysis

Factors

Changes in interest rates mainly affect the profit or loss and equity as follows. The effects on profit or loss and equity are presented net of the related income tax.

Sensitivity Factor	Factor Description
Profit or loss	• Interest revenue and other finance costs on floating-rate financial instruments (assuming that interest rates had varied by 50 basis points during the year).
	• Changes in the fair value of derivatives and fixed-rate financial instruments measured at FVTPL.
	• Changes in the fair value of underlying items of direct participating contracts recognised as insurance finance income or expenses.
	• Changes in the amount of the insurance share of the fair value of underlying items of onerous direct participating contracts.
	• Changes in fulfilment cash flows of onerous direct participating contracts arising from interest rate guarantees.
Equity	• Insurance finance income or expenses recognised in profit or loss for participating and non-life contracts as a result of discounting future cash flows at a revised current rate.
	• Changes in the fair value of fixed-rate financial assets measured at FVOCI.
	• Insurance finance income and expenses recognised in OCI for life risk and life savings contracts as a result of discounting future cash flows at a revised current rate.

Sensitivity analysis

(in EUR)	CSM	Profit/loss	Equity
31 Dec 2025			
Financial assets			
Change of market interest rate + 50 bp	-	(151,841)	(12,380,371)
Change of market interest rate - 50 bp	-	151,841	12,380,371
Financial liabilities			
Insurance contracts issued - BBA			
Change of interest rate + 50 bps	958,916	(131,048)	1,495,115
Change of interest rate - 50 bps	(1,089,102)	148,840	(1,698,097)
Insurance contracts issued - VFA			
Change of interest rate + 50 bps	2,718,195	(253,989)	-
Change of interest rate - 50 bps	(3,006,200)	280,900	-
Insurance contracts issued - PAA			
Change of interest rate + 50 bps	-	672,717	3,134,225
Change of interest rate - 50 bps	-	(702,760)	(3,410,254)
Reinsurance contracts issued - PAA			
Change of interest rate + 50 bps	-	(65,287)	(533,488)
Change of interest rate - 50 bps	-	67,020	570,888
Total			
Total increase	3,677,111	70,552	(8,284,519)
Total decrease	(4,095,302)	(54,159)	7,842,908
31 Dec 2024			
Financial assets			
Change of market interest rate + 50 bp	-	-	(11,078,754)
Change of market interest rate - 50 bp	-	-	11,078,754
Insurance contracts issued - PAA			
Change of interest rate + 50 bps	-	680,656	3,277,880
Change of interest rate - 50 bps	-	(711,422)	(3,597,350)
Reinsurance contracts issued - PAA			
Change of interest rate + 50 bps	-	(96,370)	(771,293)
Change of interest rate - 50 bps	-	98,868	843,287
Total			
Total increase	-	584,286	(8,572,167)
Total decrease	-	(612,554)	8,324,691

Risk of guaranteed return

The Company ensured prudent management of portfolios to achieve optimum return in relation to risk. In line with the existing portfolio structure, assets were invested primarily in European corporate and government bonds. In 2025, the classic life insurance fund achieved a return of 2.95%, which is 0.43 basis points above the guaranteed one of 2.52%.

With respect to the guarantee fund with a guaranteed return under the PN-A01 pension scheme, the Company did not significantly change the structure of its portfolio, which consists mainly of euro government and corporate

bonds. There were no premium inflows into the fund as it was closed for new payments in May 2016. In 2025, the fund achieved a positive return of 1.56%, however, this falling short of the guaranteed return 1.89%.

The pension guarantee fund "AS - Zajamčeni od 60" (Guaranteed over 60) started operating in February 2016, when it started to build and to set up the portfolio. Following the diversification policy, investments are made primarily in corporate and government bonds, as well as in bond mutual funds and ETFs. In 2025, the fund achieved a return of 0.93%, while the guaranteed return was 1.89%.

Actual exposure to risk of guaranteed return

(in EUR)	2025	2024
LIFE INSURANCE		
Traditional life insurance		
Average return on investments for the period	2.95%	3.10%
Average guaranteed return	2.52%	2.57%
Difference in interest rates	0.43%	0.53%
PENSION INSURANCE SCHEME/PLAN		
Pension saving AS Zajamčeni od 60		
Average return on investments for the period	0.93%	2.37%
Regulatory (guaranteed) return	1.89%	1.58%
Difference in interest rates	-0.96%	0.79%
Pension insurance PN-A01		
Average return on investments for the period	1.56%	2.45%
Regulatory (guaranteed) return	1.89%	1.58%
Difference in interest rates	-0.33%	0.87%

Currency risk

Exposure to currency risk is not significant. The Insurance Company generally invests in assets denominated in currencies in which liabilities are also denominated, thereby mitigating any currency risk arising from the nature of its business and managing it by monitoring the profit sensitivity to that risk. As at 31 December 2025, assets, denominated in foreign currencies, amounted to of EUR 19,589,965. (2024: EUR: 19,150,038.). The Insurance Company recorded no liabilities denominated in foreign currency in years 2025 and 2024, therefore currency risk was assessed by the management as low.

6.2.4 OPERATIONAL RISK AND STRATEGIC RISK

Operational risk

Operational risk mostly includes the risk of loss as a result of ineffectiveness, failure or errors in the business process implementation, malfunction or non-existence of internal controls. Operational risks may materialise also due to unprofessional, inappropriate or harmful employee behaviour, system or infrastructure malfunction, attempts of internal and external fraud or any other external factors, including amendments to legislation, business interruptions due to natural catastrophes or epidemics, competition, etc. In recent years, among external factors, cyber risks have been coming increasingly to the forefront.

The key moment for management of operational risks is their identification and assessment, and in the second stage the execution of measures for their minimisation and uninterrupted monitoring of other risks. Risk control, especially that of operational risk, is primarily a responsibility of owners of processes where these risks occur or are related to. The internal control system, internal control reviews and calculations of key risk indicators are used as the primary tool for management of operational risk. The Company adopted the business continuity strategy aimed at a quick recovery of business processes critical for its operations.

In accordance with the new Digital Operational Resilience Act (DORA), the Insurance Company has also adopted strategies for digital resilience and internal guidelines, the purpose of which is to define the actors, address related responsibilities and relationships, and provide methodological and operational guidelines for implementing the digital risk management process at the company level. Digital risk management is increasingly being integrated into operational processes as well as management processes, with the aim of strengthening and expanding comprehensive awareness of exposure to these risks and at the same time improving control systems. The Insurance Company continues with regular trainings and up-to-date announcements on the topic of security and phishing campaigns, thereby raising employee awareness in the field of security.

Other risks (strategic and reputational risk)

Strategic risks can occur in the early stages of strategy planning, strategy execution, management and strategic decision-making and supervision of the companies. The realisation of these risks can crucially affect the ability of the Company to reach its strategic goals. In order to eliminate these risks, it is of utmost importance that the Company has clearly determined responsibilities and competences, effective communication and reporting system and constant monitoring of fulfilment of the set goals. In order

to manage the strategic risks as effectively as possible, operating categories of the business plan are designed in line with the Company's accepted risk appetite. Before the final approval, the business plan is being tested in order to find out if the risk appetite and capital adequacy, as required by the Solvency 2 principles, are reached.

Reputational risk is the risk of potential losses due to deterioration of the reputation or negative perceptions of the Company by customers, business partners, shareholders and supervisors. The Company follows the guidelines of the Generali Group (Italy) regarding the management of the reputational risk and has strict rules regarding communication with the media. In accordance with the requirements of the SII Directive, the Company has appointed a holder of the compliance key function to ensure that the Company operates in accordance with applicable law.

The Company has also incorporated into its risk management policies and guidelines provisions relating to sustainable risks, as defined by the Commission's Delegated Regulation, in the current version of this Policy.

The insurance undertaking has incorporated into its risk management policies and guidelines provisions addressing sustainability related risks, as defined by Commission Delegated Regulation (EU) 2021/1256, which supplements the Solvency II Directive and the original Commission Delegated Regulation (EU) 2015/35. These provisions provide an explanation of sustainability related risks, ensure their inclusion in the risk map to which the undertaking is exposed, and define the roles and responsibilities related to their management. Accordingly, the policy extends the responsibilities and powers of the Risk Management Function to include the identification and assessment of sustainability related risks, in particular in relation to the investment and underwriting processes, as further specified in this and other relevant internal policies and guidelines of the undertaking.

The assessment of sustainability related risks, and more specifically climate change related risks, has for several years formed an integral part of the Own Risk and Solvency Assessment (ORSA) process of GENERALI zavarovalnica.

7. NOTES TO INDIVIDUAL ITEMS OF SEPARATE FINANCIAL STATEMENTS

7.1 INTANGIBLE ASSETS

Intangible assets

(in EUR)	31.12.2025	31.12.2024
Material in rights and licences	35,556	48,889
Software	5,700,266	6,948,554
ND assets in the proces of acquisition	2,452,389	-
Total	8,188,211	6,997,443

Movements in intangible assets

(in EUR)	Material in rights and licences	Software	ND assets in the process of acquisition	Total
AT COST				
Balance as at 1 Jan 2024	133,333	40,418,166	-	40,551,499
Direct increases - investments	-	2,606,011	-	2,606,011
Balance as at 31 Dec 2024	133,333	43,024,177	-	43,157,510
New balance as at 1 Jan 2025	133,333	43,024,177	-	43,157,510
Direct increases - investments	-	1,740,356	2,018,062	3,758,418
Other changes	-	(434,326)	434,326	-
Balance as at 31 Dec 2025	133,333	44,330,207	2,452,388	46,915,928
VALUE ADJUSTMENT				
Balance as at 1 Jan 2024	71,111	33,038,904	-	33,110,016
Depreciation during the year	13,333	3,036,719	-	3,050,052
Other changes	(1)	-	-	(1)
Balance as at 31 Dec 2024	84,444	36,075,623	-	36,160,067
New balance as at 1 Jan 2025	84,444	36,075,623	-	36,160,067
Depreciation during the year	13,333	2,554,317	-	2,567,650
Balance as at 31 Dec 2025	97,777	38,629,940	-	38,727,717
BOOK VALUE				
Balance as at 31 Dec 2024	48,889	6,948,554	-	6,997,443
Balance as at 31 Dec 2025	35,556	5,700,267	2,452,388	8,188,211

Insurance Company has no financial liabilities arising from the purchase of intangible assets, no intangible assets pledged as security, no legal restrictions were put on intangible assets nor were these pledged as collateral for debts. The Company has no internally generated intangible assets and no intangible assets acquired by government grant. All disclosed intangible assets are owned by the Company and are free of encumbrances.

The Insurance Company uses the straight-line method of depreciation and did not change depreciation rates in 2025. Depreciation of intangible assets is recognized in the income statement under operating expenses.

7.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment

(in EUR)	31.12.2025	31.12.2024
Land and building	20,441,333	20,642,726
Office and other equipment	4,348,573	4,703,684
Property, plant and equipment in process of acquisition	875,045	437,234
Investment in foreign tangible fixed assets	38,398	60,557
Total	25,703,349	25,844,201

Movements in property, plant and equipment

(in EUR)	Land and building	Office and other equipment	Property, plant and equipment in process of acquisition	Investment in foreign tangible fixed assets	Total
AT COST					
Balance as at 1 Jan 2024	27,371,471	21,061,591	365,841	1,044,600	49,843,502
Direct increases - investments	-	958,527	387,964	842	1,347,333
Activation of assets in process of acquisition	228,652	-	(228,652)	-	-
Decreases during the year	(36,110)	(740,686)	-	(439,949)	(1,216,745)
Revaluation owing to impairment of assets	(380,084)	-	-	-	(380,084)
Transfers between intangible assets, investment property, and property, plant and equipment	521,880	-	(84,413)	-	437,467
Other changes	-	-	(3,507)	-	(3,507)
Balance as at 31 Dec 2024	27,705,808	21,279,432	437,233	605,492	50,027,965
New balance as at 1 Jan 2025	27,705,808	21,279,432	437,233	605,492	50,027,965
Direct increases - investments	87,503	791,984	505,960	3,544	1,388,991
Activated assets in the process of acquisition	-	43,759	(43,759)	-	-
Decreases during the year	-	(706,536)	(24,390)	-	(730,926)
Transfers between categories within intangible fixed assets	-	3,544	-	(3,544)	-
Balance as at 31 Dec 2025	27,793,311	21,412,183	875,044	605,492	50,686,030

(in EUR)	Land and building	Office and other equipment	Property, plant and equipment in process of acquisition	Investment in foreign tangible fixed assets	Total
VALUE ADJUSTMENT					
Balance as at 1 Jan 2024	6,509,002	16,062,224	-	932,119	23,503,345
Depreciation during the year	288,247	1,199,588	-	29,683	1,517,519
Decreases during the year	(8,076)	(686,064)	-	(416,868)	(1,111,008)
Transfers between intangible assets, investment property, and property, plant and equipment	273,908	-	-	-	273,908
Balance as at 31 Dec 2024	7,063,082	16,575,748	-	544,935	24,183,765
New balance as at 1 Jan 2025	7,063,082	16,575,748	-	544,935	24,183,765
Depreciation during the year	288,896	1,164,940	-	22,159	1,475,995
Decreases during the year	-	(677,078)	-	-	(677,079)
Balance as at 31 Dec 2025	7,351,978	17,063,610	-	567,094	24,982,681
BOOK VALUE					
Balance as at 31 Dec 2024	20,642,726	4,703,684	437,233	60,557	25,844,200
Balance as at 31 Dec 2025	20,441,333	4,348,573	875,044	38,398	25,703,349

Insurance Company has no financial liabilities arising from the purchase of property, plant and equipment, no property, plant and equipment pledged as security, no legal restrictions were put on property, plant and equipment nor were these assets pledged as collateral for debt.

The Company applies the straight-line depreciation method, and it did not change the depreciation rates in 2025. Depreciation of property, plant and equipment is posted in the income statement among operating costs.

In 2025, the Management assessed whether there were grounds for impairment of the property as described in sections 5.3. The last appraisal of the recoverable amount of property intended for own use was performed by an external certified appraiser in December 2025.

Based on the valuations performed and management's assessment, it was determined that no impairment, for the property used for the business activity, is required as at year-end 2025.

7.3 ASSETS ARISING FROM A LEASE

Assets arising from a lease are disclosed as a separate item in section 5.4. Lease liabilities are shown as a separate item under other financial liabilities.

In 2025, the discount rate of 1.8% was used to calculate lease liabilities for cars, from 4.5% to 5.25% for parking spaces, from 3.85% to 4.90% for parking spaces with business premises, and a discount rate ranging from 3.5% to 5.25% for commercial premises.

Assets arising from a lease are depreciated on a straight-line basis over the lease term. Depreciation costs are recognized in operating expenses and interest expenses in other financing expenses.

Assets arising from lease

(in EUR)	31.12.2025	31.12.2024
At cost value (Assets arising from a lease)	8,807,825	7,284,007
Value adjustment (Assets arising from a lease)	(1,785,230)	(2,618,706)
Book value (Assets arising from a lease)	7,022,595	4,665,301

Movements in assets arising from lease

(in EUR)	Assets arising from a lease 2025	Assets arising from a lease 2024
AT COST		
Balance as at 1 Jan	7,284,007	6,674,425
Direct increases - investments	4,567,840	3,805,697
Decreases during the year	(3,044,022)	(3,196,115)
Balance as at 31 Dec	8,807,825	7,284,007

VALUE ADJUSTMENT		
Balance as at 1 Jan	2,618,706	3,027,664
Depreciation during the year	2,013,819	2,135,993
Decreases during the year	(2,847,294)	(2,544,951)
Balance as at 31 Dec	1,785,231	2,618,706

BOOK VALUE	7,022,594	4,665,301
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Leases in the statement of financial position

(in EUR)	31.12.2025	31.12.2024
ASSETS		
Right to use vehicles	1,818,084	1,502,238
Rights to use business premises and car parks	5,204,511	3,163,063
Total right to use lease assets	7,022,595	4,665,301

LIABILITIES		
Short-term lease liabilities with a term of less than 1 year	13,542	265,870
Long-term lease liabilities with a term between 1 and 5 years	2,927,071	2,664,181
Long-term lease liabilities with a term of more than 5 years	6,380,082	2,874,985
Total lease liabilities	9,320,695	5,805,036

7.4 INVESTMENT PROPERTIES

Investment properties

(in EUR)	31.12.2025	31.12.2024
At cost value Investment property	13,457,232	13,429,940
Value adjustment Investment property	(5,102,797)	(4,959,568)
Book value Investment property	8,354,435	8,470,372

Movements in investment properties

(in EUR)	31.12.2025	31.12.2024
AT COST VALUE		
Balance as at 1 Jan	13,429,942	14,839,954
Direct increases - investments	27,291	87,457
Decreases during the year	-	(975,590)
Transfer from/to property, plant and equipment	-	(521,879)
As at 31 Dec	13,457,233	13,429,942

VALUE ADJUSTMENT		
Balance as at 1 Jan	4,959,568	5,091,058
Depreciation in the financial year	143,230	157,886
Decreases during the year	-	(255,418)
Impairment of cost	-	239,951
Transfer from/to property, plant and equipment	-	(273,909)
As at 31 Dec	5,102,798	4,959,568

BOOK VALUE		
As at 31 Dec	8,354,435	8,470,374

In 2025, the Management assessed whether there was basis for impairment of investment property as described in Section 5.5. The last appraisal of the fair amount of investment property, was carried out by an external certified appraiser in December 2025, applying the market approach (the direct sales comparison method) and the income approach (the direct yield capitalisation method).

Based on the assessment and valuations performed, it turned out that it is not necessary to perform an impairment of investment property at the end of 2025.

The fair value of investment property as at 31 December 2025 was EUR 10,659,000 and was higher than the carrying amount of EUR 8,354,435.

The straight-line depreciation is used for the depreciation of investment property; in 2025 no changes were made to depreciation rates. Depreciation of investment property is recognised in the income statement under other finance income and expenses.

The Insurance has no investment properties pledged as security, no legal restrictions were put on them nor were they pledged as collateral for debt.

7.5 FINANCIAL INVESTMENTS IN COMPANIES AND ASSOCIATES

Generali classifies among subsidiaries those companies in which it has, directly or indirectly, more than 50% of the voting rights or has any other power to control their business. In 2025, the control of subsidiary was based on a majority or 100% share of voting rights.

Interests in subsidiaries and associates

	Total share (%) 31.12.2025	Total share (%) 31.12.2024	Δ %	Comments
Subsidiaries				
Ambulanta ZDRAVJE zdravstvene storitve d.o.o.	100.00	100.00	-	-
Associated companies				
MEDIFIT d.o.o., Slovenia	24.99	24.99	-	-

* The share of voting rights is equal to equity interest.

Carrying amount of the equity interest

(in EUR)	Carrying amount of the equity interest	
	2025	2024
Subsidiaries		
Ambulanta ZDRAVJE zdravstvene storitve d.o.o.	289,162	289,162
Total subsidiaries	289,162	289,162
Associates		
MEDIFIT d.o.o., Slovenija	32,148	32,148
Total associates	32,148	32,148

Changes in subsidiaries and associates

Movement in investments in subsidiaries and associates

(in EUR)	2025	2024
Subsidiaries		
As at 1 January	289,162	473,945
Capital increase	-	380,000
Decreases during the year	-	(86,400)
Impairments	-	(478,383)
As at 31 December	289,162	289,162
Associates		
As at 1 January	32,148	11,738,050
Acquisition	-	54,978
Sales and disposals	-	(11,705,901)
Impairments	-	(54,978)
As at 31 December	32,148	32,149

In 2025, no significant changes were observed in the structure of the subsidiaries and associated companies of GENERALI zavarovalnica d.d.

Property and financial information on the subsidiary and associate

Company name (in EUR)	Assets		Capital		Revenues		Profit or loss for the year	
	2025	2024	2025	2024	2025	2024	2025	2024
Subsidiaries								
Ambulanta ZDRAVJE zdravstvene storitve d. o. o.	369,549	461,301	298,278	382,103	878,557	701,473	(83,825)	(181,225)
Associates								
MEDIFIT d. o. o., Slovenija	439,113	418,352	235,380	225,349	1,786,687	1,447,291	12,139	19,965

Note: The property and financial information on the subsidiary and associate are taken from financial statements, prepared by these companies and are unaudited for the current year.

LEV Registracija d.o.o.

At the end of September 2024, GENERALI zavarovalnica d.d. initiated the procedures for withdrawing its ownership in the subsidiary LEV Registracija d.o.o. As a result of the planned measures, three business units of the company in Ptuj, Murska Sobota and Kranj were closed in the last months of last year. The sale of the subsidiary LEV Registracija d.o.o. to an external business partner was completed by the end of 2024.

NAMA d.d.

On 19 April 2024, GENERALI zavarovalnica d.d. withdrew its ownership in the investment in the company NAMA d.d. As of the date of disposal of the interest, NAMA d.d. is no longer an associated company of the Insurance Company.

7.6 FINANCIAL INVESTMENTS

Financial investment assets

(in EUR)	31.12.2025	31.12.2024
Financial assets measured at fair value through profit or loss (FVTPL)	505,606,599	486,991,452
Equity securities	5,019,619	5,833,267
Non-listed securities	5,019,619	5,833,267
Debt securities	32,836,903	44,909,710
Other bonds	32,836,903	44,909,710
Listed securities	32,669,119	44,662,156
Non-listed securities	167,784	247,554
Investment funds	467,750,077	436,248,475
Listed securities	444,749,947	412,000,766
Non-listed securities	23,000,130	24,247,709
FI measured at fair value through other comprehensive income (FVTOCI)	566,430,669	550,714,679
Equity securities	15,896,189	15,034,686
Listed securities	37	31
Non-listed securities	15,896,152	15,034,655
Debt securities	532,283,910	520,449,742
Government bonds	387,228,673	416,062,920
Listed securities	387,228,673	416,062,920
Other bonds	145,055,237	104,386,822
Listed securities	134,090,012	93,581,377
Non-listed securities	10,965,225	10,805,445
Investment funds	18,250,570	15,230,251
Listed securities	18,250,570	15,230,251
At amortised costs (AC)	-	41,718
Loans and deposits	-	41,718
Loans	-	37,310
Deposits	-	4,408
Total	1,072,037,268	1,037,747,849

At the end of 2025, the value of financial investments assets increased by EUR 34,289,419 compared to the previous year. This was mainly influenced by favourable developments in the capital markets (debt and equity).

Financial assets where the investment risk is borne by policyholder

(in EUR)	31.12.2025	31.12.2024
Financial assets measured at fair value through profit or loss (FVTPL)	463,918,317	452,495,792
Debt securities	24,302,816	42,294,137
Other bonds	24,302,816	42,294,137
Listed securities	24,135,032	42,046,583
Non-listed securities	167,784	247,554
Investment funds	439,615,501	410,201,655
Listed securities	439,111,625	409,697,779
Non-listed securities	503,876	503,876
Total	463,918,317	452,495,792

Financial assets and ECL allocation

(in EUR)	Stage 1	Stage 2	Stage 3	Total 31.12.2025	31.12.2024
INVESTMENTS					
Financial assets at fair value through other comprehensive income (FVOCI)	532,283,910	-	-	532,283,910	520,449,742
Corporate bonds	145,055,237	-	-	145,055,237	104,386,822
Government bonds	387,228,673	-	-	387,228,673	416,062,920
Financial assets at amortised cost (AC)	-	-	-	-	41,718
Deposits and loans	-	-	-	-	41,718
Total investments	532,283,910	-	-	532,283,910	520,491,460
ECL					
Financial assets at fair value through other comprehensive income (FVOCI)	(466,547)	-	-	(466,547)	(230,889)
Corporate bonds	(332,518)	-	-	(332,518)	(118,525)
Government bonds	(134,029)	-	-	(134,029)	(112,364)
Financial assets at amortised cost (AC)	-	-	-	-	(7)
Deposits and loans	-	-	-	-	(7)
Total ECL	(466,547)	-	-	(466,547)	(230,896)

Total ECL in 2025 increased by EUR 215,652 compared to the previous year, mainly due to bigger exposure to corporate bonds.

Movement in financial investments

(in EUR)	At fair value through profit or loss (FVTPL)	At fair value through other comprehensive income (FVOCI)	At amortised costs (AC)	Total
Balance 1.1.2024	425,706,245	494,506,677	168,740	920,381,662
Additions	50,066,548	205,184,471	-	255,251,019
Changes in fair value (+/-) through P&L	73,245,306	-	-	73,245,306
Changes in fair value (+/-) through other comprehensive income	-	11,112,691	-	11,112,691
Exchange rate differences	32,044	-	-	32,044
Change due to interests	45	2,091,133	(1,696)	2,089,482
Expected Credit Loss (ECL)	-	-	52	52
Disposals	(62,058,736)	(162,180,293)	(125,379)	(224,364,408)
Balance 31.12.2024	486,991,452	550,714,679	41,717	1,037,747,848
Balance 1.1.2025	486,991,452	550,714,679	41,717	1,037,747,848
Additions	106,278,816	207,437,131	-	313,715,947
Changes in fair value (+/-) through P&L	30,470,075	-	-	30,470,075
Changes in fair value (+/-) through other comprehensive income	-	4,630,758	-	4,630,758
Exchange rate differences	(51,776)	-	-	(51,776)
Change due to interest	149,556	719,574	(336)	868,794
Disposals	(118,231,524)	(197,071,472)	(41,382)	(315,344,378)
Balance 31.12.2025	505,606,599	566,430,670	-	1,072,037,269

7.7 INSURANCE AND REINSURANCE CONTRACTS

The following table sets out the carrying amounts of insurance and reinsurance contracts expected to be (recovered) settled more than 12 months after the reporting date.

Insurance and reinsurance contracts

(in EUR)	2025	2024
Insurance contract assets	22,102,966	25,893,069
Non-life insurance PAA	68,904	91,152
Life insurance BBA	22,034,062	25,801,917
Insurance contract liabilities	880,711,073	873,911,983
Non-life insurance PAA	295,954,943	291,606,731
Life insurance BBA	106,041,774	117,861,214
Life insurance VFA	478,714,356	464,444,038
Reinsurance contract assets	46,643,035	57,236,972
Non-life insurance PAA	46,643,035	57,236,972
Reinsurance contract liabilities	416,875	1,171,659
Non-life insurance PAA	160,337	124,910
Life insurance PAA	256,537	1,046,749

The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts in each segment changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss and other comprehensive income OCI. For each segment, the insurance presents a table that separately analyses movements in the liabilities for remaining coverage and movements in the liabilities for incurred claims and reconciles these movements to the line items in the statement of profit or loss and other comprehensive income OCI.

A second reconciliation is presented for contracts not measured under the premium allocation approach - PAA, which separately analyses changes in the estimates of the present value of future cash flows, the risk adjustment for non-financial risk and the contractual service margin CSM.

Analysis by remaining coverage and incurred claims for non - life insurance contracts

Insurance contracts - non - life insurance PAA 31.12.2025

Insurance contracts - non - life insurance PAA in EUR	Liabilities for remaining coverage (Excluding loss component)	Liabilities for remaining coverage (Loss component)	Total LRC
Opening balance insurance contracts issued that are liabilities	69,146,390	4,332,594	73,478,984
Opening balance insurance contracts issued that are assets	116,820	-	116,820
Net opening balance as per 1.1.	69,029,569	4,332,594	73,362,163
Insurance contract revenue	(346,169,697)	-	(346,169,697)
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	-	-
Changes related to past services (e.g. adj in cf related to the liability for incurred claims)	-	-	-
Losses and reversals of losses on onerous contracts	-	41,233	41,233
Amortisation of insurance acquisition cash flows	55,172,651	-	55,172,651
Insurance service expenses	55,172,651	41,233	55,213,884
Insurance service result	(290,997,046)	41,233	(290,955,813)
Net finance expenses from insurance contracts	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	(290,997,046)	41,233	(290,955,813)
Premiums received	350,864,310	-	350,864,310
Claims and other insurance service expenses paid, including investment components	-	-	-
Insurance acquisition cash flows	(66,007,539)	-	(66,007,539)
Total cash flows	284,856,771	-	284,856,771
NET CLOSING BALANCE AS PER 31.12.	62,889,294	4,373,827	67,263,121
Closing balance insurance contracts issued that are liabilities	62,999,189	4,373,827	67,373,016
Closing balance insurance contracts issued that are assets	109,894	-	109,894
Net closing balance as per 31.12.	62,889,294	4,373,827	67,263,121



Liabilities for incurred claims (Estimates of the present value of the future cash flows)	Liabilities for incurred claims (Risk adjustment for non-financial risk)	Total LIC	Total 31.12.2025
211,458,500	6,669,247	218,127,747	291,606,731
(25,618)	(51)	(25,669)	91,151
211,484,119	6,669,298	218,153,417	291,515,580
-	-	-	(346,169,697)
219,675,684	-	219,675,684	219,675,684
10,114,803	(100,540)	10,014,263	10,014,263
-	-	-	41,233
-	-	-	55,172,651
229,790,487	(100,540)	229,689,947	284,903,831
229,790,487	(100,540)	229,689,947	(61,265,867)
344,479	164,465	508,944	508,944
230,134,966	63,925	230,198,890	(60,756,923)
-	-	-	350,864,310
(219,729,390)	-	(219,729,390)	(219,729,390)
-	-	-	(66,007,539)
(219,729,390)	-	(219,729,390)	65,127,381
221,889,694	6,733,223	228,622,918	295,886,038
221,848,815	6,733,112	228,581,927	295,954,943
(40,880)	(111)	(40,990)	68,904
221,889,695	6,733,223	228,622,918	295,886,039

Insurance contracts - non - life insurance PAA 31.12.2024

Insurance contracts - non - life insurance PAA in EUR	Liabilities for remaining coverage (Excluding loss component)	Liabilities for remaining coverage (Loss component)	Total LRC
Opening balance insurance contracts issued that are liabilities	59,291,148	2,254,374	61,545,522
Opening balance insurance contracts issued that are assets	12,690	-	12,690
Net opening balance as per 1.1.	59,278,458	2,254,374	61,532,832
Insurance contract revenue	(321,571,498)	-	(321,571,498)
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	-	-
Changes related to past services (e.g. adj in cf related to the liability for incurred claims)	-	-	-
Losses and reversals of losses on onerous contracts	-	2,078,220	2,078,220
Amortisation of insurance acquisition cash flows	34,105,085	-	34,105,085
Insurance service expenses	34,105,085	2,078,220	36,183,305
Insurance service result	(287,466,413)	2,078,220	(285,388,193)
Net finance expenses from insurance contracts	131,570	-	131,570
Total changes in the statement of profit or loss and other comprehensive income	(287,334,843)	2,078,220	(285,256,623)
Premiums received	332,721,701	-	332,721,701
Claims and other insurance service expenses paid, including investment components	-	-	-
Insurance acquisition cash flows	(35,635,746)	-	(35,635,746)
Total cash flows	297,085,955	-	297,085,955
NET CLOSING BALANCE AS PER 31.12.	69,029,570	4,332,594	73,362,164
Closing balance insurance contracts issued that are liabilities	69,146,390	4,332,594	73,478,984
Closing balance insurance contracts issued that are assets	116,820	-	116,820
Net closing balance as per 31.12.	69,029,570	4,332,594	73,362,164



Liabilities for incurred claims (Estimates of the present value of the future cash flows)	Liabilities for incurred claims (Risk adjustment for non-financial risk)	Total LIC	Total 31.12.2024
225,940,633	6,895,416	232,836,049	294,381,571
(6,266)	(139)	(6,405)	6,285
225,946,899	6,895,555	232,842,454	294,375,286
-	-	-	(321,571,498)
273,053,995	-	273,053,995	273,053,995
(13,922,969)	(471,535)	(14,394,504)	(14,394,504)
-	-	-	2,078,220
-	-	-	34,105,085
259,131,026	(471,535)	258,659,491	294,842,796
259,131,026	(471,535)	258,659,491	(26,728,702)
6,618,670	245,277	6,863,948	6,995,517
265,749,696	(226,258)	265,523,439	(19,733,185)
-	-	-	332,721,701
(280,212,477)	-	(280,212,477)	(280,212,477)
-	-	-	(35,635,746)
(280,212,477)	-	(280,212,477)	16,873,478
211,484,118	6,669,297	218,153,415	291,515,579
211,458,500	6,669,247	218,127,747	291,606,731
(25,618)	(50)	(25,668)	91,152
211,484,118	6,669,297	218,153,415	291,515,579

Analysis by remaining coverage and incurred claims for non - life reinsurance contracts

Reinsurance contracts - non - life insurance PAA 31.12.2025

Reinsurance contracts - non - life insurance PAA in EUR	Assets for remaining coverage (Excluding loss-recovery component)	Loss-recovery component	Total ARC
Opening balance reinsurance contracts held that are liabilities	308,273	-	308,273
Opening balance reinsurance contracts held that are assets	(7,609,321)	966,993	(6,642,328)
Net opening balance as per 1.1.	7,917,594	(966,993)	6,950,601
Insurance contract revenue ceded to reinsurers	39,281,777	-	39,281,777
Insurance claims and insurance operating expenses recovered from reinsurers	-	-	-
Changes in amounts recoverable arising from changes in assets for incurred claims	-	-	-
Changes in fulfilment cash flows which relates to onerous underlying contracts	-	(78,211)	(78,211)
Total amounts recoverable from reinsurers	-	(78,211)	(78,211)
Net Income/Expense from reinsurance contract held	39,281,777	(78,211)	39,203,566
Net finance income from reinsurance contracts	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	39,281,777	(78,211)	39,203,566
Premiums paid	(39,952,517)	-	(39,952,517)
Recoveries of claims and other directly attributable expenses	-	-	-
Total cash flows	(39,952,517)	-	(39,952,517)
NET CLOSING BALANCE AS PER 31.12.	7,246,854	(1,045,204)	6,201,650
Closing balance reinsurance contracts held that are liabilities	983,121	(4,617)	978,504
Closing balance reinsurance contracts held that are assets	(6,263,733)	1,040,587	(5,223,146)
Net closing balance as per 31.12.	7,246,854	(1,045,204)	6,201,650

Reinsurance contracts - non - life insurance PAA 31.12.2024

Reinsurance contracts - non - life insurance PAA in EUR	Assets for remaining coverage (Excluding loss-recovery component)	Loss-recovery component	Total ARC
Opening balance reinsurance contracts held that are liabilities	215,141	-	215,141
Opening balance reinsurance contracts held that are assets	(5,848,291)	430,012	(5,418,279)
Net opening balance as per 1.1.	6,063,432	(430,012)	5,633,420
Insurance contract revenue ceded to reinsurers	31,339,112	-	31,339,112
Insurance claims and insurance operating expenses recovered from reinsurers	-	-	-
Changes in amounts recoverable arising from changes in assets for incurred claims	-	-	-
Changes in fulfilment cash flows which relates to onerous underlying contracts	-	(536,981)	(536,981)
Total amounts recoverable from reinsurers	-	(536,981)	(536,981)
Net Income/Expense from reinsurance contract held	31,339,112	(536,981)	30,802,131
Net finance income from reinsurance contracts	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	31,339,112	(536,981)	30,802,131
Premiums paid	(29,484,949)	-	(29,484,949)
Recoveries of claims and other directly attributable expenses	-	-	-
Total cash flows	(29,484,949)	-	(29,484,949)
NET CLOSING BALANCE AS PER 31.12.	7,917,595	(966,993)	6,950,602
Closing balance reinsurance contracts held that are liabilities	308,273	-	308,273
Closing balance reinsurance contracts held that are assets	(7,609,322)	966,993	(6,642,329)
Net closing balance as per 31.12.	7,917,595	(966,993)	6,950,602

Assets for incurred claims (Estimates of the present value of the future cash flows)	Assets for incurred claims (Risk adjustment for non-financial risk)	Total AIC	Total 31.12.2025
(181,549)	(1,814)	(183,363)	124,910
61,817,515	2,061,786	63,879,301	57,236,973
(61,999,064)	(2,063,600)	(64,062,664)	(57,112,063)
-	-	-	39,281,777
(19,162,793)	-	(19,162,793)	(19,162,793)
6,230,798	440,508	6,671,306	6,671,306
-	-	-	(78,211)
(12,931,995)	440,508	(12,491,487)	(12,569,698)
(12,931,995)	440,508	(12,491,487)	26,712,079
(1,092,101)	(50,888)	(1,142,989)	(1,142,989)
(14,024,096)	389,620	(13,634,476)	25,569,090
-	-	-	(39,952,517)
25,012,792	-	25,012,792	25,012,792
25,012,792	-	25,012,792	(14,939,725)
(51,010,369)	(1,673,979)	(52,684,348)	(46,482,698)
(814,313)	(3,854)	(818,167)	160,337
50,196,056	1,670,125	51,866,181	46,643,035
(51,010,369)	(1,673,979)	(52,684,348)	(46,482,698)

Assets for incurred claims (Estimates of the present value of the future cash flows)	Assets for incurred claims (Risk adjustment for non-financial risk)	Total AIC	Total 31.12.2024
(97,318)	-	(97,318)	117,823
72,851,246	2,150,792	75,002,038	69,583,759
(72,948,564)	(2,150,792)	(75,099,356)	(69,465,936)
-	-	-	31,339,112
(32,855,028)	-	(32,855,028)	(32,855,028)
4,994,239	163,697	5,157,936	5,157,936
-	-	-	(536,981)
(27,860,789)	163,697	(27,697,092)	(28,234,073)
(27,860,789)	163,697	(27,697,092)	3,105,039
(933,660)	(76,504)	(1,010,164)	(1,010,164)
(28,794,449)	87,193	(28,707,256)	2,094,875
-	-	-	(29,484,949)
39,743,948	-	39,743,948	39,743,948
39,743,948	-	39,743,948	10,258,999
(61,999,065)	(2,063,599)	(64,062,664)	(57,112,062)
(181,549)	(1,814)	(183,363)	124,910
61,817,516	2,061,785	63,879,301	57,236,972
(61,999,065)	(2,063,599)	(64,062,664)	(57,112,062)

Analysis by remaining coverage and incurred claims for life insurance contracts not measured under the PAA

Insurance contracts - life insurance BBA 31.12.2025

Insurance contracts - life insurance BBA in EUR	Liabilities for remaining coverage (Excluding loss component)	Liabilities for remaining coverage (Loss component)	Total LRC	Liabilities for incurred claims - LIC	Total 31.12.2025
Opening balance insurance contracts issued that are liabilities	115,615,592	-	115,615,592	2,245,622	117,861,214
Opening balance insurance contracts issued that are assets	34,650,487	(70,336)	34,580,151	(8,778,235)	25,801,916
Net opening balance as per 1.1.	80,965,105	70,336	81,035,440	11,023,857	92,059,297
Contracts under the modified retrospective approach	(2,239,865)	-	(2,239,865)	-	(2,239,865)
Contracts under the fair value approach	(11,559,685)	-	(11,559,685)	-	(11,559,685)
Other contracts	(13,302,155)	-	(13,302,155)	-	(13,302,155)
Insurance contract revenue	(27,101,705)	-	(27,101,705)	-	(27,101,705)
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	-	-	19,467,161	19,467,161
Changes related to past services (e.g. adj in cf related to the liability for incurred claims)	-	-	-	380,348	380,348
Losses and reversals of losses on onerous contracts	-	(209,602)	(209,602)	-	(209,602)
Amortisation of insurance acquisition cash flows	2,595,660	-	2,595,660	-	2,595,660
Insurance service expenses	2,595,660	(209,602)	2,386,058	19,847,508	22,233,566
Insurance service result	(24,506,045)	(209,602)	(24,715,647)	19,847,508	(4,868,139)
Net finance expenses from insurance contracts	(3,011,911)	139,266	(2,872,645)	-	(2,872,645)
Total changes in the statement of profit or loss and other comprehensive income	(27,517,956)	(70,336)	(27,588,292)	19,847,508	(7,740,784)
Investment components excluded from insurance revenue and insurance service expenses	(15,265,023)	-	(15,265,023)	15,265,023	-
Premiums received	39,234,040	-	39,234,040	-	39,234,040
Claims and other insurance service expenses paid, including investment components	-	-	-	(33,413,269)	(33,413,269)
Insurance acquisition cash flows	(6,131,572)	-	(6,131,572)	-	(6,131,572)
Total cash flows	33,102,467	-	33,102,467	(33,413,269)	(310,802)
NET CLOSING BALANCE AS PER 31.12.	71,284,593	-	71,284,593	12,723,119	84,007,712
Closing balance insurance contracts issued that are liabilities	103,432,812	-	103,432,812	2,608,962	106,041,774
Closing balance insurance contracts issued that are assets	32,148,219	-	32,148,219	(10,114,157)	22,034,062
Net closing balance as per 31.12.	71,284,593	-	71,284,593	12,723,119	84,007,712

Insurance contracts - life insurance BBA 31.12.2024

Insurance contracts - life insurance BBA in EUR	Liabilities for remaining coverage (Excluding loss component)	Liabilities for remaining coverage (Loss component)	Total LRC	Liabilities for incurred claims - LIC	Total 31.12.2024
Opening balance insurance contracts issued that are liabilities	118,279,691	-	118,279,691	2,553,026	120,832,717
Opening balance insurance contracts issued that are assets	35,287,574	-	35,287,574	(7,582,788)	27,704,786
Net opening balance as per 1.1.	82,992,117	-	82,992,117	10,135,814	93,127,931
Contracts under the modified retrospective approach	(2,697,227)	-	(2,697,227)	-	(2,697,227)
Contracts under the fair value approach	(13,305,913)	-	(13,305,913)	-	(13,305,913)
Other contracts	(12,300,560)	-	(12,300,560)	-	(12,300,560)
Insurance contract revenue	(28,303,700)	-	(28,303,700)	-	(28,303,700)
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	-	-	18,067,098	18,067,098
Changes related to past services (e.g. adj in cf related to the liability for incurred claims)	-	-	-	565,621	565,621
Losses and reversals of losses on onerous contracts	-	68,471	68,471	-	68,471
Amortisation of insurance acquisition cash flows	2,372,356	-	2,372,356	-	2,372,356
Insurance service expenses	2,372,356	68,471	2,440,827	18,632,719	21,073,546
Insurance service result	(25,931,344)	68,471	(25,862,873)	18,632,719	(7,230,154)
Net finance expenses from insurance contracts	1,921,517	1,864	1,923,381	-	1,923,381
Total changes in the statement of profit or loss and other comprehensive income	(24,009,827)	70,336	(23,939,492)	18,632,719	(5,306,773)
Investment components excluded from insurance revenue and insurance service expenses	(12,359,541)	-	(12,359,541)	12,359,541	-
Premiums received	40,775,954	-	40,775,954	-	40,775,954
Claims and other insurance service expenses paid, including investment components	-	-	-	(30,104,217)	(30,104,217)
Insurance acquisition cash flows	(6,433,598)	-	(6,433,598)	-	(6,433,598)
Total cash flows	34,342,355	-	34,342,355	(30,104,217)	4,238,138
NET CLOSING BALANCE AS PER 31.12.	80,965,104	70,336	81,035,440	11,023,857	92,059,297
Closing balance insurance contracts issued that are liabilities	115,615,592	-	115,615,592	2,245,622	117,861,214
Closing balance insurance contracts issued that are assets	34,650,487	(70,336)	34,580,152	(8,778,235)	25,801,917
Net closing balance as per 31.12.	80,965,105	70,336	81,035,440	11,023,857	92,059,297

Insurance contracts - life insurance VFA 31.12.2025

Insurance contracts - life insurance VFA in EUR	Liabilities for remaining coverage (Excluding loss component)	Liabilities for remaining coverage (Loss component)	Total LRC	Liabilities for incurred claims - LIC	Total 31.12.2025
Opening balance insurance contracts issued that are liabilities	459,053,822	-	459,053,822	5,390,217	464,444,039
Net opening balance as per 1.1.	459,053,822	-	459,053,822	5,390,217	464,444,039
Contracts under the fair value approach	(12,391,099)	-	(12,391,099)	-	(12,391,099)
Other contracts	(2,899,297)	-	(2,899,297)	-	(2,899,297)
Insurance contract revenue	(15,290,395)	-	(15,290,395)	-	(15,290,395)
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	-	-	9,704,822	9,704,822
Changes related to past services (e.g. adj in cf related to the liability for incurred claims)	-	-	-	67,690	67,690
Amortisation of insurance acquisition cash flows	814,233	-	814,233	-	814,233
Insurance service expenses	814,233	-	814,233	9,772,511	10,586,745
Insurance service result	(14,476,162)	-	(14,476,162)	9,772,511	(4,703,651)
Net finance expenses from insurance contracts	29,267,307	-	29,267,307	-	29,267,307
Total changes in the statement of profit or loss and other comprehensive income	14,791,145	-	14,791,145	9,772,511	24,563,657
Investment components excluded from insurance revenue and insurance service expenses	(63,130,339)	-	(63,130,339)	63,130,339	-
Premiums received	66,940,786	-	66,940,786	-	66,940,786
Claims and other insurance service expenses paid, including investment components	-	-	-	(71,407,881)	(71,407,881)
Insurance acquisition cash flows	(5,826,243)	-	(5,826,243)	-	(5,826,243)
Total cash flows	61,114,543	-	61,114,543	(71,407,881)	(10,293,338)
NET CLOSING BALANCE AS PER 31.12.	471,829,170	-	471,829,170	6,885,186	478,714,356
Closing balance insurance contracts issued that are liabilities	471,829,170	-	471,829,170	6,885,186	478,714,356
Net closing balance as per 31.12.	471,829,170	-	471,829,170	6,885,186	478,714,356

Insurance contracts - life insurance VFA 31.12.2024

Insurance contracts - life insurance VFA in EUR	Liabilities for remaining coverage (Excluding loss component)	Liabilities for remaining coverage (Loss component)	Total LRC	Liabilities for incurred claims - LIC	Total 31.12.2024
Opening balance insurance contracts issued that are liabilities	397,325,214	1,085,948	398,411,162	8,113,024	406,524,186
Net opening balance as per 1.1.	397,325,214	1,085,948	398,411,162	8,113,024	406,524,186
Contracts under the fair value approach	(13,965,652)	-	(13,965,652)	-	(13,965,652)
Other contracts	(2,463,106)	-	(2,463,106)	-	(2,463,106)
Insurance contract revenue	(16,428,758)	-	(16,428,758)	-	(16,428,758)
Incurred claims (excluding investment components) and other incurred insurance service expenses	-	-	-	10,245,914	10,245,914
Changes related to past services (e.g. adj in cf related to the liability for incurred claims)	-	-	-	(107,338)	(107,338)
Losses and reversals of losses on onerous contracts	-	(1,085,948)	(1,085,948)	-	(1,085,948)
Amortisation of insurance acquisition cash flows	757,216	-	757,216	-	757,216
Insurance service expenses	757,216	(1,085,948)	(328,732)	10,138,576	9,809,844
Insurance service result	(15,671,542)	(1,085,948)	(16,757,490)	10,138,576	(6,618,914)
Net finance expenses from insurance contracts	69,704,218	-	69,704,218	-	69,704,218
Total changes in the statement of profit or loss and other comprehensive income	54,032,676	(1,085,948)	52,946,728	10,138,576	63,085,304
Investment components excluded from insurance revenue and insurance service expenses	(44,365,020)	-	(44,365,020)	44,365,020	-
Premiums received	57,661,569	-	57,661,569	-	57,661,569
Claims and other insurance service expenses paid, including investment components	-	-	-	(57,226,404)	(57,226,404)
Insurance acquisition cash flows	(5,600,617)	-	(5,600,617)	-	(5,600,617)
Total cash flows	52,060,952	-	52,060,952	(57,226,404)	(5,165,452)
NET CLOSING BALANCE AS PER 31.12.	459,053,822	-	459,053,822	5,390,216	464,444,038
Closing balance insurance contracts issued that are liabilities	459,053,822	-	459,053,822	5,390,216	464,444,038
Net closing balance as per 31.12.	459,053,822	-	459,053,822	5,390,216	464,444,038

Analysis by remaining coverage and incurred claims for life reinsurance contracts

Reinsurance contracts - life insurance PAA 31.12.2025

Reinsurance contracts - life insurance - PAA in EUR	Assets for remaining coverage (Excluding loss- recovery component)	Loss-recovery component
Opening balance reinsurance contracts held that are liabilities	2,198,025	-
Net opening balance as per 1.1.	2,198,025	-
Insurance contract revenue ceded to reinsurers	4,289,754	-
Insurance claims and insurance operating expenses recovered from reinsurers	-	-
Changes in amounts recoverable arising from changes in assets for incurred claims	-	-
Total amounts recoverable from reinsurers	-	-
Net Income/Expense from reinsurance contract held	4,289,754	-
Net finance income from reinsurance contracts	-	-
Total changes in the statement of profit or loss and other comprehensive income	4,289,754	-
Premiums paid	(4,360,947)	-
Recoveries of claims and other directly attributable expenses	-	-
Reinsurance acquisition cash flows	860,866	-
Total cash flows	(3,500,081)	-
NET CLOSING BALANCE AS PER 31.12.	2,987,698	-
Closing balance reinsurance contracts held that are liabilities	2,987,698	-
NET CLOSING BALANCE AS PER 31.12.	2,987,698	-

Reinsurance contracts - life insurance PAA 31.12.2024

Reinsurance contracts - life insurance - PAA in EUR	Assets for remaining coverage (Excluding loss- recovery component)	Loss-recovery component
Opening balance reinsurance contracts held that are liabilities	1,330,365	-
Net opening balance as per 1.1.	1,330,365	-
Insurance contract revenue ceded to reinsurers	4,087,029	-
Insurance claims and insurance operating expenses recovered from reinsurers	-	-
Changes in amounts recoverable arising from changes in assets for incurred claims	-	-
Total amounts recoverable from reinsurers	-	-
Net Income/Expense from reinsurance contract held	4,087,029	-
Net finance income from reinsurance contracts	-	-
Total changes in the statement of profit or loss and other comprehensive income	4,087,029	-
Premiums paid	(4,044,997)	-
Recoveries of claims and other directly attributable expenses	-	-
Reinsurance acquisition cash flows	825,628	-
Total cash flows	(3,219,369)	-
NET CLOSING BALANCE AS PER 31.12.	2,198,025	-
Closing balance reinsurance contracts held that are liabilities	2,198,025	-
NET CLOSING BALANCE AS PER 31.12.	2,198,025	-



Total ARC	Assets for incurred claims (Estimates of the present value of the future cash flows)	Assets for incurred claims (Risk adjustment for non- financial risk)	Total AIC	Total 31.12.2025
2,198,025	(1,151,277)	-	(1,151,277)	1,046,748
2,198,025	(1,151,277)	-	(1,151,277)	1,046,748
4,289,754	-	-	-	4,289,754
-	(2,364,153)	-	(2,364,153)	(2,364,153)
-	(479,022)	-	(479,022)	(479,022)
-	(2,843,175)	-	(2,843,175)	(2,843,175)
4,289,754	(2,843,175)	-	(2,843,175)	1,446,579
-	23,161	-	23,161	23,161
4,289,754	(2,820,014)	-	(2,820,014)	1,469,740
(4,360,947)	-	-	-	(4,360,947)
-	1,240,130	-	1,240,130	1,240,130
860,866	-	-	-	860,866
(3,500,081)	1,240,130	-	1,240,130	(2,259,951)
2,987,698	(2,731,161)	-	(2,731,161)	256,537
2,987,698	(2,731,161)	-	(2,731,161)	256,537
2,987,698	(2,731,161)	-	(2,731,161)	256,537

Total ARC	Assets for incurred claims (Estimates of the present value of the future cash flows)	Assets for incurred claims (Risk adjustment for non- financial risk)	Total AIC	Total 31.12.2024
1,330,365	(1,038,450)	-	(1,038,450)	291,915
1,330,365	(1,038,450)	-	(1,038,450)	291,915
4,087,029	-	-	-	4,087,029
-	(1,676,683)	-	(1,676,683)	(1,676,683)
-	295,535	-	295,535	295,535
-	(1,381,148)	-	(1,381,148)	(1,381,148)
4,087,029	(1,381,148)	-	(1,381,148)	2,705,882
-	38,356	-	38,356	38,356
4,087,029	(1,342,792)	-	(1,342,792)	2,744,238
(4,044,997)	-	-	-	(4,044,997)
-	1,229,965	-	1,229,965	1,229,965
825,628	-	-	-	825,628
(3,219,369)	1,229,965	-	1,229,965	(1,989,405)
2,198,025	(1,151,277)	-	(1,151,277)	1,046,749
2,198,025	(1,151,277)	-	(1,151,277)	1,046,749
2,198,025	(1,151,277)	-	(1,151,277)	1,046,749

Analysis by measurement component – Contracts not measured under the PAA

Insurance contracts - life insurance BBA 31.12.2025

Insurance contracts - life insurance BBA in EUR	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	CS modified
Opening balance insurance contracts issued that are liabilities	110,986,456	654,993	
Opening balance insurance contracts issued that are assets	67,187,525	(5,639,974)	
Net opening balance as per 1.1.	43,798,931	6,294,967	
CSM recognised in profit or loss for services provided	-	-	
Release of the risk adjustment for non-financial risk	-	(724,548)	
Experience adjustments	1,573,272	-	
Changes that relate to current services	1,573,272	(724,548)	
Changes in estimates that adjust the contractual service margin	1,096,331	(377,094)	
Changes in estimates that do not adjust the contractual service margin, i.e. losses on groups of onerous contracts and reversals of such losses	(159,080)	(3,717)	
Effects of contracts initially recognised in the period	(7,553,597)	940,745	
Changes that relate to future services	(6,616,346)	559,934	
Insurance service result	(5,043,074)	(164,614)	
Net finance expenses from insurance contracts	(3,621,999)	169,522	
Total changes in the statement of profit or loss and other comprehensive income	(8,665,073)	4,908	
Total cash flows	(310,801)	-	
NET CLOSING BALANCE AS PER 31.12.	34,823,058	6,299,875	
Closing balance insurance contracts issued that are liabilities	101,675,344	622,112	
Closing balance insurance contracts issued that are assets	66,852,286	(5,677,764)	
Net closing balance as per 31.12.	34,823,058	6,299,875	

Insurance contracts - life insurance BBA 31.12.2024

Insurance contracts - life insurance BBA in EUR	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risk	CS modified
Opening balance insurance contracts issued that are liabilities	113,345,065	708,777	
Opening balance insurance contracts issued that are assets	61,136,001	(5,251,466)	
Net opening balance as per 1.1.	52,209,064	5,960,242	
CSM recognised in profit or loss for services provided	-	-	
Release of the risk adjustment for non-financial risk	-	(678,918)	
Experience adjustments	(1,081,506)	-	
Changes that relate to current services	(1,081,506)	(678,918)	
Changes in estimates that adjust the contractual service margin	(5,718,193)	(235,125)	
Changes in estimates that do not adjust the contractual service margin, i.e. losses on groups of onerous contracts and reversals of such losses	118,847	1,108	
Effects of contracts initially recognised in the period	(7,211,226)	1,013,083	
Changes that relate to future services	(12,810,572)	779,067	
Insurance service result	(13,892,077)	100,149	
Net finance expenses from insurance contracts	1,243,806	234,577	
Total changes in the statement of profit or loss and other comprehensive income	(12,648,272)	334,725	
Total cash flows	4,238,138	-	
NET CLOSING BALANCE AS PER 31.12.	43,798,931	6,294,968	
Closing balance insurance contracts issued that are liabilities	110,986,456	654,993	
Closing balance insurance contracts issued that are assets	67,187,525	(5,639,974)	
Net closing balance as per 31.12.	43,798,931	6,294,968	



M - Contracts under the retrospective approach	CSM - Contracts under the fair value approach	CSM - Other contracts	Contractual service margin - subtotal	Total 31.12.2025
-	5,677,346	542,419	6,219,765	117,861,214
(6,483,581)	(10,995,868)	(18,266,185)	(35,745,634)	25,801,917
6,483,581	16,673,214	18,808,604	41,965,399	92,059,297
(829,877)	(1,697,028)	(3,333,845)	(5,860,750)	(5,860,750)
-	-	-	-	(724,548)
-	-	-	-	1,573,272
(829,877)	(1,697,028)	(3,333,845)	(5,860,750)	(5,012,026)
291,348	(1,519,835)	687,547	(540,940)	178,297
-	-	-	-	(162,797)
-	-	6,741,238	6,741,238	128,386
291,348	(1,519,835)	7,428,785	6,200,298	143,886
(538,529)	(3,216,863)	4,094,940	339,548	(4,868,139)
(24,182)	30,907	573,108	579,833	(2,872,645)
(562,711)	(3,185,956)	4,668,048	919,381	(7,740,784)
-	-	-	-	(310,801)
5,920,870	13,487,258	23,476,652	42,884,780	84,007,712
-	3,119,698	624,622	3,744,319	106,041,774
(5,920,870)	(10,367,560)	(22,852,030)	(39,140,461)	22,034,062
5,920,870	13,487,258	23,476,652	42,884,780	84,007,712

M - Contracts under the retrospective approach	CSM - Contracts under the fair value approach	CSM - Other contracts	Contractual service margin - subtotal	Total 31.12.2024
-	6,513,056	265,820	6,778,876	120,832,717
(6,592,696)	(9,411,010)	(12,176,043)	(28,179,749)	27,704,786
6,592,696	15,924,066	12,441,863	34,958,625	93,127,931
(940,426)	(2,058,199)	(2,713,464)	(5,712,090)	(5,712,090)
-	-	-	-	(678,918)
-	-	-	-	(1,081,506)
(940,426)	(2,058,199)	(2,713,464)	(5,712,090)	(7,472,513)
861,158	2,793,834	2,298,325	5,953,318	-
-	-	-	-	119,956
-	-	6,320,547	6,320,547	122,403
861,158	2,793,834	8,618,872	12,273,864	242,359
(79,269)	735,636	5,905,408	6,561,775	(7,230,154)
(29,846)	13,513	461,333	444,999	1,923,381
(109,115)	749,148	6,366,740	7,006,774	(5,306,773)
-	-	-	-	4,238,138
6,483,581	16,673,214	18,808,603	41,965,399	92,059,297
-	5,677,346	542,419	6,219,765	117,861,214
(6,483,581)	(10,995,868)	(18,266,185)	(35,745,634)	25,801,917
6,483,581	16,673,214	18,808,603	41,965,399	92,059,297

Insurance contracts - life insurance VFA 31.12.2025

Insurance contracts - life insurance VFA in EUR	Estimates of the present value of the future cash flows	Risk adjustment for non- financial risk	CS modified
Opening balance insurance contracts issued that are liabilities	405,897,996	5,331,775	
Net opening balance as per 1.1.	405,897,996	5,331,775	
CSM recognised in profit or loss for services provided	-	-	
Effect of changes in the risk adjustment for non-financial risk not allocated to future or past service	-	(365,594)	
Experience adjustments	457,777	-	
Changes that relate to current services	457,777	(365,594)	
Changes in estimates that adjust the contractual service margin	(38,806)	(190,202)	
Effects of contracts initially recognised in the period	(3,021,068)	343,428	
Changes that relate to future services	(3,059,874)	153,226	
Insurance service result	(2,602,097)	(212,369)	
Net finance expenses from insurance contracts	29,267,307	-	
Total changes in the statement of profit or loss and other comprehensive income	26,665,210	(212,369)	
Total cash flows	(10,293,338)	-	
NET CLOSING BALANCE AS PER 31.12.	422,269,867	5,119,406	
Closing balance insurance contracts issued that are liabilities	422,269,867	5,119,406	
Net closing balance as per 31.12.	422,269,867	5,119,406	

Insurance contracts - life insurance VFA 31.12.2024

Insurance contracts - life insurance VFA in EUR	Estimates of the present value of the future cash flows	Risk adjustment for non- financial risk	CS modified
Opening balance insurance contracts issued that are liabilities	370,174,907	4,611,878	
Net opening balance as per 1.1.	370,174,907	4,611,878	
CSM recognised in profit or loss for services provided	-	-	
Effect of changes in the risk adjustment for non-financial risk not allocated to future or past service	-	(242,106)	
Experience adjustments	(115,700)	-	
Changes that relate to current services	(115,700)	(242,106)	
Changes in estimates that adjust the contractual service margin	(25,264,841)	515,065	
Changes in estimates that do not adjust the contractual service margin, i.e. losses on groups of onerous contracts and reversals of such losses	(898,216)	(3,175)	
Effects of contracts initially recognised in the period	(2,536,869)	450,112	
Changes that relate to future services	(28,699,926)	962,003	
Changes that relate to past service, ie changes in fulfilment cash flows relating to incurred claims	(51)	-	
Changes that relate to past services	(51)	-	
Insurance service result	(28,815,677)	719,897	
Net finance expenses from insurance contracts	69,704,218	-	
Total changes in the statement of profit or loss and other comprehensive income	40,888,541	719,897	
Total cash flows	(5,165,452)	-	
NET CLOSING BALANCE AS PER 31.12.	405,897,996	5,331,775	
Closing balance insurance contracts issued that are liabilities	405,897,996	5,331,775	
Net closing balance as per 31.12.	405,897,996	5,331,775	



M - Contracts under the retrospective approach	CSM - Contracts under the fair value approach	CSM - Other contracts	Contractual service margin - subtotal	Total 31.12.2025
-	42,486,653	10,727,615	53,214,268	464,444,038
-	42,486,653	10,727,615	53,214,268	464,444,038
-	(4,285,685)	(510,148)	(4,795,833)	(4,795,833)
-	-	-	-	(365,594)
-	-	-	-	457,777
-	(4,285,685)	(510,148)	(4,795,833)	(4,703,651)
-	650,956	(421,949)	229,008	-
-	-	2,677,640	2,677,640	-
-	650,956	2,255,691	2,906,648	-
-	(3,634,729)	1,745,544	(1,889,185)	(4,703,651)
-	-	-	-	29,267,307
-	(3,634,729)	1,745,544	(1,889,185)	24,563,656
-	-	-	-	(10,293,338)
-	38,851,924	12,473,159	51,325,083	478,714,357
-	38,851,924	12,473,159	51,325,083	478,714,357
-	38,851,924	12,473,159	51,325,083	478,714,357

M - Contracts under the retrospective approach	CSM - Contracts under the fair value approach	CSM - Other contracts	Contractual service margin - subtotal	Total 31.12.2024
-	26,476,078	5,261,323	31,737,401	406,524,186
-	26,476,078	5,261,323	31,737,401	406,524,186
-	(4,782,257)	(577,408)	(5,359,666)	(5,359,666)
-	-	-	-	(242,106)
-	-	-	-	(115,700)
-	(4,782,257)	(577,408)	(5,359,666)	(5,717,471)
-	20,792,832	3,956,944	24,749,776	-
-	-	-	-	(901,391)
-	-	2,086,756	2,086,756	-
-	20,792,832	6,043,700	26,836,533	(901,391)
-	-	-	-	(51)
-	-	-	-	(51)
-	16,010,575	5,466,292	21,476,867	(6,618,913)
-	-	-	-	69,704,218
-	16,010,575	5,466,292	21,476,867	63,085,305
-	-	-	-	(5,165,452)
-	42,486,653	10,727,615	53,214,268	464,444,039
-	42,486,653	10,727,615	53,214,268	464,444,039
-	42,486,653	10,727,615	53,214,268	464,444,039

Insurance contracts initially recognised

Insurance contracts initially recognised in the year in EUR	Profitable	Onerous
BBA		
New business PVFCF (incl. TVOG)	7,553,598	-
New business - RA at initial recognition	(940,745)	-
New business - CSM at initial recognition	(6,741,239)	-
Loss component for onerous groups of contracts at initial recognition	128,386	-
Total BBA	-	-
VFA		
New business PVFCF (incl. TVOG)	3,021,068	-
New business - RA at initial recognition	(343,428)	-
New business - CSM at initial recognition	(2,677,640)	-
Total VFA	-	-

Expected Release of the CSM 31.12.2025

(in EUR)	1 year or less	1-2 years	2-3 years
Life insurance	9,305,771	8,925,252	8,010,668
BBA	4,982,831	4,736,627	4,098,737
VFA	4,322,940	4,188,625	3,911,931
Total	9,305,771	8,925,252	8,010,668

Expected Release of the CSM 31.12.2024

(in EUR)	1 year or less	1-2 years	2-3 years
Life insurance	9,675,347	9,285,122	8,283,948
BBA	4,857,525	4,640,786	4,010,911
VFA	4,817,822	4,644,336	4,273,037
Total	9,675,347	9,285,122	8,283,948



Total 31.12.2025	Profitable	Onerous	Total 31.12.2024
7,553,598	7,211,228	-	7,211,228
(940,745)	(1,013,083)	-	(1,013,083)
(6,741,239)	(6,320,548)	-	(6,320,548)
128,386	122,403	-	122,403
-	-	-	-
3,021,068	2,536,869	-	2,536,869
(343,428)	(450,112)	-	(450,112)
(2,677,640)	(2,086,757)	-	(2,086,757)
-	-	-	-

3-4 years	4-5 years	More than 5 years	More than 10 years	Total 31.12.2025
7,279,955	6,620,574	25,203,754	28,863,853	94,209,827
3,621,909	3,220,393	11,544,198	10,680,055	42,884,750
3,658,046	3,400,181	13,659,556	18,183,798	51,325,077
7,279,955	6,620,574	25,203,754	28,863,853	94,209,827

3-4 years	4-5 years	More than 5 years	More than 10 years	Total 31.12.2024
7,480,679	6,792,266	25,637,181	28,025,121	95,179,664
3,515,913	3,117,061	11,233,270	10,589,929	41,965,395
3,964,766	3,675,205	14,403,911	17,435,192	53,214,269
7,480,679	6,792,266	25,637,181	28,025,121	95,179,664

7.7.1 CLAIM DEVELOPMENT TABLES FOR NON - LIFE INSURANCE

The claim development table provides a measure of the Insurance Company's ability to estimate the ultimate value of claims. The top half of the table below illustrates

how the Insurance Company's estimate of ultimate value of claims for non-life insurance for each accident year has changed depending on year of accident. The bottom half of the table reconciles the cumulative non-life insurance claims to the amount appearing in the balance sheet. In consideration of its portfolio, the Insurance Company considers the year of accident to be the most appropriate basis for the analysis below.

Claim development tables for non - life insurance gross of reinsurance in 2025

Estimates of undiscounted gross cumulative claims/AY in EUR	before 2016	2016	2017	2018
At the end of loss year	-	221,368,140	234,030,221	219,395,418
1 year after loss year	-	215,075,866	229,311,537	214,642,976
2 years after loss year	-	214,889,516	227,979,634	212,134,131
3 years after loss year	-	213,645,681	225,872,674	212,814,096
4 years after loss year	-	212,067,953	229,378,785	213,865,126
5 years after loss year	-	218,001,325	227,386,745	212,711,541
6 years after loss year	-	216,649,076	225,811,205	211,775,394
7 years after loss year	-	216,109,501	224,840,685	212,274,709
8 years after loss year	-	215,484,655	225,352,697	-
9 years after loss year	-	214,860,333	-	-
Estimate of gross and undiscounted ultimate cumulative claim costs	-	214,860,333	225,352,697	212,274,709
Gross undiscounted Liability for Incurred claims	32,298,214	6,198,225	3,935,150	5,637,560
Discounting effect	-	-	-	-
Effect of Risk Adjustment	-	-	-	-
Gross liabilities for incurred claims included in the statement of financial position	-	-	-	-

Gross liabilities for incurred claims are net of LIC-other components in EUR 3,584,069. Data for financial years prior to the introduction of

Claim development tables for non - life insurance net of reinsurance in 2025

Estimates of undiscounted net cumulative claims/AY in EUR	before 2016	2016	2017	2018
At the end of loss year	-	215,353,152	219,951,688	214,684,431
1 year after loss year	-	209,306,872	213,522,375	209,474,783
2 years after loss year	-	206,778,848	212,795,835	207,508,472
3 years after loss year	-	206,211,958	209,811,045	207,935,534
4 years after loss year	-	205,497,675	213,400,714	208,889,654
5 years after loss year	-	210,800,155	211,768,157	208,539,885
6 years after loss year	-	209,704,751	211,298,008	207,620,476
7 years after loss year	-	207,516,027	210,484,169	208,174,710
8 years after loss year	-	207,205,202	210,921,418	-
9 years after loss year	-	207,145,723	-	-
Estimate of net and undiscounted ultimate cumulative claim costs	-	207,145,723	210,921,418	208,174,710
Net undiscounted Liability for Incurred claims	19,275,615	3,572,242	3,044,928	4,487,883
Discounting effect	-	-	-	-
Effect of Risk Adjustment	-	-	-	-
Net liabilities for incurred claims included in the statement of financial position	-	-	-	-

Net liabilities for incurred claims are net of LIC-other components in EUR 5,753,090. Data for financial years prior to the introduction of



2019	2020	2021	2022	2023	2024	2025	Total
224,949,694	209,832,401	243,270,620	294,217,212	380,162,198	200,758,510	192,793,371	-
218,925,454	212,507,330	245,309,915	291,768,502	378,631,558	191,507,349	-	-
223,795,044	209,410,533	242,551,476	291,766,255	381,415,507	-	-	-
222,586,786	209,765,831	242,594,930	293,931,555	-	-	-	-
222,040,617	207,342,070	242,446,260	-	-	-	-	-
220,002,153	206,846,068	-	-	-	-	-	-
220,928,883	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
220,928,883	206,846,068	242,446,260	293,931,555	381,415,507	191,507,349	192,793,371	-
6,441,309	8,338,236	15,036,406	19,305,746	30,745,434	35,494,502	89,703,287	253,134,069
-	-	-	-	-	-	-	(34,828,442)
-	-	-	-	-	-	-	6,733,223
-	-	-	-	-	-	-	225,038,849

IFRS 17 do not include provisions for ULAE and profit sharing.

2019	2020	2021	2022	2023	2024	2025	Total
215,082,580	202,931,478	231,640,243	284,252,803	324,449,457	176,476,973	179,624,422	-
209,012,593	199,381,945	229,821,127	281,541,459	320,215,217	167,615,390	-	-
211,959,650	196,976,573	229,330,164	280,329,947	321,395,203	-	-	-
211,223,141	198,676,761	228,713,393	282,628,246	-	-	-	-
213,325,554	196,505,876	228,634,093	-	-	-	-	-
211,384,756	195,964,369	-	-	-	-	-	-
212,393,111	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
212,393,111	195,964,369	228,634,093	282,628,246	321,395,203	167,615,390	179,624,422	-
6,270,151	6,900,234	12,021,770	16,350,294	21,531,564	27,988,461	81,558,267	203,001,408
-	-	-	-	-	-	-	(28,992,800)
-	-	-	-	-	-	-	5,059,242
-	-	-	-	-	-	-	179,067,851

IFRS 17 do not include provisions for ULAE and profit sharing.

7.8 ASSETS AND LIABILITIES FROM INVESTMENT CONTRACTS

7.8.1 ASSETS ARISING FROM INVESTMENT CONTRACTS

Assets from investment contracts

(in EUR)	31.12.2025	31.12.2024
Financial investments	46,636,544	45,342,524
Financial receivables	6,079	9,137
Cash and cash equivalents	1,540,370	504,449
Total assets from financial contracts	48,182,993	45,856,110

Assets from investment contracts – assets structure

(in EUR)	31.12.2025	31.12.2024
Financial assets measured at fair value through profit or loss (FVTPL)	46,636,543	45,342,524
Equity securities	16,149,820	15,072,365
Listed securities	16,149,820	15,072,365
Debt securities	18,201,602	20,221,913
Government bonds	16,022,393	18,573,734
Listed securities	16,022,393	18,573,734
Other bonds	2,179,209	1,648,179
Listed securities	2,079,026	1,549,888
Non-listed securities	100,183	98,291
Investment funds	12,285,121	10,045,585
Listed securities	12,216,244	10,003,214
Non-listed securities	68,877	42,371
Loans and deposits	-	2,661
Loans	-	2,661
Total	46,636,543	45,342,524

Movement in assets from investment contracts

(in EUR)	31.12.2025	31.12.2024
Balance as at 1 Jan	45,342,524	40,018,912
Increase (purchase)	21,002,908	18,064,403
Changes in fair value (+/-) through P&L	1,570,984	5,005,531
Change due to interest	(17,216)	87,842
Decrease (sale, maturity, disposal)	(21,262,657)	(17,834,164)
Balance as at 31 Dec	46,636,543	45,342,524

7.8.2 LIABILITIES ARISING FROM INVESTMENT CONTRACTS

Liabilities arising from investment contracts

(in EUR)	31.12.2025	31.12.2024
Liabilities to pension savers (policyholders)	48,112,527	45,774,330
Liabilities from financial contracts for payments	37,274,418	36,109,012
Liabilities from financial contracts for fund return	10,838,109	9,665,318
Other liabilities	70,466	81,780
Total liabilities from financial contracts	48,182,993	45,856,110

As at 31 December 2025, liabilities from policyholders' payments amount to EUR 37,274,418 and represent a net premium (gross premium payments reduced by entry costs). These costs, which are charged to the policyholders, represent revenues from fees and commissions for the manager of AS pension insurance guarantee funds. In 2025, EUR 31,673 (in 2024; EUR 32,932 entry costs were charged).

The gain that increases the liability is calculated from net gain (capital gains and losses), which was generated with asset management and reduced by pension insurance guarantee funds management costs.

Short-term operating liabilities are included under other liabilities.

Movement in liabilities to savers from investment contracts

(in EUR)	31.12.2025	31.12.2024
As at 1 January	45,774,330	40,868,082
Increase in the period	8,472,311	9,645,100
for payments	3,139,941	3,223,365
for achieved return	5,332,369	6,421,735
Decrease in the period	6,134,114	4,738,852
for payouts (surrender)	1,974,536	2,992,188
for achieved return	4,159,578	1,746,664
As at 31 December	48,112,527	45,774,330

Annual gain of policyholders for which the liability of the insurance increases varied in 2025 depending on the type of pension savings, as follows:

- 4.47% for the guarantee fund Pokojninsko varčevanje AS Drzni do 50,
- 3.18% for the guarantee fund Pokojninsko varčevanje AS Umirjeni med 50 do 60,
- 0.93% achieved (1.89% guaranteed) for the guarantee fund Pokojninsko varčevanje AS Zajamčeni od 60,
- 1.56% achieved (1.89% guaranteed) for the guarantee fund PN -A01.

Each month, at the end of the accounting period, the Insurance Company calculates the guaranteed value of assets and compares it with the guaranteed return of, calculated as 60% of the average annual interest rate on government securities. In 2025, the required guaranteed return was 1.89%, which is more than the actual return achieved by the pension savings fund AS Zajamčeni od 60, as well as by the PN A01 fund.

Due to not achieve the required guaranteed return in 2025, the Insurance Company, as a pension insurance manager had long-term liabilities of EUR 260,331 under the Pension and Disability Insurance Act (ZPIZ-2), charged to its own assets in the context of life insurance.

7.9 RECEIVABLES

Balance of receivables

(in EUR)	31.12.2025	31.12.2024
Business receivables from interest (customers)	4,401	2,637
gross value	52,357	46,288
value adjustment	(47,956)	(43,651)
Business receivables from employees	23,114	23,466
gross value	23,152	23,466
value adjustment	(38)	-
Operating receivables from the state	483,432	426,736
gross value	483,432	426,736
Operating receivables for advances given	216,638	86,659
gross value	216,638	123,985
value adjustment	-	(37,326)
Other operating receivables	7,878,882	8,556,291
gross value	9,624,696	10,437,020
value adjustment	(1,745,814)	(1,880,729)
Other financial receivables	2,351,201	1,268,571
gross value	2,359,214	1,269,920
value adjustment	(8,013)	(1,349)
Total receivables	10,957,668	10,364,360

As part of the balance sheet category of receivables, other receivables from operations, such as interest receivables, receivables from employees, receivables from the state, advances given and other operating receivables are shown.

Compared to the previous year, the balance of receivables increased by EUR 593,308 mainly due to higher other financial receivables.

Other operating receivables predominate among operating receivables, which relate to receivables arising from deferred recording of premium payments and claims payments at the year-end and, to a lesser extent, to claims for indemnity payments to a foreign account, receivables due to overpayments of claims and receivables arising from reminder costs.

Other financial receivables increased in 2025 and exceeded the previous year's balance by EUR 1,082,630, primarily due to the higher volume of purchases of investment funds for life insurance contracts where the investment risk is borne by the policyholder. Payments for these purchases are made in advance.

Every reporting period, the Insurance Company checks the adequacy of assessments of fair- collectible value of receivables by preparing an estimate of the recoverable amount based on actual realised cash flows in the last observed period and for an individual type of receivables. Value adjustment or utilisation of value adjustments of receivables is recognized directly in the income statement.

7.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents

(in EUR)	31.12.2025	31.12.2024
Cash on hand and cheques received	-	4,654
Balances on accounts	6,850,631	7,083,118
Other cash	235,277	189,581
Total	7,085,908	7,277,353

7.11 EQUITY

Balance of equity

(in EUR)	31.12.2025	31.12.2024
Share capital	39,520,347	39,520,347
Capital reserves	20,771,169	20,771,169
Reserves from profit	9,996,942	9,721,593
Legal reserves	1,742,399	1,742,399
Other reserves from profit	8,254,543	7,979,194
Accumulated other comprehensive income	11,524,437	1,977,068
From financial investments (IFRS 9)	(8,194,970)	(12,550,986)
From insurance and reinsurance contracts (IFRS 17)	19,719,408	14,634,555
Other from OCI (actuarial net gain/ loss for pension programmes)	-	(106,500)
Retained net profit	124,373,933	124,534,210
Net profit for the financial year	33,072,153	33,535,377
Total	239,258,981	230,059,764

Share capital

The share capital consists of 2,364,563 no-par value shares fully paid by Generali CEE Holding B.V. in the total amount of EUR 39,520,347.

Data on share capital are entered in the Ljubljana Court Register. All shares are shares of the same class, without preferences and restrictions and have been fully paid up. Apart from share capital, the Company did not issue other documents on participation rights, convertible bonds and similar securities.

The share capital did not change in 2025, nor did the number of shares.

Distribution of accumulated profits

The Insurance Company transfers the net profit for the year to accumulated profits to be used for dividend payments together with the remaining part of the accumulated profits, depending on the decision regarding the distribution of the accumulated profits adopted at the General Meeting.

At the General Meeting of Shareholders held on 16 April 2025, the direct owner of the Insurance Company and sole shareholder, Generali CEE Holding B.V., decided on the distribution of the profit of the year 2024 in the amount of 33,529,503.34. The rest of accumulated profits in the amount of EUR 124,540,083.66 remained undistributed.

Distribution of accumulated profit and loss coverage

The Insurance Company ended 2025 with a profit before tax totalling EUR 41,677,569 and a net profit for the year amounting to EUR 33,072,153.

Within its responsibilities, the Management Board of the Insurance can decide on covering the loss for the year. The Management Board also decides on the distribution of net profit by life, non-life and health insurance segments, and therefore on covering the loss within an insurance group.

Following the closure of the accounts, the Management Board of GENERALI zavarovalnica d.d., in the context of capital movements for 2025, did not redistribute profits or cover losses of the current year or previous years.

Accumulated profits

As at 31 December 2025, the final balance of the net profit for the current year amounted to EUR 33,072,153. Considering with the unallocated profit brought forward from previous years amounting to EUR 124,373,933, the balance sheet profit to be distributed at the General Meeting of Shareholders amounted to EUR 157,446,086.

Reserves from profit

The Insurance Company forms reserves from profit in line with the provisions of the Companies Act (ZGD-1) relating to statutory reserves and on the basis of the decision passed by the Management Board, with the approval of the Supervisory Board, regarding the requirements to achieve and maintain the appropriate capital adequacy level in accordance with the Solvency 2 requirements (other reserves from profit).

After 2025, the Insurance Company did not change or form additional reserves from profit.

Capital reserves

Capital reserves as of 31 December 2025 amount to EUR 20,771,169 and are not payable to owners. Their possible use is defined by the Companies Act with the provisions of the ISA to be additionally taken into account.

Treasury shares

In 2025, neither the Insurance Company nor any third party for the account of the Insurance Company accepted any new treasury shares as security. Moreover, as at 31 December 2025 neither the Company nor any third party for the account of the Company held any treasury shares as security. The Insurance Company has no treasury shares.

Accumulated other comprehensive income

Accumulated other comprehensive income shows changes in the fair value of financial investments measured at fair value through other comprehensive income, as well as the cumulative amount of financial revenue or expenses from insurance and reinsurance contracts recognized in other comprehensive income. The Company's cumulative amount of financial income or expenses arising from changes in interest rates and other financial assumptions is recognized in the statement of other comprehensive income.

The accumulated other comprehensive income items are classified into items which may be reclassified to profit or loss in subsequent periods and those which will not be reclassified to profit or loss in subsequent periods. Among the items which will not be reclassified to profit or loss in subsequent periods are changes in the value of equity securities measured at fair value through other comprehensive income and the provisions for retirement allowances - actuarial gains and losses.

Within equity, the accumulated other comprehensive income is decreased by deferred taxes.

For the year 2025, movements in accumulated other comprehensive income in 2025 are shown below.

Movements in accumulated other comprehensive income

(in EUR)	31.12.2025	31.12.2024
Balance as at 1 Jan	1,977,067	(4,057,544)
Increases due to acquisition of companies	778,472	(181,015)
Change in financial investments valued at fair value through other comprehensive income	968,003	(232,070)
Change in deferred taxes due to revaluation	(189,531)	51,055
Items that may be reclassified to profit or loss in later periods	8,768,897	6,215,626
Unrealized net gains/losses on financial investments valued at fair value through other comprehensive income	3,684,044	9,893,637
Change due to revaluation to new fair value	4,734,996	13,124,121
Change in deferred taxes due to revaluation to new fair value	(1,041,699)	(2,887,307)
Change due to transfer of profits (losses) to profit or loss on sale	(11,863)	(439,970)
Change in deferred taxes upon realization of sale	2,610	96,793
Change in net financial income (expenses) from insurance contracts	4,802,139	(3,758,595)
Change in financial income (expenses) from insurance contracts	6,156,588	(4,818,711)
Change in deferred taxes - insurance contracts	(1,354,449)	1,060,116
Change in net financial income (expenses) from reinsurance contracts	282,714	80,584
Change in financial income (expenses) from reinsurance contracts	362,454	103,313
Change in deferred taxes - reinsurance contracts	(79,740)	(22,729)
Balance as at 31 Dec	11,524,436	1,977,067

7.12 SUBORDINATED LIABILITIES

The Insurance Company includes in subordinated liabilities, a subordinated loan received from a related party, GP Reinsurance EAD, Bulgaria, in the amount of EUR 30,000,000. The subordinated loan has the status of subordinated debt with the following characteristics:

- Date of issuance is 19 May 2021.
- The date of the first recall is 19 May 2026, and the final maturity date is 19 May 2031.
- Nominal value of the subordinated loan is EUR 30.000.000.
- Interest rate is 2.92% + 12m EURIBOR.
- Frequency of interest's payment is annually.
- The principal will be paid in full upon maturity.

Movement of subordinated loan

(in EUR)	2025	2024
As at 1.1.	31,231,211	31,255,093
Accrued interest	1,696,292	1,999,747
Repayment interest	(1,979,700)	(2,023,629)
As at 31.12.	30,947,803	31,231,211

The subordinated loan received is valued at amortized cost. The balance of the subordinated loan on 31 December 2025 amounted to EUR 30,947,803. The subordinated loan is included in life portfolio. Until November 19, 2025, the Insurance Company paid out interest in the amount of EUR 1,979,700 to creditor.

7.13 OTHER PROVISIONS

7.13.1 OTHER PROVISIONS

(in EUR)	31.12.2025	31.12.2024
Provisions for employee benefits	6,205,897	5,752,180
Provisions for termination benefits	2,197,088	1,940,144
Total	8,402,985	7,692,324

7.14 LIABILITIES FROM BUSINESS

Liabilities from business

(in EUR)	31.12.2025	31.12.2024
Other financial liabilities	7,172,879	4,768,324
Current tax liabilities	2,384,800	3,193,528
Operating liabilities	43,861,961	39,352,904
Total	53,419,640	47,314,756

Structure of operating liabilities from business is dominated by operating liabilities, which are presented in section 7.14.2, followed by liabilities arising from the rights to use lease assets and current income tax liabilities.

7.14.1 FINANCIAL LIABILITIES

(in EUR)	31.12.2025	31.12.2024
Long-term financial obligations	7,149,835	4,744,490
Long-term lease liabilities	7,149,835	4,744,490
Short-term financial liabilities	23,044	23,834
Short-term liabilities from dealing with securities	-	790
Other short-term financing obligations	23,044	23,044
Total	7,172,879	4,768,324

Long-term financial liabilities include liabilities from the rights to use lease assets.

7.14.2 OPERATING LIABILITIES

Operating liabilities, accrued costs and deferred revenue

(in EUR)	31.12.2025	31.12.2024
Current operating liabilities	22,222,283	20,207,489
Current operating liabilities to suppliers	510,616	1,498,595
Current operating liabilities to employees	4,089,743	3,782,930
Other current liabilities from insurance operations	14,552,975	13,225,526
Current operating liabilities to the state (except for income tax)	974,717	758,662
Other current operating liabilities	2,094,232	941,776
Accrued costs and deferred revenue	21,639,678	19,145,415
Short-term deferred revenue	193,907	182,536
Accrued expenses - operating	19,437,364	16,926,832
Accrued expenses - for unused annual holidays	2,008,407	2,036,047
Total	43,861,961	39,352,904

The balance of other operating liabilities at the end of 2025 was EUR 4,509,057 higher than the previous year. The increase primarily reflects higher operating payables as well as higher accrued expenses and deferred income.

The structure of operating liabilities is dominated by short-term accrued expenses with a 44% share. They are followed by other liabilities from insurance operations, representing 33%, which are EUR 1,327,449 higher compared with the previous year. These current liabilities refer to the liabilities that the Insurance Company has towards the Slovene Insurance Association for contributions for coverage of claims for damage on unknown and uninsured vehicles and vessels, to fire tax liability and to other liabilities incurred as a result of the payments of premium following the early completion of recording of premiums and claims for December 2025.

7.15 INSURANCE SERVICE RESULT

7.15.1 INSURANCE SERVICE RESULT

Net income/expenses of insurance services recognized in the income statement

(in EUR)	Life insurance BBA	Life insurance VFA	Non - life insurance PAA	Total
Year 2025				
Insurance revenue from insurance contracts issued				
Changes related to the Liability for Remaining coverage	24,506,045	14,476,163	-	38,982,208
Claims incurred and other costs for expected insurance services	18,551,941	9,167,556	-	27,719,497
Changes in risk adjustment for expired non-financial risks	724,548	365,594	-	1,090,142
Contractual Service Margin - CSM recognized in the income statement	5,860,750	4,795,833	-	10,656,583
Other amounts*	(631,194)	147,180	-	(484,014)
Recovery of Insurance acquisition Cash Flows	2,595,660	814,233	-	3,409,893
Total Insurance revenue from insurance contracts measured under BBA and VFA	27,101,705	15,290,396	-	42,392,101
Total insurance revenues from insurance contracts issued valued under the PAA	-	-	346,169,697	346,169,697
Total insurance revenues from insurance contracts issued	27,101,705	15,290,396	346,169,697	388,561,798
Insurance service expenses from insurance contracts				
Incurred claims and other directly attributable expenses	(19,847,508)	(9,772,512)	(229,790,487)	(259,410,507)
Adjustment to Liability for Incurred Claims P&L	-	-	100,540	100,540
Losses and reversal of losses on onerous contracts	209,602	-	(41,233)	168,369
Amortization of insurance acquisition cash flows	(2,595,660)	(814,233)	(55,172,651)	(58,582,544)
Total Insurance service expenses from insurance contracts measured under BBA and VFA	(22,233,566)	(10,586,745)	-	(32,820,311)
Total Insurance service expenses from insurance contracts measured under PAA	-	-	(284,903,831)	(284,903,831)
Insurance Service Result from insurance contracts issued	4,868,139	4,703,651	61,265,866	70,837,656

(in EUR)	Life insurance BBA	Life insurance VFA	Non - life insurance PAA	Total
Year 2024				
Insurance revenue from insurance contracts issued				
Changes related to the Liability for Remaining coverage	25,931,345	15,671,542	-	41,602,887
Claims incurred and other costs for expected insurance services	20,025,490	10,284,671	-	30,310,161
Changes in risk adjustment for expired non-financial risks	678,918	242,106	-	921,024
Contractual Service Margin - CSM recognized in the income statement	5,712,090	5,359,666	-	11,071,756
Other amounts*	(485,153)	(214,901)	-	(700,054)
Recovery of Insurance acquisition Cash Flows	2,372,356	757,216	-	3,129,572
Total Insurance revenue from insurance contracts measured under BBA and VFA	28,303,701	16,428,758	-	44,732,459
Total insurance revenues from insurance contracts issued valued under the PAA	-	-	321,571,498	321,571,498
Total insurance revenues from insurance contracts issued	28,303,701	16,428,758	321,571,498	366,303,957
Insurance service expenses from insurance contracts				
Incurred claims and other directly attributable expenses	(18,067,098)	(10,138,576)	(273,053,995)	(301,259,669)
Adjustment to Liability for Incurred Claims P&L	(565,621)	-	14,394,504	13,828,883
Losses and reversal of losses on onerous contracts	(68,471)	1,085,948	(2,078,220)	(1,060,743)
Amortization of insurance acquisition cash flows	(2,372,356)	(757,216)	(34,105,085)	(37,234,657)
Total Insurance service expenses from insurance contracts measured under BBA and VFA	(21,073,546)	(9,809,844)	-	(30,883,390)
Total Insurance service expenses from insurance contracts measured under PAA	-	-	(294,842,796)	(294,842,796)
Insurance Service Result from insurance contracts issued	7,230,155	6,618,914	26,728,702	40,577,771

* Other amounts include the write-off of losses, the variances between expected and actual insurance premiums, and the impairment of insurance receivables

Net income/expenses of reinsurance services recognized in the income statement

(in EUR)	Life reinsurance contracts PAA	Non- Life reinsurance contracts PAA	Total
Year 2025			
Insurance service expenses from reinsurance contracts held measured under BBA			
Insurance service expenses from reinsurance contracts held measured under PAA	(4.289.754)	(39.281.777)	(43.571.531)
Total expenses from reinsurance contracts held	(4.289.754)	(39.281.777)	(43.571.531)
Insurance revenue from reinsurance contracts held	2.364.153	19.162.793	21.526.946
Adjustment to Asset for Incurred Claims	479.022	(6.671.306)	(6.192.284)
Other reinsurance recoveries	-	78.211	78.211
Insurance service result from reinsurance contracts held	(1.446.579)	(26.712.079)	(28.158.658)
Year 2024			
Insurance service expenses from reinsurance contracts held measured under BBA			
Insurance service expenses from reinsurance contracts held measured under PAA	(4.087.029)	(31.339.112)	(35.426.141)
Total expenses from reinsurance contracts held	(4.087.029)	(31.339.112)	(35.426.141)
Insurance revenue from reinsurance contracts held	1.676.683	32.855.028	34.531.711
Adjustment to Asset for Incurred Claims	(295.535)	(5.157.936)	(5.453.471)
Other reinsurance recoveries	-	536.981	536.981
Insurance service result from reinsurance contracts held	(2.705.881)	(3.105.039)	(5.810.920)



7.15.2 FINANCE INCOME (EXPENSES) FROM INSURANCE AND REINSURANCE CONTRACTS ISSUED

Finance income (expenses) from insurance contracts issued

(in EUR)	Life insurance BBA	Life insurance VFA	Non - life insurance PAA	Total
Year 2025				
Finance income (expenses) from insurance contracts issued				
Changes in fair value of underlying assets of contacts measured under the VFA	-	(29,267,307)	-	(29,267,307)
Interest accreted	(148,517)	-	(3,675,922)	(3,824,439)
Effect of changes in interest rates and other financial assumptions - IPI	31,552	-	-	31,552
Effect of changes in interest rates and other financial assumptions - OCI	2,989,610	-	3,166,978	6,156,588
Total finance income (expenses) from insurance contracts issued	2,872,645	(29,267,307)	(508,944)	(26,903,606)
Finance income (expenses) from insurance contracts issued				
Amounts recognised in profit or loss	(116,965)	(29,267,307)	(3,675,922)	(33,060,194)
Amounts recognised in other comprehensive income	2,989,610	-	3,166,978	6,156,588
Total finance income (expenses) from insurance contracts issued	2,872,645	(29,267,307)	(508,944)	(26,903,606)
Year 2024				
Finance income (expenses) from insurance contracts issued				
Changes in fair value of underlying assets of contacts measured under the VFA	-	(69,704,131)	-	(69,704,131)
Interest accreted	(172,179)	-	(3,785,814)	(3,957,993)
Effect of changes in interest rates and other financial assumptions - IPI	(10,301)	(87)	(131,570)	(141,958)
Effect of changes in interest rates and other financial assumptions - OCI	(1,740,577)	-	(3,078,134)	(4,818,711)
Foreign exchange differences	(324)	-	-	(324)
Total finance income (expenses) from insurance contracts issued	(1,923,381)	(69,704,218)	(6,995,518)	(78,623,117)
Finance income (expenses) from insurance contracts issued				
Amounts recognised in profit or loss	(182,804)	(69,704,218)	(3,917,384)	(73,804,406)
Amounts recognised in other comprehensive income	(1,740,577)	-	(3,078,134)	(4,818,711)
Total finance income (expenses) from insurance contracts issued	(1,923,381)	(69,704,218)	(6,995,518)	(78,623,117)

Finance income (expenses) from reinsurance contracts issued

(in EUR)	Life insurance PAA	Non - life insurance PAA	Total
Year 2025			
Finance income (expenses) from reinsurance contracts issued			
Interest accreted	(23,161)	780,536	757,375
Effect of changes in interest rates and other financial assumptions - OCI	-	362,454	362,454
Total finance income (expenses) from reinsurance contracts issued	(23,161)	1,142,990	1,119,829
Finance income (expenses) from reinsurance contracts issued			
Amounts recognised in profit or loss	(23,161)	780,536	757,375
Amounts recognised in other comprehensive income	-	362,454	362,454
Total finance income (expenses) from reinsurance contracts issued	(23,161)	1,142,990	1,119,829
Year 2024			
Finance income (expenses) from reinsurance contracts issued			
Interest accreted	(38,356)	933,080	894,724
Effect of changes in interest rates and other financial assumptions - IPI	-	(26,229)	(26,229)
Effect of changes in interest rates and other financial assumptions - OCI	-	103,313	103,313
Total finance income (expenses) from reinsurance contracts issued	(38,356)	1,010,164	971,808
Finance income (expenses) from reinsurance contracts issued			
Amounts recognised in profit or loss	(38,356)	906,851	868,495
Amounts recognised in other comprehensive income	-	103,313	103,313
Total finance income (expenses) from reinsurance contracts issued	(38,356)	1,010,164	971,808

7.16 NET FINANCIAL RESULT FROM INVESTMENTS

Financial result from investments

(in EUR)	2025	2024
Interest income calculated using the effective interest rate method	12,020,067	9,831,083
At amortised costs (AC)	756,694	822,573
At fair value through other comprehensive income (FVTOCI)	11,016,076	8,868,964
At fair value through other profit and loss (FVTPL)	247,297	139,545
Income from dividends	1,567,249	1,086,978
Net gains/(losses) on revaluation of financial assets	30,425,026	72,821,126
FI measured at fair value through profit or loss (FVTPL)(Mandatory)	1,122,103	3,829,248
Realized gains	972,254	222,875
Unrealized gains	455,735	4,176,473
Realized losses	(150,303)	(570,101)
Unrealized losses	(155,583)	-
FI measured at fair value through profit or loss (FVTPL) (Designated)	29,330,650	69,431,848
Realized gains	2,267,326	3,804,372
Unrealized gains	29,178,379	67,142,653
Realized losses	(1,222,878)	(86,222)
Unrealized losses	(892,177)	(1,428,954)
FI measured at fair value through other comprehensive income (FVTOCI)	(27,727)	(439,970)
Realized gains	121,744	322,002
Realized losses	(149,471)	(761,973)
Net impairments/reversals of impairments of financial assets	(241,363)	(515,751)
Impairment reversal expenses	(292,000)	(624,063)
Revenues from impairment reversal	50,638	108,313
Other investment income/expenses	(410,603)	(409,115)
Income from positive exchange rates differences	3,272,362	1,559,600
Expenses from negative exchange rates differences	(160,788)	-
Other investment income	(3,519,585)	(1,964,312)
Other investment expenses	(2,592)	(4,402)
NET FINANCIAL RESULT FROM INVESTMENTS	43,360,378	82,814,322

Financial result from investments where the investment risk is borne by policyholder

(in EUR)	2025	2024
Interest income calculated using the effective interest rate method	28,516	35,466
At fair value through other profit and loss (FVTPL)	28,516	35,466
Income from dividends	203,299	172,420
Net gains/(losses) on recognition of financial assets	29,330,650	69,431,848
FI measured at fair value through profit or loss (FVTPL)	29,330,650	69,431,848
Realized gains	2,267,326	3,804,372
Unrealized gains	29,178,379	67,142,653
Realized losses	(1,222,878)	(86,222)
Unrealized losses	(892,177)	(1,428,954)
Other investment income/expenses	(37,479)	16,159
Income from positive exchange rates differences	119,560	19,306
Expenses from negative exchange rates differences	(155,913)	-
Other investment expenses	(1,126)	(3,147)
NET FINANCIAL RESULT FROM INVESTMENTS	29,524,986	69,655,894

7.17 CHANGE OF INVESTMENT CONTRACTS LIABILITIES

Change of investment contracts liabilities

(in EUR)	2025	2024
Interest	382,627	335,142
Dividends	299,637	280,193
Realised gains/losses	(205,384)	907,550
Unrealised gains/losses	2,972,933	3,446,720
Exchange rate changes	(1,196,565)	726,261
Other investment income/expenses	(19,488)	(11,243)
Total investment return on investment contracts	2,233,760	5,684,623

(in EUR)	2025	2024
Change of investment contracts liabilities	(2,338,480)	(4,906,162)
Other changes	708,382	(209,076)
Total other changes of investment contracts	(1,630,099)	(5,115,239)
Net change of of investment contracts liabilities	603,662	569,384

7.18 EXPENSES

Expenses

(in EUR)	2025	2024
Claims and benefits	201,802,638	204,019,330
Fees and commissions	82,825,049	78,783,103
Losses on onerous insurance contracts	(168,369)	1,060,743
Employee benefits*	23,150,469	23,045,404
Depreciation and amortisation	6,057,464	6,703,564
Leases	328,908	312,586
Advertising	4,621,805	3,429,455
Professional and consultancy	2,704,533	1,841,963
Regulatory fees	12,539,579	12,015,649
Other	17,360,622	16,165,465
Total without insurance acquisition cash flows	351,222,698	347,377,262

Amounts attributed to insurance acquisition cash flows incurred during the year	(77,965,354)	(46,669,801)
Amortisation of insurance acquisition cash flows	58,582,543	37,234,657
Net impairment loss on assets for insurance acquisition cash flows	(19,382,811)	(9,435,144)

Insurance service expenses	317,724,141	325,726,188
Non-attributable expenses	14,115,747	12,215,932
Total expenses	331,839,888	337,942,120

*For year 2025; Employee benefits are also included in: Claims and benefits (in the amount EUR 8,976,615), Insurance acquisition cash flows (in the amount EUR 4,402,786) and Fees and commissions (in the amount EUR 22,639,010).

*For year 2024; Employee benefits are also included in: Claims and benefits (in the amount EUR 8,954,361), Insurance acquisition cash flows (in the amount EUR 4,480,295) and Fees and commissions (in the amount EUR 22,199,423).

Employee benefit expenses

(in EUR)	2025	2024
Employee benefits		
Costs of wages and salaries	38,594,690	38,696,229
Social security and pension insurance costs	6,144,273	5,898,574
Pension insurance costs	3,379,350	3,244,215
Social security costs	2,764,923	2,654,358
Other labour cost	13,658,311	12,727,250
Provisions for employee benefits and unused leave included	771,626	1,357,430
Total	59,168,900	58,679,483

7.19 OTHER REVENUE AND EXPENSES

7.19.1 OTHER INCOME AND EXPENSES

(in EUR)	2025	2024
Revenue from investment management services	802,570	714,750
Other operating income and expenses	1,185,023	1,817,408
Other finance income and expenses	(1,469,099)	(2,023,254)
Non-attributable expenses	(14,115,747)	(12,215,932)
Net impairments on non- financial assets	75,086	32,721
Other income and expenses	859,518	9,021,714
Other income and expenses	(12,662,649)	(2,652,593)

The Insurance Company includes the revenue generated by the management of Leon mutual pension funds among the revenue from asset management.

Under impairment and reversal of impairment of nonfinancial assets, the Insurance recognises both income from the reversal of impairment and impairment losses arising from the remeasurement of other receivables and financial receivables.

Compared with the previous year, in 2025 the income from the reversal of impairments exceeded impairment expenses and also surpassed the net amount reported in the preceding year.

7.19.2 OTHER INCOME AND EXPENSES

(in EUR)	2025	2024
Other income	866,751	9,094,788
Write-offs of liabilities from previous years	166,260	63,268
Other income	700,491	9,031,521
Other expenses	(7,233)	(73,075)
Other expenses	(7,233)	(73,075)
Total other income and expenses	859,518	9,021,714

Other income and expenses, which mainly include expenses and income as well as income from writeoffs from previous years, were significantly lower in 2025 compared with 2024. The exceptionally high level in 2024 was primarily driven by the abolition of complementary health insurance in that year.

7.19.3 AUDITOR'S REMUNERATION

The audit of the annual financial statements of GENERALI zavarovalnica d.d. for 2025 was performed by the audit company KPMG Slovenija d.o.o., as also in 2024.

Fees paid for auditor's services

(in EUR)	2025	2024
Statutory audit of the annual report	297,559	354,830
Other audit services	54,953	145,386
Total fees for independent auditor's services	352,512	500,216

7.20 CORPORATE INCOME TAX

Taxes

(in EUR)	2025	2024
Corporate income tax charge	(8,876,903)	(9,142,265)
Deferred tax income/(expense)	271,486	115,592
Total	(8,605,417)	(9,026,673)

Adjustment between the actual and the calculated tax expense by applying the effective tax rate

(in EUR)	2025	2024
Profit or loss before taxation	41,677,569	42,562,049
Rate used for income tax calculation	22	22
Tax calculated by using official tax rate	(9,169,065)	(9,363,651)
Income excluded from the tax base and other reductions in the tax base	4,719,222	4,661,851
Expenses not recognised in the tax base and other increases in the tax base	(5,329,592)	(5,162,535)
Use of tax allowance in the current year	902,532	722,070
Changes in deferred tax assets:	271,486	115,592
increase of deductible temporary differences	300,388	148,199
Decrease of deductible temporary differences	(28,903)	(32,607)
Profit or loss after taxation	(8,605,417)	(9,026,672)
Effective tax rate (in %)	20.65	21.21

As a rule, the tax base calculated for corporate income tax is higher than profit before tax as a result of the portion of non-deductible expenses, representing permanent differences.

The effective tax rate, defined as the ratio the tax expense (including accrued tax) and the determined financial result before tax for 2025 is 20.65% (2024: the effective tax rate was 21.21%).

According to local tax legislation in Slovenia, the tax rate for 2025 is 22%, which is the same as in 2024.

Tax expense recognized in other comprehensive income

(in EUR)	2025	2024
Tax on items that may be allocated to profit or loss in subsequent periods	(2,473,279)	(1,753,125)
Tax on items not to be allocated to profit or loss	(189,531)	51,055
Total	(2,662,810)	(1,702,070)

Movements in deferred tax assets and liabilities

(in EUR)	2025	2024
Deferred tax assets as at 1 Jan	3,985,114	5,376,634
Changes during the year	(1,829,397)	(1,391,520)
Deferred tax assets as at 31 Dec	2,155,717	3,985,114
Deferred tax liabilities as at 1 Jan	555,771	360,813
Changes during the year	561,926	194,958
Deferred tax liabilities as at 31 Dec	1,117,697	555,771

7.21 DEFERRED TAXES

Deferred taxes are the result of calculating current and future tax effects, i.e. the future recovery (settlement) of the carrying amount of assets (liabilities) recognized in the balance sheet of the Company and the transactions and other business events during the relevant period, offset and recognized in the consolidated financial statements of the Company in the case of the same tax authority.

Recognised deferred tax amounts

(in EUR)	31.12.2025	31.12.2024
Deferred tax assets	2,155,717	3,985,114
Receivables for deferred tax to be recovered	2,044,754	3,868,919
Receivables from deductible temporary differences - impairment of IFA, PPE and receivables	3,453,520	3,204,974
Receivables from deductible temporary differences - impairment of financial investments	(1,728,009)	321,031
Receivables from deductible temporary differences - provisions made but not recognised	319,243	342,914
Receivables from unused tax credits	110,963	116,195
Deferred tax liabilities	1,117,697	555,771
Liabilities for deferred taxes pending payment	1,117,697	555,771
Liabilities from revaluation of financial investments	1,117,697	555,771

7.22 ISSUES, SURRENDERS AND PAYOUTS OF SECURITIES AND DIVIDENDS

In 2025, the Company did not issue any subordinated bonds and did not purchase or pay any equity securities.

Dividend amount per share

(in EUR)	2025	2024
Amount of dividends (in euros)	33,529,503	-
Dividend per share (in euros)	14.18	-

Dividends are formed from the accumulated profit determined by the Company after financial year end and are paid in the foreseen amount after the General Meeting adopts a resolution.

At its 69th General Meeting held on 16 April 2025, the General Meeting of Shareholders of GENERALI zavarovalnica d.d. adopted a resolution to distribute a dividend for 2024 to its sole shareholder, Generali CEE Holding B.V., in the amount of EUR 33,529,503.34 (EUR 14.18 per share). The dividend has been paid in full.

7.23 ADDITIONAL EXPLANATIONS TO THE CASH FLOW STATEMENT

The indirect method is used when preparing the cash flow statement. When adjusting cash flow from operating activities, the indirect method is used to adjust the profit or loss by considering the effects of non-monetary transactions and income and expense items related to investing or financing cash flows.



8. RELATED PARTY TRANSACTIONS

In this section, GENERALI zavarovalnica d.d. discloses transactions with related legal entities, with shareholders and associates, and with the management of the Insurance Company.

Transactions between related parties are regulated by the company's internal acts - the Related Parties Transaction Procedure, the Guidelines on Related Parties Transaction and other internal acts that represent the internal regulatory framework for defining which transactions between related parties are exempt or not. The mentioned internal acts also fully regulate the process of identification, review and approval. Internal Rules on ensuring documentation for transactions between related parties further determines which data and documentation must be provided and the methods used to prove arm's length principle.

Transactions with the parent company and other related companies are the following transactions:

- reinsurance services,
- foreign claims processing services,
- information technology services,
- financial transactions – loan received,
- other services:
 - services in the field of joint brand marketing,
 - services in the insurance field, actuarial field and financial field,
 - organization and implementation of assistance services and claims management,
 - human resources management services and
 - general operational services.

Transactions with subsidiaries and associates are the following transactions:

- services in the field of insurance business,
- asset management services,
- financial transactions – loan received,

- other services:
 - lease of business premises and parking spaces,
 - lease of information technology equipment and information solutions,
 - administrative services: human resources, financial and accounting services, payroll services and internal audit services.

In 2025, there were no transactions between the Company and its related parties carried out under unusual market conditions and likely to affect the presentation of the financial position of the Company. All transactions with related parties were conducted as transactions between well-informed parties involved in a transaction.

8.1 RELATED PARTIES

Shareholders

With a 100% ownership of the shares is Generali CEE Holding B. V., established in Amsterdam, is the sole shareholder and direct owner of GENERALI zavarovalnica d.d.

Subsidiaries and associates

COMPANY NAME	ADDRESS	Equity interest	Tax rate	VAT ID No.	Activity	Reporting Period
Subsidiaries						
SLOVENIA						
Ambulanta ZDRAVJE zdravstvene storitve d.o.o.	Dunajska cesta 63, 1000 Ljubljana	100%	22%	SI22745866	Specialist outpatient health care service	Calendar year
Associates						
SLOVENIA						
MEDIFIT d.o.o., Slovenia	Tržaška cesta 116, 1000 Ljubljana	24.99%	22%	SI12848999	Other information technology and computer service activities	Calendar year

Total other related companies

Assicurazioni Generali S. p. A., established in Trieste, and other related companies are those that are related to the Company through management and supervisory bodies, namely members of the Management Board and Supervisory Board.

8.2 RELATED PARTY TRANSACTIONS

Transactions with the owner Generali CEE Holding B.V.

(in EUR)	2025	2024
NON - LIFE INSURANCE		
ITEMS IN THE STATEMENT OF FINANCIAL POSITION:		
Intangible assets	152,188	152,188
Other short-term liabilities	5,006	-
INCOME STATEMENT ITEMS:		
Other operating expenses	33,164	31,019

Transactions with subsidiaries

(in EUR)	2025	2024
NON - LIFE INSURANCE		
ITEMS IN THE STATEMENT OF FINANCIAL POSITION:		
Short-term receivables from direct insurance business	3,088	-
Short-term receivables from financing	-	86,400
Other short-term receivables	7,868	926
INCOME STATEMENT ITEMS:		
Income from insurance business	6,402	1,671
Expenses from insurance business	189,680	136,835
Other operating revenue	12,783	31,117
Other operating expenses	85,372	85,872
LIFE INSURANCE		
ITEMS IN THE STATEMENT OF FINANCIAL POSITION:		
Financial investments	289,162	289,162

In 2025 GENERALI d.d. did not purchase or sell investment property to related parties.

Loans given and dividend received

In 2025, the Company did not receive or give loans to the Parent Company and its subsidiaries. In 2025, GENERALI zavarovalnica did not receive dividends from its subsidiaries.

Transactions with associates

(in EUR)	2025	2024
NON - LIFE INSURANCE		
ITEMS IN THE STATEMENT OF FINANCIAL POSITION:		
Intangible assets	117,885	119,940
Financial investments	32,148	32,148
Short-term receivables from direct insurance business	506	973
Short-term liabilities from direct insurance business	420	100
Other short-term liabilities	-	2,000
INCOME STATEMENT ITEMS:		
Income from insurance business	1,627	1,321
Other expenses from insurance business	444,000	384,000
Expenses from insurance business	14,490	11,500
Other operating revenue	5	5,002
Other operating expenses	276,461	165,095



Transaction with related parties

(in EUR)	2025	2024
NON - LIFE INSURANCE		
ITEMS IN THE STATEMENT OF FINANCIAL POSITION:		
Intangible assets	175,538	20,318
Financial investments	15,129,908	14,278,261
Receivables from reinsurers arising from reinsurance ceded	6,141,181	12,054,276
Short-term receivables for reinsurance premiums accepted	791,724	299,084
Other receivables arising from reinsurance business	39,112	4,055
Short-term liabilities for reinsurance premiums ceded	8,116,022	8,763,116
Liabilities to reinsurers arising from reinsurance accepted	62,578	25,799
Operating liabilities of reinsurers arising from reinsurance contracts with cedants	76,059	17,605
Short-term receivables from direct insurance business	473,313	589,849
Other short-term receivables from insurance business	126,376	256,125
Other short-term receivables	470,906	519,891
Short-term liabilities from direct insurance business	45,888	267,696
Other short-term liabilities	1,690,250	1,659,377
INCOME STATEMENT ITEMS:		
Income from reinsurers' share of claims arising from ceded reinsurance	18,482,869	31,586,422
Income from reinsurance premium arising from assumed reinsurance	757,161	107,100
Income from reinsurance commission and other income arising from ceded reinsurance	8,154,736	6,929,411
Expenses from reinsurer's share of premiums arising from ceded reinsurance	43,154,153	36,217,014
Expenses from claims arising from assumed reinsurance	532	63,949
Expenses from commission arising from assumed reinsurance	51,728	12,177
Interest on deposits of reinsurers	6,750	-
Income from insurance business	13,605	15,523
Other income from insurance business	230,739	269,855
Other expenses from insurance business	1,591	205,921
Expenses from insurance business	16,378,782	16,219,191
Other operating revenue	226,362	156,885
Financial income	343,263	186,949
Other operating expenses	5,560,229	4,692,067
Financial expenses	45,636	385

(in EUR)	2025	2024
LIFE INSURANCE		
ITEMS IN THE STATEMENT OF FINANCIAL POSITION:		
Financial investments	8,140,281	6,785,256
Receivables from reinsurers arising from reinsurance ceded	1,042,902	796,924
Other receivables arising from reinsurance business	455,485	315,911
Short-term liabilities for reinsurance premiums ceded	2,157,037	2,048,305
Short-term receivables from financing	276,368	125,717
Other short-term receivables	-	27,389
Short-term financial liabilities	365,906	304,125
Loan received	30,000,000	30,000,000
Long-term financial liabilities	947,803	1,231,211
INCOME STATEMENT ITEMS:		
Income from reinsurers' share of claims arising from ceded reinsurance	474,474	442,880
Income from reinsurance commission and other income arising from ceded reinsurance	1,133,329	948,138
Expenses from reinsurer's share of premiums arising from ceded reinsurance	2,821,004	2,458,451
Interest on deposits of reinsurers	9,804	-
Income from insurance business	-	31,636
Expenses from insurance business	1,000	469,829
Other operating revenue	-	438,206
Financial income	3,258,591	1,531,511
Other operating expenses	267,091	-
Financial expenses	1,696,292	2,014,916

GENERALI zavarovalnica d.d. has a subordinated loan received from a related party, GP Reinsurance EAD, Bulgaria, in the amount of EUR 30,000,000. More information about the loan can be found in Section 7.12.

8.3 SHAREHOLDERS

As at 31 December 2025, with a 100% ownership of the shares is Generali CEE Holding B. V., established in Amsterdam, the Netherlands, is the sole shareholder of GENERALI zavarovalnica d.d.

8.4 MANAGEMENT

The management consists of the members of the Management Board and the Supervisory Board and the employees on individual employment agreements.

Remuneration of members of management and supervision bodies and employees on individual employment agreements in 2025

Remuneration type (in EUR)	Remuneration of management board and board of directors members	Remuneration of supervisory board members	Remuneration of employees on individual employment agreements
Gross salary	489,452	90,662	6,786,541
Variable part of remuneration	721,167	-	1,057,746
Holiday allowances	8,400	5,600	308,090
Reimbursements of costs*	6,484	5,151	304,938
Meeting attendance fees	-	3,567	-
Insurance premiums	15,379	3,892	430,814
Commissions, bonuses and other additional payments	35,211	5,817	357,361
Total remuneration	1,276,093	114,689	9,245,490

*Including transportation costs for transport using own resources.

Payments are presented in gross amounts and were disbursed to the members of management and/or supervision bodies and employees on individual employment agreements in 2025 for the period in which they carried out the function of management and/or supervision in GENERALI zavarovalnica d.d. in 2025.

Employees on individual employment agreements presents the employees on level B-1, B-2 and B-3.

In 2025, the members of the Management Board of the Company did not receive any payments for the performance of tasks in subsidiaries.

Remuneration of members of management and supervision bodies and employees on individual employment agreements in 2024

Remuneration type (in EUR)	Remuneration of management board and board of directors members	Remuneration of supervisory board members	Remuneration of employees on individual employment agreements
Gross salary	462,882	90,547	6,728,260
Variable part of remuneration	593,013	-	919,648
Holiday allowances	6,900	4,600	258,507
Reimbursements of costs*	4,860	5,718	257,785
Meeting attendance fees	-	3,280	-
Insurance premiums	14,849	3,793	412,680
Commissions, bonuses and other additional payments	24,999	4,043	466,344
Total remuneration	1,107,503	111,982	9,043,224

*Including transportation costs for transport using own resources.

As at the 2025-year end, GENERALI d.d. recognises following operating receivables and liabilities to related parties:

- EUR 1,112 of receivables and EUR 48,692 liabilities for remuneration (salaries) related to the members of the Management Board. The receivables arise from the insurance business (premiums due) and from rents of parking lots;
- EUR 152 of receivables and EUR 10,723 liabilities for remuneration (salaries) related to the members of the Supervisory Board and the Audit Committee. The receivables mainly arise from the insurance business (premiums due);
- EUR 12,218 of receivables and EUR 635,026 of liabilities for remuneration (salaries) related to the employees employed on the basis of contracts to which the tariff section of the collective agreement does not apply. The bulk of receivables in the amount of EUR 10,318 arises from the insurance business (premium due), while the rest arises from rents for parking spaces.

The receivables arising from premiums are non-matured receivables. The receivables arising from rents for parking places are the receivables for the rents in December and were settled by deducting the relevant amounts from the payroll in January 2026.

In 2025, GENERALI zavarovalnica d.d. did not grant to or receive any loans or advances from the members of the Management Board, the members of the Supervisory Board or the employees employed on the basis of the contract to which the tariff section of the collective agreement does not apply. Furthermore, the Management of GENERALI zavarovalnica d.d. did not participate in any scheme offering share options and no significant transactions were made without entering them in the accounting records of the Company.

Transactions with the immediate family members of the members of Management and Supervision Boards and the Audit Committee

In 2025, the Company GENERALI zavarovalnica d.d. did not enter into transactions with the immediate family members of the members of the Management Board and the Supervisory Board, other than insurance transactions (EUR 4,769 from the premium received). As of December 31, 2025, the Insurance Company has outstanding receivables from family members in the amount of EUR 21.

Transactions with senior management of controlling companies of GENERALI zavarovalnica d.d.

The senior management of the controlling companies of GENERALI zavarovalnica d.d. comprises all members of the Management Board who manage and control the controlling company Generali CEE Holding B. V., The Netherlands and, at the highest level, the controlling company Assicurazioni Generali S. p. A, established in Trieste.

In 2025, the Company did not receive any payments from or made any payments to the senior management. As at 31 December 2025, there were no outstanding receivables from or liabilities to the senior management.

9. CONTINGENT RECEIVABLES AND LIABILITIES

Contingent receivables and liabilities include contingent receivables and liabilities held in off-balance sheet items. For the financial year 2025, the Insurance Company recognized no contingent receivables.

Contingent receivables and liabilities

(in EUR)	31.12.2025	31.12.2024
Liabilities for guarantees	2,787,802	1,772,668
Liabilities for bill of exchange	(2,326,723)	(2,326,723)
Liabilities for guaranteed return	260,301	246,313
Other liabilities	15,399,158	5,454,895
Contingent LIABILITIES	16,120,538	5,147,153

Contingent liabilities include contingent liabilities arising from liabilities for bank guarantees and bills of exchange and liabilities from investment contracts due to failure to achieve the guaranteed return concerning policyholders of Pokojninsko varčevanje AS Zajamčeni od 60. Among other contingent liabilities, the Company recognises contingent liabilities for capital commitments to funds in the total amount of EUR 15,397,142 and potential liabilities of EUR 2,016 relating to insurance benefits offered to policyholders.

The Company's contingent liabilities increased by EUR 10,973,385 compared with the end of the previous year, mainly due to higher capital commitments to funds (by EUR 9,942,247) and higher guarantee-related obligations (by EUR 1,015,134). The increase in contributions to the funds in 2025 is primarily the result of higher committed capital obligations, in line with the Insurance Company's adopted investment strategy.

10. EVENTS AFTER THE BALANCE SHEET DATE

No events occurred after the balance sheet date and before the date of approval of the financial statements, which should be disclosed in the financial statements, and which would impact the compiled financial statements and tax obligations of the Insurance Company for 2025.





APPENDIX TO THE SEPARATE FINANCIAL STATEMENTS

1. APPENDIX TO THE SEPARATE FINANCIAL STATEMENTS

The Appendix is intended for the supervising authority - the Insurance Supervision Agency (ISA) and has been prepared in compliance with the Decision on Annual Reports and Quarterly Financial Statements of Insurance Undertakings (Official Gazette of the Republic of Slovenia, No. 101/2024 as amended).

an individual business segment, as well as those that can be indirectly allocated to a business segment.

Income and expenses of a business segment arise from the operations of a particular business segment and can be directly attributed to the business segment, while the appropriate part of income and expenses can be reasonably allocated to the business segment.

The accounting policies applied by the reporting segments are the same as those applied by the Insurance Company.

The Insurance Company is not obliged to report by business segments in accordance with the provisions of IFRS, since as at 31 December 2025 GENERALI zavarovalnica d.d. trades in the public market. Reporting by reporting segments or by business segments is thus prepared in line with the requirements of the Decision on Annual Reports and Quarterly Financial Statements of Insurance Undertakings.

1.1 FINANCIAL STATEMENTS ACCORDING TO THE SCHEME PRESCRIBED BY THE ISA - UNAUDITED

The Insurance Company GENERALI zavarovalnica d.d., whose principal activity is insurance business, provides services in the non-life and life insurance segments, and therefore separates business segments by insurance groups, where similar insurance products are grouped. These groups are exposed to different rates of profitability, opportunities for growth, future prospects and risks.

The Management regularly reviews the business results by business segments in order to not only take decisions on the basis thereof regarding the resources to be allocated to a particular segment but also to assess the performance of individual segments and the entire Insurance Company.

Assets and liabilities by reporting segment comprise assets and liabilities that can be directly attributed to

Business segments

Non-life insurance business segment comprises:

- or liability insurance,
- Land motor vehicle insurance,
- Accident insurance,
- Fire and natural forces insurance,
- Other damage to property insurance,
- General liability insurance,
- Credit insurance and suretyship insurance,
- Medical insurance and
- Other non-life insurance.



The life insurance business segment includes traditional life insurance, annuity life insurance, unit-linked life insurance and voluntary pension insurance (voluntary supplementary pension insurance under the previous PN-A01 pension scheme and the new pension schemes which entered into force in 2017, as well as Pokojninsko varčevanje AS (AS Pension Saving)).

The balance sheet and the income statement by business segment are given below. It must be noted that the values shown in the columns "Total" are not equal to the sum of insurance segment due to offsets between individual segments and on the level of balance sums.

The financial statements have been prepared in accordance with the schemes given in Appendix 1 to the Decision on Annual Reports and Quarterly Financial Statements of Insurance Undertakings.

Statement of financial position of GENERALI d.d. as at 31 December 2025 by insurance group in accordance with the Decision on the Annual Reports of Insurance Undertakings

(in EUR)	Life insurance	Non - life insurance	Total
ASSETS			
Property, plant and equipment	-	25,703,349	25,703,349
Investment property	-	8,354,435	8,354,435
Assets arising from a lease	-	7,022,595	7,022,595
Intangible assets and goodwill	35,556	8,152,656	8,188,211
Deferred tax assets	-	2,155,717	2,155,717
Investments in subsidiaries	289,162	-	289,162
Investments in associates	-	32,148	32,148
Financial assets, measured at:	694,647,342	377,389,926	1,072,037,268
Fair value through other comprehensive income	226,731,832	339,698,838	566,430,669
Fair value through profit or loss	467,915,511	37,691,088	505,606,599
Investment contract assets:	48,185,107	-	48,185,107
Financial assets, measured at:	46,636,544	-	46,636,544
Fair value through profit or loss	46,636,544	-	46,636,544
Receivables	6,079	-	6,079
Cash and cash equivalents	1,540,370	-	1,540,370
Insurance contracts assets	22,034,062	68,904	22,102,966
Reinsurance contracts assets	-	46,643,036	46,643,036
Current tax assets	-	1,890,056	1,890,056
Receivables	3,208,289	7,749,379	10,957,668
Cash and cash equivalents	4,052,888	3,033,019	7,085,907
Other assets	31	1,812,506	1,812,537
TOTAL ASSETS	772,450,323	490,007,724	1,262,458,048
EQUITY			
Share capital	17,690,167	21,830,180	39,520,347
Capital reserve	1,669,017	19,102,152	20,771,169
Reserves from profit	-	9,996,942	9,996,942
Accumulated other comprehensive income	5,188,478	6,335,960	11,524,437
Retained earnings	60,570,463	63,803,471	124,373,933
Net profit loss for the period	8,778,184	24,293,968	33,072,153
TOTAL EQUITY	93,896,308	145,362,673	239,258,981

(in EUR)	Life insurance	Non - life insurance	Total
LIABILITIES			
Subordinated liabilities	30,947,803	-	30,947,803
Deferred tax liabilities	1,117,697	-	1,117,697
Insurance contracts issued that are liabilities	584,756,131	295,954,943	880,711,073
Reinsurance contracts held that are liabilities	256,538	160,337	416,874
Investment contracts liabilities	48,182,993	-	48,182,993
Provisions	673,373	7,729,612	8,402,986
Other financial liabilities	23,044	7,149,835	7,172,879
Current tax liabilities	2,384,800	-	2,384,800
Other liabilities	10,211,637	33,650,324	43,861,961
TOTAL LIABILITIES	678,554,015	344,645,051	1,023,199,066
TOTAL EQUITY AND LIABILITIES	772,450,323	490,007,724	1,262,458,048

Statement of financial position of GENERALI d.d. as at 31 December 2024 by insurance group in accordance with the Decision on the Annual Reports of Insurance Undertakings

(in EUR)	Life insurance	Non - life insurance	Total
ASSETS			
Property, plant and equipment	-	25,844,201	25,844,201
Investment property	-	8,470,374	8,470,374
Assets arising from a lease	-	4,665,301	4,665,301
Intangible assets and goodwill	48,889	6,948,554	6,997,443
Deferred tax assets	--	3,985,114	3,985,114
Investments in subsidiaries	289,162	-	289,162
Investments in associates	-	32,148	32,148
Financial assets, measured at:	684,204,316	353,543,533	1,037,747,849
Fair value through other comprehensive income	213,713,398	337,001,281	550,714,679
Amortised cost	-	41,718	41,718
Fair value through profit or loss	470,490,918	16,500,534	486,991,452
Investment contract assets:	45,856,110	-	45,856,110
Financial assets, measured at:	45,342,524	-	45,342,524
Fair value through profit or loss	45,342,524	-	45,342,524
Receivables	9,137	-	9,137
Cash and cash equivalents	504,449	-	504,449
Insurance contracts assets	25,801,917	91,151	25,893,068
Reinsurance contracts assets	-	57,236,973	57,236,973
Current tax assets	-	1,701,264	1,701,264
Receivables	1,979,215	24,115,245	10,364,358
Cash and cash equivalents	4,479,904	2,797,448	7,277,353
Other assets	35	1,432,824	1,432,859
TOTAL ASSETS	762,659,549	490,864,130	1,237,793,577

(in EUR)	Life insurance	Non - life insurance	Total
EQUITY			
Share capital	17,690,167	21,830,180	39,520,347
Capital reserve	1,669,017	19,102,152	20,771,169
Profit reserve	-	9,721,593	9,721,593
Accumulated other comprehensive income	3,008,755	(1,031,687)	1,977,068
Retained earnings	60,602,839	63,931,371	124,534,210
Net profit loss for the period	11,318,489	22,216,888	33,535,377
TOTAL EQUITY	94,289,266	135,770,498	230,059,764
LIABILITIES			
Subordinated liabilities	31,231,211	-	31,231,211
Deferred tax liabilities	555,771	-	555,771
Insurance contracts issued that are liabilities	582,305,253	291,606,731	873,911,983
Reinsurance contracts held that are liabilities	1,046,749	124,910	1,171,659
Investment contracts liabilities	45,856,110	-	45,856,110
Provisions	659,848	7,032,476	7,692,324
Other financial liabilities	23,270	4,745,053	4,768,324
Current tax liabilities	3,192,948	580	3,193,528
Other liabilities	3,499,123	51,583,882	39,352,904
TOTAL LIABILITIES	668,370,283	355,093,632	1,007,733,813
TOTAL EQUITY AND LIABILITIES	762,659,549	490,864,130	1,237,793,577

In the balance sheet by insurance segment, the balance of assets and liabilities is not equal to the sum of individual amounts by insurance segment because final offsets in the amount of EUR 15,730,102 were made on the level of balance sums in the categories of other receivables and other liabilities.

Income statement for GENERALI d.d. for the period from 1 January 2025 to 31 December 2025 by insurance group, in accordance with the Decision on Annual Reports of Insurance Undertakings

(in EUR)	Life insurance	Non - life insurance	Total
INSURANCE SERVICE RESULT			
Insurance revenue from insurance contracts	42,392,100	346,169,697	388,561,797
Insurance service expenses from insurance contracts	(32,820,310)	(284,903,831)	(317,724,141)
Net expenses from reinsurance contracts	(1,446,579)	(26,712,079)	(28,158,658)
Insurance service result	8,125,210	34,553,788	42,678,998
INVESTMENT INCOME			
Interest revenue calculated using the effective interest method	5,569,165	6,450,902	12,020,067
Dividend income	396,160	1,171,089	1,567,249
Net gains/losses on derecognition of financial assets measured at:	2,038,730	(177,539)	1,861,191
- fair value through profit or loss	2,033,719	(144,802)	1,888,918
- fair value through other comprehensive income	5,011	(32,738)	(27,727)
Net impairments on financial assets	(70,912)	(170,450)	(241,362)
Other investment income	28,023,325	129,908	28,153,233
Net investment income/expenses	35,956,468	7,403,910	43,360,378
RESULT FROM INSURANCE CONTRACTS			
Net finance expenses from insurance contracts	(29,384,273)	(3,675,922)	(33,060,195)
Net finance income from reinsurance contracts	(23,161)	780,536	753,775
Finance income/expenses from insurance contracts	(29,407,433)	(2,895,387)	(32,302,820)
CHANGE OF INVESTMENT CONTRACT LIABILITIES	603,661	-	603,661
OTHER INCOME AND EXPENSES			
Revenue from investment management services	802,570	-	802,570
Other operating income and expenses	(28,215)	1,213,238	1,185,023
Other finance income and expenses	(1,726,384)	257,286	(1,469,099)
Non-attributable expenses	(3,335,463)	(10,780,284)	(14,115,747)
Net impairments on non- financial assets	(1,497)	76,583	75,086
Other income and expenses	130,333	729,186	859,518
PROFIT BEFORE TAX	11,119,250	30,558,320	41,677,569
Current income taxes	(2,384,800)	(6,492,102)	(8,876,903)
Deferred taxes	43,735	227,751	271,486
NET PROFIT FOR THE ACCOUNTING PERIOD FROM CONTINUING OPERATIONS	8,778,184	24,293,968	33,072,153
PROFIT AFTER TAX	8,778,184	24,293,968	33,072,153

Statement of other comprehensive income for GENERALI d.d. for the period from 1 January 2025 to 31 December 2025 by insurance group, in accordance with the Decision on Annual Reports of Insurance Undertakings

(in EUR)	Life insurance	Non - life insurance	Total
PROFIT FOR THE YEAR	8,778,184	24,293,968	33,072,153
OTHER COMPREHENSIVE INCOME NET OF TAX	2,179,722	7,367,647	9,547,369
Total items that may be reclassified subsequently to profit or loss	2,609,016	8,633,159	11,242,176
Unrealised change in value of financial assets measured at fair value through other comprehensive income	(380,594)	5,103,727	4,723,133
Net change in fair value	(364,247)	5,099,243	4,734,996
Net amount reclassified to profit or loss	(16,347)	4,484	(11,863)
Net finance expenses from insurance contracts	2,989,610	3,166,978	6,156,588
Net finance income from reinsurance contracts	-	362,454	362,454
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	(573,983)	(1,899,295)	(2,473,279)
Total items that will not be reclassified to profit or loss	144,689	633,783	778,472
Other items that will not be reclassified subsequently to profit or loss	176,368	791,635	968,003
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	(31,678)	(157,852)	(189,531)
Comprehensive income	10,957,907	31,661,615	42,619,522
Comprehensive income for the accounting period from continuing operations	10,957,907	31,661,615	42,619,522

Income statement for GENERALI d.d. for the period from 1 January 2024 to 31 December 2024 by insurance group, in accordance with the Decision on Annual Reports of Insurance Undertakings

(in EUR)	Life insurance	Non - life insurance	Total
INSURANCE SERVICE RESULT			
Insurance revenue from insurance contracts	44,732,458	321,571,498	366,303,956
Insurance service expenses from insurance contracts	(30,883,391)	(294,842,797)	(325,726,188)
Net expenses from reinsurance contracts	(2,705,882)	(3,105,038)	(5,810,920)
Insurance service result	11,143,185	23,623,662	34,766,847
INVESTMENT INCOME			
Interest revenue calculated using the effective interest method	5,149,005	4,682,078	9,831,083
Dividend income	238,761	848,217	1,086,978
Net gains/losses on derecognition of financial assets measured at:	3,857,543	(906,443)	2,951,100
- fair value through profit or loss	3,961,171	(570,101)	3,391,071
- fair value through other comprehensive income	(103,628)	(336,342)	(439,970)
Net impairments on financial assets	(12,890)	30,501	17,611
Other investment income	66,506,730	2,420,820	68,927,550
Net investment income/expenses	75,739,149	7,075,173	82,814,322
RESULT FROM INSURANCE CONTRACTS			
Net finance expenses from insurance contracts	(69,887,022)	(3,917,384)	(73,804,406)
Net finance income from reinsurance contracts	(38,356)	906,851	868,495
Finance income/expenses from insurance contracts	(69,925,378)	(3,010,532)	(72,935,910)
CHANGE OF INVESTMENT CONTRACT LIABILITIES	569,384	-	569,384
OTHER INCOME AND EXPENSES			
Revenue from investment management services	714,750	-	714,750
Other operating income and expenses	1,125,720	691,688	1,817,408
Other finance income and expenses	(1,951,231)	(72,023)	(2,023,254)
Non-attributable expenses	(2,986,076)	(9,229,856)	(12,215,932)
Net impairments on non- financial assets	(2,518)	35,240	32,721
Other income and expenses	(16,811)	9,038,525	9,021,714
PROFIT BEFORE TAX	14,410,174	28,151,876	42,562,049
Current income taxes	(3,192,948)	(5,949,316)	(9,142,265)
Deferred taxes	101,263	14,329	115,592
NET PROFIT FOR THE ACCOUNTING PERIOD FROM CONTINUING OPERATIONS	11,318,489	22,216,888	33,535,377
PROFIT AFTER TAX	11,318,489	22,216,888	33,535,377

Statement of other comprehensive income for GENERALI d.d. for the period from 1 January 2024 to 31 December 2024 by insurance group, in accordance with the Decision on Annual Reports of Insurance Undertakings

(in EUR)	Life insurance	Non - life insurance	Total
PROFIT FOR THE YEAR	11,318,489	22,216,888	33,535,377
OTHER COMPREHENSIVE INCOME NET OF TAX	1,050,238	4,984,374	6,034,613
Total items that may be reclassified subsequently to profit or loss	1,253,731	6,715,022	7,968,753
Unrealised change in value of financial assets measured at fair value through other comprehensive income	2,994,308	9,689,843	12,684,151
Net change in fair value	3,097,936	10,026,185	13,124,121
Net amount reclassified to profit or loss	(103,628)	(336,342)	(439,970)
Net finance expenses from insurance contracts	(1,740,577)	(3,078,134)	(4,818,711)
Net finance income from reinsurance contracts		103,313	103,313
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	(275,821)	(1,477,305)	(1,753,125)
Total items that will not be reclassified to profit or loss	72,328	(253,342)	(181,015)
Other items that will not be reclassified subsequently to profit or loss	92,728	(324,798)	(232,070)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	(20,400)	71,456	51,055
Comprehensive income	12,368,727	27,201,263	39,569,990
Comprehensive income for the accounting period from continuing operations	12,368,727	27,201,263	39,569,990

1.2 FUNDS SEPARATELY MANAGED BY GENERALI ZAVAROVALNICA D.D.

GENERALI d.d. manages registers of non-life and life insurance, whereby the funds from the life insurance register are managed separately as follows:

- the life insurance fund,
- the investment life insurance fund,
- internal unit-linked life insurance funds,
- guarantee funds and ring-fenced pension insurance guarantee funds.

The names of the funds managed separately, and the registration numbers of individual registered funds are presented below, in compliance with the Decision on Annual Reports and Quarterly Financial Statements of Insurance Undertakings issued by the Insurance Supervision Agency (Official Gazette of the Republic of Slovenia Nos. 101/2024). Explanations regarding the mentioned funds are prepared in accordance with the schemes given in Appendix 2 of the Decision on Annual Reports and Quarterly Financial Statements of Insurance Undertakings. Assets and liabilities, as well as the profit and loss of pension insurance guarantee funds, are prepared in Accordance with Appendix 1 "Decision on Annual Reports and Interim Financial Statements of Pension funds formed as Guarantee Funds and Groups of Guarantee Funds."

The name and registration number of individual funds managed separately

Life insurance register	Registration number
Life insurance fund	
Life insurance fund with investment risk	
Life insurance fund with investment risk - Naložbeno tveganje	5186684031
Life insurance fund with investment risk - Naložbeni sklad	5186684011
Life insurance fund with investment risk - FOND POLICA	5186684030
Life insurance internal funds with investment risk	
Aktivni naložbeni paket internal fund	5186684025
Dirigent internal fund	5186684026
Vrhunski internal fund	5186684027
Aktivna naložba internal fund	5186684021
Drzna naložba internal fund	5186684007
Dinamična naložba internal fund	5186684008
Uravnotežena naložba internal fund	5186684009
Preudarna naložba internal fund	5186684010
Varna naložba internal fund	5186684006
Inovativen izbor internal fund	5186684037
Stabilni izbor internal fund	5186684038
Ring fenced funds	
GAS Ring fenced fund for supplementary pension insurance during the annuity payout period	5186684035
Ring fenced for supplementary pension insurance during the annuity payout period	5186684012
Ring fenced fund for supplementary pension insurance during annuity payout under Pension and Disability Act ZPIZ-2 (DP)	5186684036
Ring fenced fund for pension annuities under the Pension Scheme -ZPIZ -2 (PN)	5186684017
Pension fund and group of pension funds	
Group of AS pension saving ring fenced guarantee funds	
AS pension saving ring fenced guarantee fund – DRZNI DO 50	5186684033
AS pension saving ring fenced guarantee fund – UMIRJENI MED 50 IN 60	5186684018
AS pension saving ring fenced guarantee fund – ZAJAMČENI OD 60	5186684019
Zajamčeni PN-A01 ring fenced guarantee fund – pension insurance	5186684023

In accordance with the Pension and Disability Insurance Act (ZPIZ-2), GENERALI zavarovalnica d.d. provides pension insurance within its life insurance portfolio, as well as other ancillary services in the field of insurance and pension funds.«

Pension fund and group of pension funds

Within the scope of life insurance, in 2025 operated funds which are kept as the Group of guarantee funds of the voluntary supplementary pension insurance (PDPZ), which Group comprises three pension funds where the life cycle investment policy is implemented. Pension plans for collective voluntary supplementary pension insurance and individual voluntary supplementary pension insurance are implemented in all three pension funds. Life cycle pension insurance and the Zajamčeni PN-A01 Guarantee Fund are managed in the financial statements as financial contracts, for which the same policies are applied both in the financial statements and for separate management. The Zajamčeni PN-A01 Guarantee Fund which was opened according to the pension scheme governed by the Pension and Disability Insurance Act (ZPIZ-1) and no more payments are made to it, however the balance of assets is still kept. Following the transition to IFRS 17, the assets and liabilities of the guarantee fund were reclassified as assets and liabilities from financial contracts. Pension insurance managed in the form of guarantee funds, such as the PN-A01 Guaranteed Return Guarantee Fund and the Life Cycle Group Pension Funds called Pokojninsko varčevanje AS (AS Pension Saving), is managed as a unit and is shown as such in the Company's Annual Report. The calculation of the value of the assets of policyholders in pension guarantee funds is the product of the value of the units and the number of units of the policyholder/insured party, and at the fund level as the number of units of the guarantee fund in circulation. The trustee of these pension funds is OTP d.d. The assets and liabilities and the income statement of these pension funds, formed as a guarantee fund, are presented below in Section 1.5.

Mutual Pension Funds

The pension insurance provided through the LEON 2 Umbrella Pension Fund is not included in the Company's statements, as it is structured as a mutual pension fund. This form of pension insurance is characterized by the fact that the pension fund is owned by its members and has its own financial statements and annual report, however it is not a legal entity. The calculation of the value of the assets of the members of this mutual pension fund is the product of the value of the units and the number of units of the member, and at the fund level as the number of units of the guarantee fund in circulation. With regard to the management of the LEON 2 Umbrella Pension Fund, the Company, discloses only management agreed revenues provisions for failure to achieve the guaranteed return. The trustee of the LEON 2 Umbrella Fund is UniCredit Banka Slovenija d.d.

In 2025, the Insurance Company, as the pension fund manager, discloses the following key data for all three mentioned mutual pension funds.

Data regarding the mutual pension funds for 2025

in EUR	Assets	Net asset value	Management fee	Company other revenue	Liabilities for difference in guaranteed return
KPS LEON 2-Zajamčeni	43,286,330	43,082,558	403,487	11,998	30,094
KPS LEON 2-Preudarni	15,513,892	15,461,387	134,833	4,809	-
KPS LEON 2-Dinamični	27,632,777	27,605,270	238,472	8,967	-
Total 2025	86,432,999	86,149,214	776,793	25,774	30,094

Data regarding the mutual pension funds for 2024

in EUR	Assets	Net asset value	Management fee	Company other revenue	Liabilities for difference in guaranteed return
KPS LEON 2-Zajamčeni	42,636,628	42,371,834	395,019	15,084	87,771
KPS LEON 2-Preudarni	12,642,515	12,561,642	106,828	4,429	-
KPS LEON 2-Dinamični	23,112,017	23,085,684	184,713	8,576	-
Total 2024	78,391,161	78,019,160	686,560	28,089	87,771

Internal Funds

Life insurance in 2025 comprised also Internal Funds, which are presented separately in the table above, where all funds managed separately within the life insurance register are listed.

The internal funds are included in the management as a whole and are shown as such in the insurance company's statements, whereby the same standards and guidelines are applied to the preparation of the insurance company's financial statements as are used for the management and preparation of financial statements. Entitlements from insurance contracts are directly related to the value of asset units, which means that the calculation of the asset value of policyholders in these funds is calculated as the product of the value of the asset unit (NAV) and the number of asset units of the policyholder. At the fund level value is calculated as the total number of the asset units of the fund in circulation. The custodian of the Internal funds Aktivni naložbeni paket, Dirigent, Vrhunski in Aktivna naložba je OTP d.d., while the administrator of the Internal Funds Drzna naložba, Dinamična naložba, Uravnotežena naložba, Preudarna naložba, Varna naložba, Inovativen izbor and Stabilni izbor is Banka Intesa Sanpaolo d.d., Koper.

For each individual internal fund is presented:

- assets of the fund
- changes in the net asset value of the fund
- the total return of the fund and
- movement in the number of fund units.

Ring fenced funds

Within the register of life insurance, Ring fenced funds are also shown, in which the value of the asset or the attribution of profit is determined on the basis of the technical result. Ring fenced funds are included in the management as a whole and are also shown as such in the insurance company's statements, whereby the same standards and guidelines as apply to the preparation of the insurance company's financial statements are used as a basis for the management and preparation of financial statements.

For each ring fenced fund is presented:

- assets of the fund,
- liabilities of the fund (mathematical provision and unallocated amounts of the technical result) and
- fund result for the period.

Life insurance where the investment risk is borne by policyholder

Life insurance where the investment risk is borne by policyholder is also managed separately in the life insurance register and is included in the management as a whole and is shown as such in the insurance company's statements, with the same standards and guidelines being used as the basis for managing and preparing financial statements, as applicable to the preparation of the insurance company's financial statements. Entitlements from insurance contracts are directly related to the value

of investments on individual policyholder account. At the fund level the total value is calculated as the aggregate of values from all policyholder's accounts.

By individual life insurance fund with investment risk, the following are shown:

- assets of the fund,
- movements of fund assets.

1.3 LIFE INSURANCE FUNDS WITH INVESTMENT RISK

Presentation of assets and changes in assets of funds with investment risk

(in EUR)	Life insurance where the investment risk is borne by policyholder 31 Dec. 2025	Life insurance where the investment risk is borne by policyholder – FOND POLICA 31 Dec. 2025	Unit-linked life insurance -Naložbeni sklad 31.12.2025	Life insurance where the investment risk is borne by policyholder 31 Dec. 2024	Life insurance where the investment risk is borne by policyholder – FOND POLICA 31 Dec. 2024	Unit-linked life insurance -Naložbeni sklad 31.12.2024
2.3. a) Display of fund assets						
III. Financial investments	20,677,359	216,651,592	30,997,208	20,802,832	223,009,100	27,639,477
3. Financial investments at fair value through IPI	20,677,359	216,651,592	30,997,208	20,802,832	223,009,100	27,639,477
IV. Receivables	-	901,947	156,696	-	831,194	137,098
V. Cash and cash equivalents	423,295	108,225	405,162	481,836	10,688	852,185
TOTAL ASSETS OF THE FUND	21,100,654	217,661,764	31,559,066	21,284,668	223,850,982	28,628,760
2.3. b) Display of the movement of assets the fund						
1. Initial funds assets	21,284,668	223,850,982	28,628,760	19,274,198	202,980,558	25,419,519
2. Increase in assets, of which:	917,127	18,923,664	16,792,123	947,517	17,418,352	10,866,671
- paid-in assets	917,127	18,923,664	16,792,123	947,517	17,418,352	10,866,671
3. Reduction of assets, of which:	(2,507,778)	(44,340,287)	(15,440,228)	(2,362,747)	(31,002,495)	(10,673,624)
- disbursed assets	(2,507,778)	(44,340,287)	(15,440,228)	(2,362,747)	(31,002,495)	(10,673,624)
4. Return on assets	1,406,636	19,227,405	1,578,412	3,425,701	34,454,567	3,016,194
5. End assets	21,100,653	217,661,764	31,559,067	21,284,669	223,850,982	28,628,760

1.4 LIFE INSURANCE INTERNAL FUNDS WITH INVESTMENT RISK

Presentation of internal funds with investment risk

(in EUR)	Internal fund – DIRIGENT 2025	Internal fund – AKTIVNI NALOŽBENI PAKET 2025	Internal fund – VRHUNSKI 2025
2.1. a) Display of fund assets			
II. Financial investments	3,192,076	36,358,046	3,007,979
3. Financial investments at fair value through IPI	3,192,076	36,358,046	3,007,979
III. Receivables	-	241,000	-
IV. Cash and cash equivalents	31,779	299,923	28,201
TOTAL ASSETS OF THE FUND	3,223,855	36,898,969	3,036,180
2.1. b) Display of the movement of the fund value			
VALUE OF FUND ASSETS at the beginning of the year	3,296,806	36,761,202	3,924,147
I. Assets paid in	-	2,862,200	-
II. Assets paid out	(187,540)	(4,197,608)	(1,048,309)
IV. Return on financial investments of the fund	147,571	1,413,539	175,252
VI. Expenses of the fund related to management and operations	(35,951)	(214,182)	(39,749)
3. Management fee	(33,421)	(196,252)	(55,951)
4. Other costs of the fund	(2,530)	(17,930)	16,202
VALUE OF FUND ASSETS at the end of the year	3,220,886	36,625,151	3,011,341
2.1. c) Display of the total return of the fund			
I. Income of the Fund	166,774	1,541,493	328,210
2. Income from financial investments	166,774	1,541,493	328,210
II. Expenses of the fund	(55,154)	(342,136)	(192,707)
2. Expenses from financial investments	(19,203)	(127,954)	(152,958)
3. Expenses related to management and operations	(35,951)	(214,182)	(39,749)
TOTAL FUND RETURN	111,620	1,199,357	135,503
2.1. d) Display of the movement of the number of the fund's assets			
1. Opening number of (units) assets	125,824	2,015,533	189,726
2. Number of assets (unit) paid-in	-	160,616	-
2. Number of assets (unit) paid-in	(7,105)	(231,220)	(49,036)
6. Closing number of (units) assets	118,719	1,944,929	140,690



Internal fund - AKTIVNA NALOŽBA 2025	Internal fund – DIRIGENT 2024	Internal fund – AKTIVNI NALOŽBENI PAKET 2024	Internal fund – VRHUNSKI 2024	Internal fund - AKTIVNA NALOŽBA 2024
54,769,908	3,315,189	36,914,507	3,938,088	45,527,761
54,769,908	3,315,189	36,914,507	3,938,088	45,527,761
756,500	-	-	-	-
289,645	33,308	307,956	49,013	84,118
55,816,053	3,348,497	37,222,463	3,987,101	45,611,879
45,532,535	3,121,028	30,119,151	3,467,773	34,118,001
9,867,132	-	2,635,500	-	6,040,750
(1,047,246)	(453,514)	(3,308,348)	(304,809)	(1,131,648)
1,526,547	711,485	7,517,355	862,891	6,742,272
(293,637)	(81,667)	(202,456)	(99,161)	(236,841)
(268,601)	(34,934)	(185,386)	(57,760)	(216,328)
(25,036)	(46,733)	(17,070)	(41,401)	(20,513)
55,585,331	3,297,332	36,761,202	3,926,694	45,532,534
1,645,334	712,605	7,539,125	863,523	6,759,381
1,645,334	712,605	7,539,125	863,523	6,759,381
(412,425)	(82,787)	(224,226)	(99,793)	(253,950)
(118,787)	(1,120)	(21,770)	(632)	(17,109)
(293,638)	(81,667)	(202,456)	(99,161)	(236,841)
1,232,909	629,818	7,314,899	763,730	6,505,431
2,775,476	143,934	2,053,855	205,836	2,455,963
610,888	-	160,718	-	394,468
(64,590)	(18,110)	(199,040)	(16,110)	(74,955)
3,321,774	125,824	2,015,533	189,726	2,775,476

Presentation of internal funds with investment risk

(in EUR)	Internal unit-linked fund - Drzna naložba 2025	Internal unit-linked fund - Dinamična naložba 2025	Internal unit-linked fund - Uravnotežena naložba 2025	Internal unit-linked fund - Preudarna naložba 2025
2.1. a) Display of fund assets				
II. Financial investments	25,832,537	35,232,590	22,873,267	6,476,887
3. Financial investments at fair value through IPI	25,832,537	35,232,590	22,873,267	6,476,887
III. Receivables	52,705	3,137	9,787	7,969
IV. Cash and cash equivalents	299,574	313,495	226,305	68,158
TOTAL ASSETS OF THE FUND	26,184,816	35,549,222	23,109,359	6,553,014
2.1. b) Display of the movement of the fund value				
VALUE OF FUND ASSETS at the beginning of the year	29,623,228	29,200,001	20,725,999	5,090,547
I. Assets paid in	6,444,771	12,002,756	6,310,549	2,815,462
II. Assets paid out	(10,503,748)	(6,272,611)	(4,308,321)	(1,402,742)
IV. Return on financial investments of the fund	2,201,631	1,060,247	589,209	97,521
VI. Expenses of the fund related to management and operations	(1,811,825)	(703,643)	(454,198)	(117,574)
1. Entrance fees	(1,242,478)	(246,161)	(132,702)	(27,554)
3. Management fee	(399,133)	(329,621)	(223,196)	(56,889)
4. Other costs of the fund	(170,214)	(127,861)	(98,300)	(33,131)
VALUE OF FUND ASSETS at the end of the year	25,954,057	35,286,750	22,863,238	6,483,214
2.1. c) Display of the total return of the fund				
I. Income of the Fund	2,335,232	1,183,242	701,547	132,876
2. Income from financial investments	2,335,232	1,183,242	701,547	132,876
II. Expenses of the fund	(1,945,426)	(826,638)	(566,535)	(152,929)
2. Expenses from financial investments	(133,601)	(122,995)	(112,338)	(35,355)
3. Expenses related to management and operations	(1,811,825)	(703,643)	(454,197)	(117,574)
TOTAL FUND RETURN	389,806	356,604	135,012	(20,053)
2.1. d) Display of the movement of the number of the fund's assets				
1. Opening number of (units) assets	15,417,579	14,156,094	9,997,916	2,876,496
2. Number of assets (unit) paid-in	2,669,028	3,872,023	1,917,579	1,039,098
2. Number of assets (unit) paid-in	(5,585,686)	(1,501,605)	(1,176,986)	(313,713)
6. Closing number of (units) assets	12,500,921	16,526,512	10,738,509	3,601,881



Internal unit-linked fund - Varna naložba 2025	Internal unit-linked fund - Drzna naložba 2024	Internal unit-linked fund - Dinamična naložba 2024	Internal unit-linked fund - Uravnotežena naložba 2024	Internal unit-linked fund - Preudarna naložba 2024	Internal unit-linked fund - Varna naložba 2024
6,495,865	29,621,405	29,210,443	20,727,658	5,110,066	6,532,842
6,495,865	29,621,405	29,210,443	20,727,658	5,110,066	6,532,842
5,993	37,529	11,605	4,968	1,571	4,834
69,311	463,380	155,954	168,280	49,044	82,910
6,571,169	30,122,314	29,378,002	20,900,906	5,160,681	6,620,586
6,414,017	27,793,648	21,432,471	15,896,509	4,091,467	6,483,561
1,752,408	7,422,349	9,956,529	5,957,609	2,027,278	1,664,423
(1,692,082)	(9,057,576)	(5,754,500)	(3,137,281)	(1,386,875)	(1,735,763)
66,923	5,620,683	4,218,686	2,443,763	465,766	170,985
(152,075)	(2,153,878)	(648,018)	(433,899)	(107,091)	(169,190)
(32,336)	(1,509,789)	(254,045)	(139,073)	(25,814)	(38,085)
(76,450)	(435,626)	(282,475)	(198,975)	(50,244)	(82,047)
(43,289)	(208,463)	(111,498)	(95,851)	(31,033)	(49,058)
6,389,191	29,625,226	29,205,168	20,726,701	5,090,545	6,414,016
80,493	5,620,683	4,225,471	2,443,763	468,371	172,163
80,493	5,620,683	4,225,471	2,443,763	468,371	172,163
(165,646)	(2,153,878)	(654,803)	(433,899)	(109,695)	(170,368)
(13,570)	-	(6,785)	-	(2,605)	(1,178)
(152,076)	(2,153,878)	(648,018)	(433,899)	(107,090)	(169,190)
(85,153)	3,466,805	3,570,668	2,009,864	358,676	1,795
6,293,410	17,490,886	12,331,559	8,791,972	2,562,622	6,538,431
1,637,558	3,317,446	3,247,803	2,225,077	740,624	1,611,232
(1,729,698)	(5,390,753)	(1,423,268)	(1,019,133)	(426,750)	(1,856,253)
6,201,270	15,417,579	14,156,094	9,997,916	2,876,496	6,293,410



Presentation of internal funds with investment risk

(in EUR)	Internal unit-linked fund - Inovativen izbor 2025	Internal unit- Stabil
2.1. a) Display of fund assets		
II. Financial investments	1,231,264	
3. Financial investments at fair value through IPI	1,231,264	
III. Receivables	606	
IV. Cash and cash equivalents	43,605	
TOTAL ASSETS OF THE FUND	1,275,475	
2.1. b) Display of the movement of the fund value		
VALUE OF FUND ASSETS at the beginning of the year	-	
I. Assets paid in	1,274,359	
II. Assets paid out	(217)	
IV. Return on financial investments of the fund	39,936	
VI. Expenses of the fund related to management and operations	(217,398)	
1. Entrance fees	(190,489)	
3. Management fee	(3,685)	
4. Other costs of the fund	(23,224)	
VALUE OF FUND ASSETS at the end of the year	1,236,250	
2.1. c) Display of the total return of the fund		
I. Income of the Fund	47,154	
2. Income from financial investments	47,154	
II. Expenses of the fund	(224,616)	
2. Expenses from financial investments	(7,218)	
3. Expenses related to management and operations	(217,398)	
TOTAL FUND RETURN	(177,462)	
2.1. d) Display of the movement of the number of the fund's assets		
1. Opening number of (units) assets	133,346	
2. Number of assets (unit) paid-in	1,040,404	
2. Number of assets (unit) paid-in	(25,716)	
6. Closing number of (units) assets	1,148,034	



Unit-linked fund - ni izbor 2025	Internal unit-linked fund - Inovativen izbor 2024	Internal unit-linked fund - Stabilni izbor 2024
121,740	140,028	6,395
121,740	140,028	6,395
190	450	90
4,163	3,574	469
126,093	144,052	6,954
6,244	-	-
145,066	146,865	7,364
(14)	(2)	-
2,944	928	(5)
(32,672)	(8,303)	(1,114)
(26,953)	(7,989)	(1,014)
(318)	(56)	(2)
(5,401)	(258)	(98)
121,568	139,488	6,245
3,100	1,672	19
3,100	1,672	19
(32,827)	(9,047)	(1,139)
(155)	(744)	(24)
(32,672)	(8,303)	(1,115)
(29,727)	(7,375)	(1,120)
6,252	-	-
117,104	133,650	6,352
(5,673)	(304)	(101)
117,683	133,346	6,251



1.5 PENSION FUND AND GROUP OF PENSION SAVING FUNDS

Assets and liabilities of lifecycle pension funds – Pokojninsko varčevanje AS Assets and liabilities of lifecycle pension funds – Pokojninsko varčevanje AS

(in EUR)	AS – DRZNI 31 Dec. 2025	AS – UMIRJENI 31 Dec. 2025	AS – ZAJAMČENI 31 Dec. 2025
	21,400,771	14,014,842	4,638,427
Financial investments	20,709,483	13,499,139	4,452,615
measured at fair value through the income statement, of which:	20,709,483	13,499,139	4,452,615
– debt securities	624,173	6,175,371	3,839,942
– equity securities	20,085,310	7,323,768	612,673
Receivables	177,802	118,782	40,408
Other receivables	177,802	118,782	40,408
Cash and cash equivalents	513,486	396,921	145,404
Off-balance-sheet assets	-	-	291,132
Other off-balance-sheet assets	-	-	291,132
LIABILITIES	21,400,771	14,014,842	4,638,427
Insurance technical provisions	21,374,529	13,995,482	4,629,212
Technical provisions where the assets covering mathematical provisions are split to units (VEP)	21,374,529	13,995,482	4,629,212
Operating liabilities	22,181	15,299	5,154
Liabilities to the managing company of the assets covering mathematical provisions	17,671	11,565	3,824
Other operating liabilities	4,510	3,734	1,330
Other liabilities	4,061	4,061	4,061
Off-balance-sheet liabilities	-	-	291,132
Other off-balance-sheet liabilities	-	-	291,132



Lifecycle group	AS – DRZNI 31 Dec. 2024	AS – UMIRJENI 31 Dec. 2024	AS – ZAJAMČENI 31 Dec. 2024	Lifecycle group
40,054,040	19,296,725	13,135,502	4,892,360	37,324,587
38,661,237	19,082,967	12,979,549	4,812,913	36,875,429
38,661,237	19,082,967	12,979,549	4,812,913	36,875,429
10,639,486	1,572,608	6,320,148	4,234,727	12,127,483
28,021,751	17,510,359	6,659,401	578,186	24,747,946
336,992	177,795	125,330	41,301	344,426
336,992	177,795	125,330	41,301	344,426
1,055,811	35,963	30,623	38,146	104,732
291,132	-	-	304,304	304,304
291,132	-	-	304,304	304,304
40,054,040	19,296,725	13,135,502	4,892,360	37,324,587
39,999,223	19,269,901	13,113,683	4,878,467	37,262,051
39,999,223	19,269,901	13,113,683	4,878,467	37,262,051
42,634	20,175	15,170	7,244	42,589
33,060	15,911	10,817	4,014	30,742
9,574	4,264	4,353	3,230	11,847
12,183	6,649	6,649	6,649	19,947
291,132	-	-	304,304	304,304
291,132	-	-	304,304	304,304



Income statement of lifecycle pension funds – Pokojninsko varčevanje AS

(in EUR)	AS – DRZNI 2025	AS – UMIRJENI 2025	AS – ZAJAMČENI 2025
Financial revenue	4,192,762	712,786	125,869
Revenue from dividends and shares	279,144	16,887	3,605
Interest revenue	25,310	125,032	69,861
Gains on disposals of financial investments	1,158,415	104,568	1,702
Net revenue from financial investments, measured at fair value through profit and loss	2,729,893	466,299	50,698
Other financial revenue	-	-	3
Financial expenses	3,001,019	124,667	16,137
Interest expenses	-	-	-
Losses on disposal of financial investments	1,441,865	42,142	-
Net expenses arising from a change in the fair value of financial investment recognised at fair value through profit or loss	294,147	24,678	15,848
Other financial expenses	1,265,007	57,847	289
Result of investing activities	1,191,743	588,119	109,732
Other revenue	-	-	1
Expenses relating to the management and operation of the guarantee fund	236,581	157,371	66,290
Management fees	196,592	132,992	46,839
Expenses relating to custodian bank	11,402	7,714	6,600
Expenses relating to auditing	6,758	6,758	6,758
Other expenses charged directly to guarantee funds in accordance with management rules	21,829	9,907	6,093
Other expenses	38,077	252	-
Net profit available to policyholders	917,085	430,496	43,443

Lifecycle pension insurance guarantee funds, which have been available since 1 February 2016, are underwritten under the new pension insurance schemes Pokojninsko varčevanje AS – individualno (AS pension saving – individual) and Pokojninsko varčevanje AS – kolektivno (AS pension saving – collective). The new payments (as of 1 February 2016) have been invested in the guarantee funds (lifecycle funds) in relation to the age of policyholders and the level of risks they are prepared to take. The payments into the previous guarantee fund (PN-A01) have not been possible in accordance with the Management Rules since 2016. The assets from this Fund are only intended for payouts or transfers to the lifecycle Pokojninsko varčevanje AS.



Lifecycle group	AS – DRZNI 2024	AS – UMIRJENI 2024	AS – ZAJAMČENI 2024	Lifecycle group
5,031,417	4,548,025	1,537,220	201,667	6,286,912
299,636	263,220	14,917	2,057	280,194
220,203	17,160	82,940	71,694	171,794
1,264,685	986,651	256,065	18,684	1,261,400
3,246,890	2,595,162	1,140,745	109,225	3,845,132
3	685,832	42,553	7	728,392
3,141,823	816,169	79,268	23,276	918,713
-	19,976	22,091	-	42,067
1,484,007	334,317	34,197	4,939	373,453
334,673	452,659	20,887	18,303	491,849
1,323,143	9,217	2,093	34	11,344
1,889,594	3,731,856	1,457,952	178,391	5,368,199
1	1,379	89	403	1,871
460,242	206,447	147,346	68,111	421,904
376,423	173,648	122,996	48,850	345,494
25,716	10,072	7,134	6,600	23,806
20,274	6,640	6,640	6,640	19,920
37,829	16,087	10,576	6,021	32,684
38,329	39,198	506	-	39,704
1,391,024	3,487,590	1,310,189	110,683	4,908,462

Assets and liabilities of the PN-A01 pension guarantee fund

(in EUR)	31.12.2025	31.12.2024
ASSETS	8,128,952	8,531,523
Financial investments	7,975,306	8,467,096
measured at amortised cost, of which:	-	2,661
– loans and deposits	-	2,661
measured at fair value through the income statement, of which:	7,975,306	8,464,435
– debt securities	7,562,117	8,094,431
– equity securities	413,189	370,004
Receivables	-	16
Other receivables	-	16
Cash and cash equivalents	153,646	64,411
LIABILITIES	8,128,952	8,531,523
Insurance technical provisions	8,113,558	8,512,250
Technical provisions where the assets covering mathematical provisions are split to units (VEP)	8,113,558	8,512,250
Operating liabilities	7,631	8,000
Liabilities to the managing company of the assets covering mathematical provisions	6,761	7,094
Other operating liabilities	870	906
Other liabilities	7,763	11,273

Income statement of the PN-A01 pension guarantee fund

(in EUR)	2025	2024
Financial revenue	307,810	383,423
Interest revenue	162,425	205,415
Gains on disposals of financial investments	13,978	28,020
Revaluation financial revenue arising from a change in the fair value of a financial asset through profit and loss	131,407	149,988
Revenue from payment of management company due to failing to achieve guaranteed return	70,729	64,970
Losses on disposal of financial investments	-	8,300
Net expenses arising from a change in the fair value of financial investment recognised at fair value through profit or loss	70,729	56,670
Result of investing activities	237,081	318,453
Expenses relating to the management and operation of the guarantee fund	107,469	110,432
Management fees	82,623	86,396
Expenses relating to custodian bank	6,600	6,600
Expenses relating to auditing	11,460	11,256
Other expenses charged directly to guarantee funds in accordance with management rules	6,786	6,180
Other expenses	258	57
Net profit available to policyholders	129,354	207,964

1.6 RING-FENCED PENSION INSURANCE FUND – DURING THE ANNUITY PAYOUT PERIOD

Assets, liabilities and profit or loss of the 1 GAS ring-fenced supplementary pension insurance fund during the annuity payout period

(in EUR)	2025	2024
2.2. a) Display of fund assets		
III. Financial investments	367,525	371,104
1. Financial investments at fair value through OCI	366,518	371,104
3. Financial investments at fair value through IPI	1,007	-
V. Cash and cash equivalents	14,294	50,399
TOTAL ASSETS OF THE FUND	381,819	421,503
2.2. b) Display of liabilities of the fund		
MATHEMATICAL PROVISIONS at the beginning of the year	(384,567)	(422,088)
- without considering the attribution of the current year's profit	(367,295)	(384,567)
2.2. c) Display of fund results		
II. Income from investments	10,215	12,170
III. Expenses for claims	(46,478)	(43,702)
IV. Change in mathematical provisions	17,272	37,522
VI. Costs charged per policies	(1,089)	(1,005)
VII. Other costs that are charged to the members of the fund	(1)	327
VIII. Investment expenses	(95)	(35,192)
IX. The result of the fund before the attribution profit	(20,176)	(29,880)
XII. Fund result belonging to the manager	(20,176)	(29,880)

Assets, liabilities and profit or loss of the ring-fenced guarantee fund for supplementary pension insurance during annuity payout

(in EUR)	2025	2024
2.2. a) Display of fund assets		
III. Financial investments	294,928	261,981
1. Financial investments at fair value through OCI	242,761	261,981
3. Financial investments at fair value through IPI	52,167	-
V. Cash and cash equivalents	13,968	59,660
TOTAL ASSETS OF THE FUND	308,896	321,641
2.2. b) Display of liabilities of the fund		
MATHEMATICAL PROVISIONS at the beginning of the year	(301,417)	(312,522)
- without considering the attribution of the current year's profit	(268,903)	(301,417)
UNALLOCATED AMOUNTS OF TECHNICAL RESULTS at the end of the year	6,760	-
2.2. c) Display of fund results		
II. Income from investments	5,808	4,941
III. Expenses for claims	(21,491)	(24,086)
IV. Change in mathematical provisions	32,514	11,105
VII. Other costs that are charged to the members of the fund	(1,717)	10
VIII. Investment expenses	(92)	(18)
IX. The result of the fund before the attribution profit	15,022	(8,048)
XII. Fund result belonging to the manager	15,022	(8,048)



Assets, liabilities and profit or loss of the ring-fenced guarantee fund for supplementary pension insurance during annuity payout under Pension and Disability Act (ZPIZ-2) (DP)

(in EUR)	2025	2024
2.2. a) Display of fund assets		
III. Financial investments	6,312,450	5,020,970
1. Financial investments at fair value through OCI	6,244,169	5,020,970
3. Financial investments at fair value through IPI	68,281	-
V. Cash and cash equivalents	129,745	241,190
TOTAL ASSETS OF THE FUND	6,442,195	5,262,160
2.2. b) Display of liabilities of the fund		
MATHEMATICAL PROVISIONS at the beginning of the year	(5,210,990)	(3,956,698)
- without considering the attribution of the current year's profit	(6,193,881)	(5,162,160)
- considering the attribution of the current year's profit	(21,380)	-
UNALLOCATED AMOUNTS OF TECHNICAL RESULTS at the beginning of the year	36,141	16,920
UNALLOCATED AMOUNTS OF TECHNICAL RESULTS at the end of the year	73,872	36,141
2.2. c) Display of fund results		
I. Transfer of funds assets from the pension plan of additional pension insurance	1,870,889	1,810,726
II. Income from investments	138,364	131,119
III. Expenses for claims	(776,213)	(611,720)
IV. Change in mathematical provisions	(1,031,721)	(1,205,462)
V. Change of other insurance technical provisions for the purpose of determining profit	-	97,202
VI. Costs charged per policies	(123,311)	(120,071)
VII. Other costs that are charged to the members of the fund	8	84
VIII. Investment expenses	(1,005)	(40,365)
IX. The result of the fund before the attribution profit	77,011	61,513
X. Attribution of profit of the current year	(34,655)	(27,681)
a. Attribution to policyholders in the form of an increase in the pension annuity, except for the attribution from point b.	(34,655)	(27,681)
XI. Unallocated amounts technical results of the current year	(34,655)	(27,681)
XII. Fund result belonging to the manager	7,701	6,151

Assets, liabilities and profit or loss of the ring-fenced guarantee fund for supplementary pension insurance during annuity - ZPIZ-2 (PN)

(in EUR)	2025	2024
2.2. a) Display of fund assets		
III. Financial investments	341,120	260,906
1. Financial investments at fair value through OCI	291,067	260,906
3. Financial investments at fair value through IPI	50,053	-
V. Cash and cash equivalents	15,593	77,996
TOTAL ASSETS OF THE FUND	356,713	338,902
2.2. b) Display of liabilities of the fund		
MATHEMATICAL PROVISIONS at the beginning of the year	(229,971)	(256,122)
- without considering the attribution of the current year's profit	(207,095)	(229,971)
UNALLOCATED AMOUNTS OF TECHNICAL RESULTS at the beginning of the year	-	1,099
2.2. c) Display of fund results		
II. Income from investments	5,338	3,161
III. Expenses for claims	(25,705)	(27,422)
IV. Change in mathematical provisions	22,876	26,150
VI. Costs charged per policies	(1,800)	(1,920)
VII. Other costs that are charged to the members of the fund	-	10
VIII. Investment expenses	(16,759)	(14)
IX. The result of the fund before the attribution profit	(16,050)	(35)
XII. Fund result belonging to the manager	(16,049)	(35)

The ring-fenced guarantee fund ceased operations in 2020.



