Statement on Principal Adverse Impacts of Investment Decisions on Sustainability Factors of Vita, Življenjska Zavarovalnica, d.d., LEI code 485100004VOFFO18DD84, for 2024

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1 Summary

Vita, Življenjska Zavarovalnica, d.d. (the "Company" or "Vita"), LEI code 485100004VOFFO18DD84, takes into account the principal adverse impacts of investment decisions on sustainability factors. This statement on the principal adverse impacts of investment decisions on sustainability factors covers the reference period from 1 January to 31 December 2024. The indicators are calculated based on the average of the quarterly holdings in investee companies over the reference period from 1 January to 31 December 2024 and according to the latest available information on the principal adverse impacts of investee companies (PAI indicators). Principal adverse impacts are defined as principal adverse impacts of investment decisions on sustainability factors, including, but not limited to, environmental, social and employee matters, and matters relating to respect for human rights, anti-corruption and anti-bribery.

The Sava Insurance Group, of which Vita is a member, has had a Sustainability Investment Policy in place since 2021. This policy establishes sustainability guidelines for investment decisions in investment management covering non-life insurance liabilities, traditional life insurance liabilities and the Company's own funds. The policy has been revised several times in previous years, and its latest version, effective from February 2025, has been published on the Company's website. The policy is based on the principles of integrating environmental, social and governance (ESG) considerations into investment decision-making processes and defines industries that do not comply with sustainability and responsible investment guidelines and in which Group companies do not invest, thereby limiting the adverse impacts of investment decisions. In managing its investment portfolio, Vita consistently adheres to and implements the Group's policy by integrating sustainability considerations into the due diligence of new issuers and by monitoring the overall investment portfolio for adverse impacts on sustainability factors.

Investments in mutual funds covering life insurance liabilities where the investment risk is borne by the policyholders are not subject to the Sustainability Investment Policy, as Vita is unable to influence the investment policy of the mutual funds offered in unit-linked life insurance products where the investment risk is borne by the policyholders. However, these investments are included in the statement on the principal adverse impacts of investment decisions.

The principal adverse impacts on sustainability factors are described below.

Table 1: Summary of principal adverse impacts on sustainability factors

Applies to	Area	KPI	Table	No.
Indicators applicable to investments in investee companies	Climate and other environment-related indicators	Greenhouse gas emissions (GHG)	1	1
		Carbon footprint	1	2
		GHG intensity of investee companies	1	3
		Exposure to companies active in the fossil fuel sector	1	4
		Share of non-renewable energy consumption and production	1	5
		Energy consumption intensity per high impact climate sector	1	6
		Activities negatively affecting biodiversity-sensitive areas	1	7
		Emissions to water	1	8
		Hazardous waste and radioactive waste ratio	1	9
	Indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	1	10
		Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	1	11
		Unadjusted gender pay gap	1	12
		Board gender diversity	1	13
		Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	1	14
Indicators applicable to investments in sovereigns and supranationals	Environmental	GHG intensity	1	15
	Social	Investee countries subject to social violations	1	16
Indicators applicable to investments in real estate assets	Fossil fuels	Exposure to fossil fuels through real estate assets	1	17
	Energy efficiency	Exposure to energy-inefficient real estate assets	1	18
Additional indicators applicable to investments in investee companies	Environmental indicator (emissions)	Investments in companies without carbon emission reduction initiatives	2	4
	Indicator for respect for human rights matters	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	3	14

2 Description of principal adverse impacts of investment decisions on sustainability factors

The following are the qualitative and quantitative PAI indicators as set out in Annex I to the SFDR Delegated Regulation.

A more detailed description of the methodology for measuring principal adverse impacts is provided in section 3.

Table 2: Indicators applicable to investments in investee companies

Adverse sustainability indicator		Metric	Impact (2024)	Unit	Coverage (2024)	Explanation*	Actions taken, actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS							
Greenhouse gas emissions (GHG)	**1. GHG emissions**	Scope 1 GHG emissions	32,826.28	tCO$_2$e	96%	The indicator shows the total (scope 1) carbon emissions of investee companies in the portfolio, expressed in metric tonnes and weighted according to the portfolio's investment value in each company and the most recently available enterprise value including cash (EVIC). Scope 1 emissions represent total global direct emissions from sources owned or controlled by investee companies.	**Actions taken** The Company follows the Sustainability Investment Policy of the Sava Insurance Group in managing its investment portfolio and is committed to monitoring and limiting its GHG intensity. Our strategic focus on emission reduction is based on the expectation that other economic and social sectors will also deliver on their commitments to meet the goals of the European Green Deal and the goals of the Paris Agreement in general. **Actions planned** At the beginning of 2025, the Sava Insurance Group adopted a revised Sustainability Investment Policy, under which the Company will continue to monitor and limit GHG emissions, primarily by excluding investments exceeding thresholds in industries such as thermal coal mining, thermal coal-based electricity generation, conventional oil and gas extraction, and shale oil and gas production. In general, the Company will seek to comply with the Sustainability Investment Policy, which excludes the aforementioned undesirable activities from the investment portfolio. **Targets set for the next reference period** The target for the coming year is to continue limiting investments in sectors with intensive GHG emissions and reducing the carbon footprint.
		Scope 2 GHG emissions	7,075.78	tCO$_2$e	96%	The indicator shows the total (scope 2) carbon emissions of investee companies in the portfolio, expressed in metric tonnes and weighted according to the portfolio's investment value in each company and the most recently available enterprise value including cash (EVIC). Scope 2 emissions represent indirect GHG emissions resulting from the consumption of purchased electricity, heat, cooling or steam by the investee companies.	

		Scope 3 GHG emissions	297,432.52	tCO_2e	96%	The indicator shows the total (scope 3) carbon emissions of investee companies in the portfolio, expressed in metric tonnes and weighted according to the portfolio's investment value in each company and the most recently available enterprise value including cash (EVIC). Scope 3 emissions result from the activities of investee companies but originate from sources not owned or controlled by these companies.	
		Total GHG emissions (scope 1, 2 and 3)	337,469.23	tCO_2e	96%	Total annual scope 1 and 2 GHG emissions and estimated scope 3 emissions associated with the portfolio's market value. The carbon emissions of individual companies are allocated across all issued shares and bonds (based on the most recently available enterprise value including cash – EVIC).	
	2. Carbon footprint	Carbon footprint	516.53	tCO_2e per million EUR invested	96%	The indicator shows the total annual scope 1 and 2 GHG emissions and estimated scope 3 emissions per million EUR invested in the portfolio. The carbon emissions of companies are allocated across all issued shares and bonds, using the most recently available enterprise value including cash (EVIC).	
	3. GHG intensity of investee companies	GHG intensity of investee companies	920.82	tCO_2e per million EUR of revenue of investee companies	98%	The indicator shows the weighted average GHG emission intensity of the issuers in the portfolio (scope 1 and 2, and estimated scope 3), expressed as GHG emissions per million EUR of revenue.	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	10.84	%	98%	The indicator shows the percentage of the portfolio's market value exposed to issuers engaged in fossil fuel-related activities, including exploration, extraction, mining, storage, distribution and trading of oil and gas, production and distribution of thermal coal, and production, distribution, storage and stockpiling of metallurgical coal, calculated based on the sub-portfolio of investments in companies.	

	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and production of investee companies compared to renewable energy sources, expressed as a percentage of total energy sources	64.28	%	71%	The indicator shows the weighted average share of non-renewable energy consumption and/or production by the issuers in the portfolio, expressed as a percentage of total energy consumed and/or produced.	
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	NACE Impact A 3.09 B 0.93 C 0.26 D 4.23 E 2.78 F 0.15 G 0.16 H 1.17 L 0.32	GWh per million EUR of revenue of investee companies	89%	The indicator shows the weighted average energy consumption intensity of the portfolio (in GWh per million EUR of revenue) for issuers classified by NACE codes.	
Biodiversity	**7. Activities negatively affecting biodiversity-sensitive areas**	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	12.70	%	98%	The indicator shows the percentage of the portfolio's market value exposed to issuers that either operate in or near biodiversity-sensitive areas, where their activities are assessed as potentially having a negative impact on local biodiversity and where no impact assessment has been carried out, or that are involved in controversial events with serious impacts on local biodiversity, calculated based on the sub-portfolio of corporate investments.	**Actions taken and planned, and targets set for the next reference period** The Company does not currently have a defined target for reducing activities that have a negative impact on biodiversity. The investment process takes into account the excluded sectors set out in the Sustainability Investment Policy, which will have an indirect positive impact on reducing negative impacts on biodiversity-sensitive areas.

Water	**8. Emissions to water**	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.41	tonnes of emissions per million EUR invested	1%	The indicator shows the total water emissions (in metric tonnes) per million EUR invested in the portfolio. These are calculated as the weighted average of water emissions (in metric tonnes) per company, divided by the most recently available enterprise value including cash (EVIC).	**Actions taken and planned, and targets set for the next reference period** The Company does not currently have a defined target for reducing investments in companies that discharge emissions to water. Given the low data coverage, our aim is to obtain more data in the coming year. The Company also believes that considering excluded industries in the investment process will have an indirect positive impact on reducing waste emissions into water.
Waste	**9. Hazardous waste and radioactive waste ratio**	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	9.92	tonnes of waste per million EUR invested	43%	The indicator shows the total annual quantity of hazardous waste (in metric tonnes) per million EUR invested in the portfolio. The quantity of hazardous waste generated by the companies is allocated across all of the issuer's shares and bonds (based on the most recently available enterprise value including cash – EVIC).	**Actions taken and planned, and targets set for the next reference period** The Company has not taken or planned any specific actions regarding this indicator, but it expects that applying sectoral exclusions during the investment process will have an indirect positive impact on reducing the hazardous and radioactive waste generation in the next reference period.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS							
Social and employee matters	**10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises**	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.28	%	98%	The indicator shows the percentage of the portfolio's market value exposed to issuers that do not comply with the OECD Guidelines for Multinational Enterprises, using the methodology of MSCI ESG Research and calculated based on the sub-portfolio of corporate investments.	**Actions taken** The Sava Insurance Group is a member of the UN Global Compact, which promotes responsible business practices in the areas of human rights, labour, the environment and anti-corruption. As part of the investment process, the Company identifies potential violations of and compliance with the UN principles and works to integrate these principles into the investment process. The Company also endorses the OECD Guidelines for Multinational Enterprises. **Actions planned** From 2025 onwards, in line with the revised Sustainability Investment Policy, the Company will monitor quarterly the share of investments in investee companies involved in violations of the UNGC principles or the OECD Guidelines for Multinational Enterprises. The Company will continue to rigorously conduct due diligence on new issuers in this regard and will refrain from financing those involved in violations of the principles. At the same time, it will monitor the existing portfolio in respect of this indicator. **Targets set for the next reference period** In 2025, the Group adopted a new Sustainability Investment Policy, which

							designates "UN Global Compact alignment" and "OECD alignment" as exclusionary criteria. Any existing investments that fail to meet either of these criteria will be added to an exclusion list. The Company will not invest in new issuers that violate these two criteria.
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.59	%	98%	The indicator shows the percentage of the portfolio's market value exposed to issuers which do not have at least one policy that covers some of the UN Global Compact (UNGC) principles or the OECD Guidelines for Multinational Enterprises (e.g., human rights, labour law due diligence or anti-bribery policy), and which have neither a monitoring system for compliance with that policy nor a complaints handling mechanism, calculated based on the sub-portfolio of corporate investments.	**Actions taken and planned, and targets set for the next reference period** See indicator 10.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	11.07	%	27%	This indicator measures the weighted average difference in gross hourly earnings between men and women in the portfolio investments, expressed as a percentage of male gross earnings.	**Actions taken and planned, and targets set for the next reference period** The Company has not adopted or planned any actions for the indicator in question for the next reference period.

	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	35.83	%	98%	The indicator shows the weighted average share of women on the boards of directors in investee companies relative to the total number of board members.	**Actions taken and planned, and targets set for the next reference period** The Company has not taken or planned any actions for this indicator, but it expects that applying the UNGC principles and the OECD Guidelines for Multinational Enterprises to the investment process will have an indirect positive impact on the average board gender diversity in investee companies.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.19	%	98%	The indicator shows the percentage of the portfolio's market value exposed to issuers involved in industries covering anti-personnel mines, cluster munitions and chemical or biological weapons. Connections to these industries include ownership, production and investment. However, connections to anti-personnel mines do not include products intended for security purposes.	**Actions taken** The controversial weapons manufacturing and sales industry is on the list of excluded industries defined in the Sustainability Investment Policy and refers to direct exposure to controversial weapons manufacturers. **Actions planned and targets set for the next reference period** The Company will continue to monitor the portfolio in this regard and assess the need to exclude individual issuers from the investment portfolio on a case-by-case basis.

* The explanation does not include a comparison with the previous year, as 2024 is the first year for which the statement on the principal adverse impacts of investment decisions has been prepared.

Table 3: Indicators applicable to investments in sovereigns and supranationals

The indicators expressed as percentages show the share of investments with an adverse impact only within investments in sovereigns and supranationals.

Adverse sustainability indicator		Metric	Impact (2024)	Unit	Coverage (2024)	Explanation*	Actions taken, actions planned and targets set for the next reference period
Environmental	**15. GHG intensity**	GHG intensity of investee countries	271.12	tCO_2e per million EUR of GDP	100%	The indicator shows the portfolio's weighted average in relation to the GHG emissions intensity of sovereign issuers (in tonnes of CO_2e per million EUR of GDP).	**Actions taken and planned, and targets set for the next reference period** See indicators 1–6.
Social	**16. Investee countries subject to social violations**	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	0	absolute and relative number	100%	The indicator reflects the number of individual sovereign issuers in the portfolio that are subject to import and export restrictive measures (sanctions) imposed by the European External Action Service (EEAS).	**Actions taken and planned, and targets set for the next reference period** Following the adoption of its new Sustainability Investment Policy at the beginning of 2025, the Group began to monitor the ESG ratings of countries to verify whether the investment portfolio includes any investments in countries where human or social rights are being violated. In accordance with the Group's Sustainability Investment Policy, the Company will not make new investments in countries with a sovereign ESG rating lower than BB (i.e., B or CCC) in the future. In addition, any existing investment with a sovereign ESG rating lower than BB will be placed on the exclusion list of investments.

* The explanation does not include a comparison with the previous year, as 2024 is the first year for which the statement on the principal adverse impacts of investment decisions has been prepared.

Table 4: Indicators applicable to investments in real estate assets

The indicators expressed as percentages show the share of investments with an adverse impact only within investments in real estate assets.

Adverse sustainability impact		Metric	Impact (2024)	Unit	Coverage (2024)	Explanation*	Actions taken, actions planned and targets set for the next reference period
Fossil fuels	**17. Exposure to fossil fuels through real estate assets**	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	2.1	%	100%	The indicator shows the share of investments in real estate and infrastructure funds involved in the extraction, storage, transport or manufacture of fossil fuels.	**Actions taken** In terms of infrastructure investments, real estate funds and other alternative investments, the Company takes sustainability criteria into account, as non-compliance with the ESG guidelines (generally) constitutes an exclusion criterion when deciding on investments in funds and direct projects. Currently, all alternative investments of the Company's portfolios in the form of alternative funds comply with at least one industry sustainability standard (UNPRI – United Nations Principles of Responsible Investments, GRESB – Global Real Estate Sustainability Benchmark, TCFD – Task Force on Climate-related Financial Disclosures), and the Company also reports in accordance with these standards. **Actions planned** The Company will continue to consider sustainability criteria when making such investments.
Energy efficiency	**18. Exposure to energy-inefficient real estate assets**	Share of investments in energy-inefficient real estate assets	62.7	%	100%	The indicator shows the exposure to energy-inefficient real estate assets for real estate and infrastructure funds.	**Actions taken and planned** The Company obtained and calculated data for its own properties and real estate funds. The Company will continue to consider sustainability criteria when making such investments.

* The explanation does not include a comparison with the previous year, as 2024 is the first year for which the statement on the principal adverse impacts of investment decisions has been prepared.

Table 5: Additional indicators applicable to investments in investee companies

The indicators expressed as percentages show the share of investments with an adverse impact only within investments in investee companies.

Adverse sustainability impact		Metric	Impact (2024)	Unit	Coverage (2024)	Explanation*	Actions taken, actions planned and targets set for the next reference period
Environmental impacts (emissions)	**4. Investments in companies without carbon emission reduction initiatives**	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	34.58	%	97%	The indicator shows the percentage of the portfolio's market value exposed to issuers whose carbon emission reduction target is not aligned with the Paris Agreement.	**Actions taken and planned** See indicators 1–6.
Respect for human rights	**14. Number of identified cases of severe human rights issues and incidents**	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	0	number	96%	The indicator shows the total number of serious and severe human rights controversies over the past three years per million EUR of investments in the portfolio. It is calculated as the weighted average number of serious and severe human rights controversies per company, divided by the most recently available enterprise value including cash (EVIC).	**Actions taken and planned** The aim for future periods is to monitor and reduce the share of investments in companies where severe human rights issues and incidents occur. This will be achieved primarily through monitoring and a non-investment policy in the event of breaches relating to human rights violations being identified in new investments, according to UNGC and OECD criteria.

* The explanation does not include a comparison with the previous year, as 2024 is the first year for which the statement on the principal adverse impacts of investment decisions has been prepared.

3 Description of policies for identifying and prioritising principal adverse impacts of investment decisions on sustainability factors

3.1 General guidelines for integrating the sustainability aspect into the investment process

In early 2025, the parent company Sava Re adopted the revised Sustainability Investment Policy of the Sava Insurance Group, which was presented to the management board of Vita at its session held on 11 February 2025. The policy defines the approach to environmental, social and governance (ESG) considerations of investment decisions and sets out an exclusion list of industries in which the Company does not invest. In this way, the Company indirectly influences the principal adverse impacts of investment decisions on sustainability factors. The exclusion list consists of industries such as the production of weapons, tobacco, coal-based energy, shale oil and similar. Vita also monitors investments in companies violating the main UN principles and OECD Guidelines for Multinational Enterprises. For more information on the exclusion list, please refer to the Sustainability Investment Policy published on the Company's website. As part of its active ownership, Zavarovalnica Sava monitors direct investments and attends general meetings where it believes it can exercise significant influence. From 2025 onwards, Vita will publish the statement on the principal adverse impacts of investment decisions on sustainability factors by 30 June each year.

The management board of Vita monitors the implementation of the Sustainability Investment Policy through regular periodic compliance reviews and approves the Statement on Principal Adverse Impacts on Sustainability Factors before it is published on the Company's website.

3.2 Data sources

Following a due diligence review of data providers on the market, the Sava Insurance Group entered into a contract with MSCI Inc. in October 2024 for the collection and use of data. To prepare this PAI statement, the Company obtained information from both MSCI Inc. and its own data sources. MSCI applied a methodology for calculating PAI indicators that is based on the SFDR. The Company believes that MSCI's data collection methodologies and processes for assessing supplier indicators are reliable and credible.

3.3 Methodology for measuring principal adverse impacts

As 2024 is the first year for which the Company started collecting data and setting up processes to calculate indicators of adverse impact on sustainability factors, this statement does not contain any comparative data from the previous periods. In addition to the 18 mandatory PAI indicators as defined in the SFDR Delegated Regulation, we have also calculated two additional indicators for both periods, as set out in the Annex to the aforementioned Regulation, namely the climate and environment indicators in table 2 and the social indicator in table 3.

The indicators are calculated based on the average of the quarterly shares of investments in investee companies over the reference period from 1 January to 31 December 2024 and according to the latest available data from the external ESG data provider on the principal adverse impacts of investee companies. For investments in mutual funds, exchange-traded funds (ETFs) and an alternative real estate fund, the Company has implemented a look-through approach to ensure the impact was calculated for each investment in these funds. The look-through approach is applied to level 1 investments in the fund.

As the external ESG data provider, MSCI Inc. uses the following sources to collect company-reported data for calculating PAI indicators:

- direct company disclosures: sustainability reports, annual reports, regulatory reports and company websites,
- indirect company disclosures: data published by government agencies, industry and trade associations, and third-party financial providers,
- direct communication with companies.

Where company disclosures are not available, estimated metrics are provided (where possible) based on other MSCI Inc. data sets. These data sets are created using proprietary methodologies and draw on data from companies, market and industry peers, the media, non-governmental organisations (NGOs), multilateral institutions and other reputable sources. Before publication, MSCI Inc. assesses the data provided by issuers and performs quality controls. If the data for a particular investment cannot be calculated, that investment is excluded from the impact calculation. The coverage column shows the share of investments in the portfolio for which data are available to calculate the indicators.

4 Engagement policies

Engagement with investee companies can have a positive impact on both investment outcomes and society and the environment. However, due to the small share of voting rights and the high costs relative to the expected benefits, the Company did not attend the general meetings of the relevant companies in 2024. Further information about the engagement policies is available on the Company's website.

Vita is unable to influence the investment policy of the mutual funds offered in unit-linked life insurance products where the investment risk is borne by the policyholders. In view of the above, the Company has no possibility of engaging with companies to mitigate the principal adverse impacts.

The Group is a signatory to the UN Principles for Responsible Investment (UNPRI) and the UN Global Compact (UNGC). Operating in line with these principles includes the possibility of cooperating with other shareholders in order to motivate companies and countries to pursue these principles.

5 References to international standards

5.1 UN Principles for Responsible Investment, UN Global Compact, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights

In 2021, Sava Re d.d., the parent company of Vita, became a signatory to the United Nations Principles for Responsible Investment and the United Nations Global Compact principles and endorsed the OECD Guidelines for Multinational Enterprises. By signing the UN Global Compact, it undertook to abide by the United Nations Universal Declaration of Human Rights, the International Labour Organisation labour standards and the UN Guiding Principles on Business and Human Rights. The Company has accepted these commitments and aims to integrate them into its investment decisions on an ongoing basis. To this end, the principles have been incorporated into the Sustainability Investment Policy, which the Company also follows throughout its investment process.

5.2 Paris Agreement and European Green Deal

The Company is increasingly focusing on sustainability risks. In its strategy period 2023–2027, the Sava Insurance Group is placing great emphasis on sustainable development and has drawn up and adopted a Sustainable Development Strategy in collaboration with all Group companies. This strategy forms the basis for the Company's development in the area of sustainable business and also provides for the disclosure of alternative financial information on environmental, social and human resource matters, and matters relating to respect for human rights, anti-corruption and anti-bribery. The Sustainability Investment Policy of the Sava Insurance Group defines, among other things, the economic activities in which the Group does not invest.

At the Group level, both physical and transition risks are monitored as part of climate change risk. The assessment of the materiality of the impact of climate change risk is published in the Solvency and Financial Condition Report of the Sava Insurance Group for 2024, namely in section C.6.3 "Sustainability risk and climate change risk".

The Company uses forward-looking climate scenarios to analyse the potential losses associated with climate risks, such as extreme weather conditions and the transition to a low-carbon economy. It recognises the importance of climate change risks to its long-term operations and has therefore addressed these risks qualitatively and quantitatively in the Solvency and Financial Condition Report of the Sava Insurance Group for 2024 as part of its own risk and solvency assessment (ORSA) at the end of 2024.

The Company is committed to achieving the goals of the European Green Deal and the Paris Agreement. It is also committed to supporting the Group's strategy aimed at reducing GHG emissions. Compliance by all financial and non-financial market participants with the European Green Deal and the Paris Agreement is crucial for achieving this target.

6 Comparison with previous periods

As 2024 is the first year for which the Company has published data on the principal adverse impacts, it is not possible to make a comparison with previous periods at this stage.