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INSURANCE REPORT

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Year XVIII - Issue 1/2025(MAY)

Full Year 2024

CEE • SEE • EX-USSR

Country Profiles

Interviews

- **Thea Utoft Høj JENSEN,** Director General, Insurance Europe
- **Hartwig LÖGER,** CEO, Vienna Insurance Group (VIG)
- **Gayane GASPARYAN,** Head of Insurance System Regulation Division, CBA

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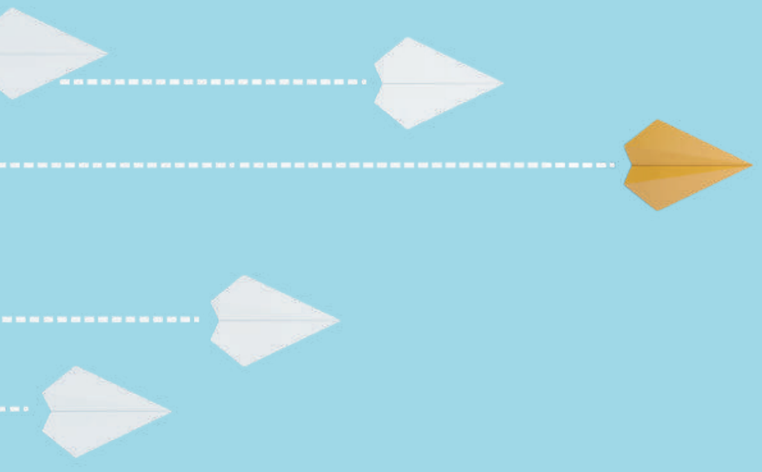

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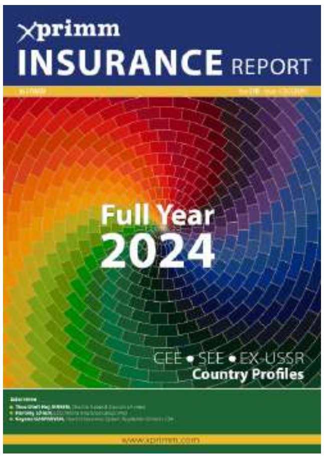

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SUMMARY

Interview with

Thea Utoft Høj Jensen

Director General, Insurance Europe

XPRIMM: What are the key strategic priorities for Insurance Europe in 2025, and how do you plan to address them amid the current economic and geopolitical challenges?

Thea Utoft Høj Jensen: The geopolitical and economic uncertainty we're facing - whether it's inflation, climate risks, or global tensions - has underscored the role of insurance as an important layer of protection for society. This is why we are advocating for a regulatory framework that enables insurers to continue to effectively cover risks and invest long-term. We're engaging closely with European institutions and policymakers to ensure our sector can keep doing what it does best – protect people and help helping economies grow by focussing on four priority areas.

We want to show the real value our sector brings - to individuals, society, and the economy. We want to highlight just how essential insurance is, especially in times of crisis.

One major priority is firstly helping to contribute to the EU's Savings and Investments Union (SIU). The idea is to give Europeans better opportunities to grow their savings, while also making it easier to channel those savings into investments. But for insurers to really contribute, we need regulation that lets us invest long-term and offer attractive pension and savings products. That's why we're working with policymakers on areas such as the EU's Solvency II and the Retail Investment Strategy.

Secondly, with our members from across Europe, we want to show the real value our sector brings - to individuals, society, and the economy. We want to highlight just how essential insurance is, especially in times of crisis.

Thirdly, we are focussed on the industry's role in the digital transition. Insurers are embracing new technologies in areas like AI and data. What we need is a policy environment that supports innovation without adding unnecessary red tape. And of course, we're also working to build trust - by showing we can use data responsibly and fairly.

And finally, strengthening climate resilience continues to be a major focus. With natural catastrophes becoming more frequent and severe, it's more important than ever that insurance continues to play a central role in helping people and communities. We're involved in several EU-level initiatives to improve preparedness and close protection gaps, and we're pushing for solutions that reflect the complex realities across Europe.

XPRIMM: In your view, how can the insurance industry contribute more effectively to Europe's green and digital transitions? What barriers still need to be overcome to achieve this?

T.U.H.J.: Insurers are in a unique position to support both transitions. On the green transition, we're major institutional investors and are already channeling billions of euros into sustainable infrastructure, renewable energy, and climate-resilient projects. As I mentioned earlier, the industry is using new technologies to transform how we interact with customers through AI, data analytics, and digital distribution.

However, there are still many challenges. Data accessibility is a one: we need better access to data if the industry is to accurately assess and price risks. We also need regulation that supports innovation without stifling it, and sustainable investment rules that are clear, consistent, and workable in practice.

XPRIMM: You've highlighted the need for a level playing field, especially with the rise of digital players in the insurance space. What regulatory steps do you believe are necessary to ensure fair competition across the market?

T.U.H.J.: The rise of tech companies is a welcome sign of innovation, but it must be coupled with fair oversight, particularly as digitalization and AI continue to transform our industry. A level playing field should ensure that if two companies provide a similar service, they should be subject to the same rules - particularly around consumer protection, data privacy and data protection.

New players and traditional insurers alike must be held to high standards to safeguard consumer trust, financial resilience and fair competition. We need a regulatory framework that reflects the new realities of digital distribution, while ensuring that new businesses don't bypass the high standards traditional insurers uphold. That includes making sure supervision is balanced, and that regulators have the tools to monitor digital players just as closely as they do traditional firms.

Regulation must be clear, future-focused, proportionate and risk-based, promoting innovation while maintaining a secure and sustainable insurance market.

XPRIMM: How can the role of insurers as long-term investors be better leveraged, particularly within the European Commission's Savings and Investments Union initiative?

T.U.H.J.: Insurers are already amongst Europe's largest institutional investors, and we have a long-term outlook due to the nature of our liabilities. Insurers are therefore naturally very well-placed to contribute to the SIU objectives.

But for insurers to do more, we need the right regulatory environment. That means refining some aspects of Solvency II that disincentivise long-term investments. We're engaging with policymakers to ensure that the outcome of the review introduces improvements that can increase insurers' investment capacity whilst maintaining the robust level of protection that already exists.

XPRIMM: Looking at Central and Eastern Europe – and Romania specifically – what do you see as the main opportunities and risks for the insurance market in the coming years?

T.U.H.J.: The Romanian insurance market is one of the most developed in Central and Eastern Europe, with both life and non-life sectors showing steady growth over the years. As penetration rates are still relatively moderate, there's potential to expand insurance coverage, especially in life and health insurance.

In Romania, for example, we see growing demand for digital

> New players and traditional insurers alike must be held to high standards to safeguard consumer trust, financial resilience and fair competition. We need a regulatory framework that reflects the new realities of digital distribution, while ensuring that new businesses don't bypass the high standards traditional insurers uphold.

services, personal pensions, and natural catastrophe insurance. Cross-border collaboration and more targeted education initiatives can also help unlock that potential while managing the risks.

XPRIMM: How do you see the future of collaboration between national insurance associations, such as UNSAR, and European-level organizations in shaping effective industry policy?

T.U.H.J.: That collaboration is absolutely essential. UNSAR brings invaluable local market knowledge, while Insurance Europe provides a platform to bring this voice to European policymakers. We represent the interests of all European markets and depend on the expertise of each of our members to contribute to building face-based credible positions. As policymaking becomes increasingly complex, this partnership is only going to become more important. Together, we can shape policies that work both at European and national level.

> Trust is the foundation of our industry. AI brings enormous potential but at the same time questions around data privacy, fairness, and transparency must be carefully addressed to strengthen, not undermine, consumer trust

XPRIMM: As digitalization and AI continue to reshape the insurance landscape, how should the industry strike a balance between innovation, customer protection, and regulatory compliance?

T.U.H.J.: Trust is the foundation of our industry. Innovation can greatly enhance customer experiences, whether it delivers faster claims handling, more accurate risk assessments, or more personalized products. Today, digitalisation and AI are enabling insurers to offer faster, more accessible, and tailored solutions that better match the needs of consumers.

> We also need regulation that supports innovation without stifling it, and sustainable investment rules that are clear, consistent, and workable in practice.

AI brings enormous potential but at the same time questions around data privacy, fairness, and transparency must be carefully addressed to strengthen, not undermine, consumer trust. That's why we support smart regulation like the EU's AI Act that places a focus on trustworthy AI, as long as it doesn't hinder innovation and allows insurers to continue to deploy AI. Insurers of course have a duty to embed ethical standards and robust governance around how AI is used.

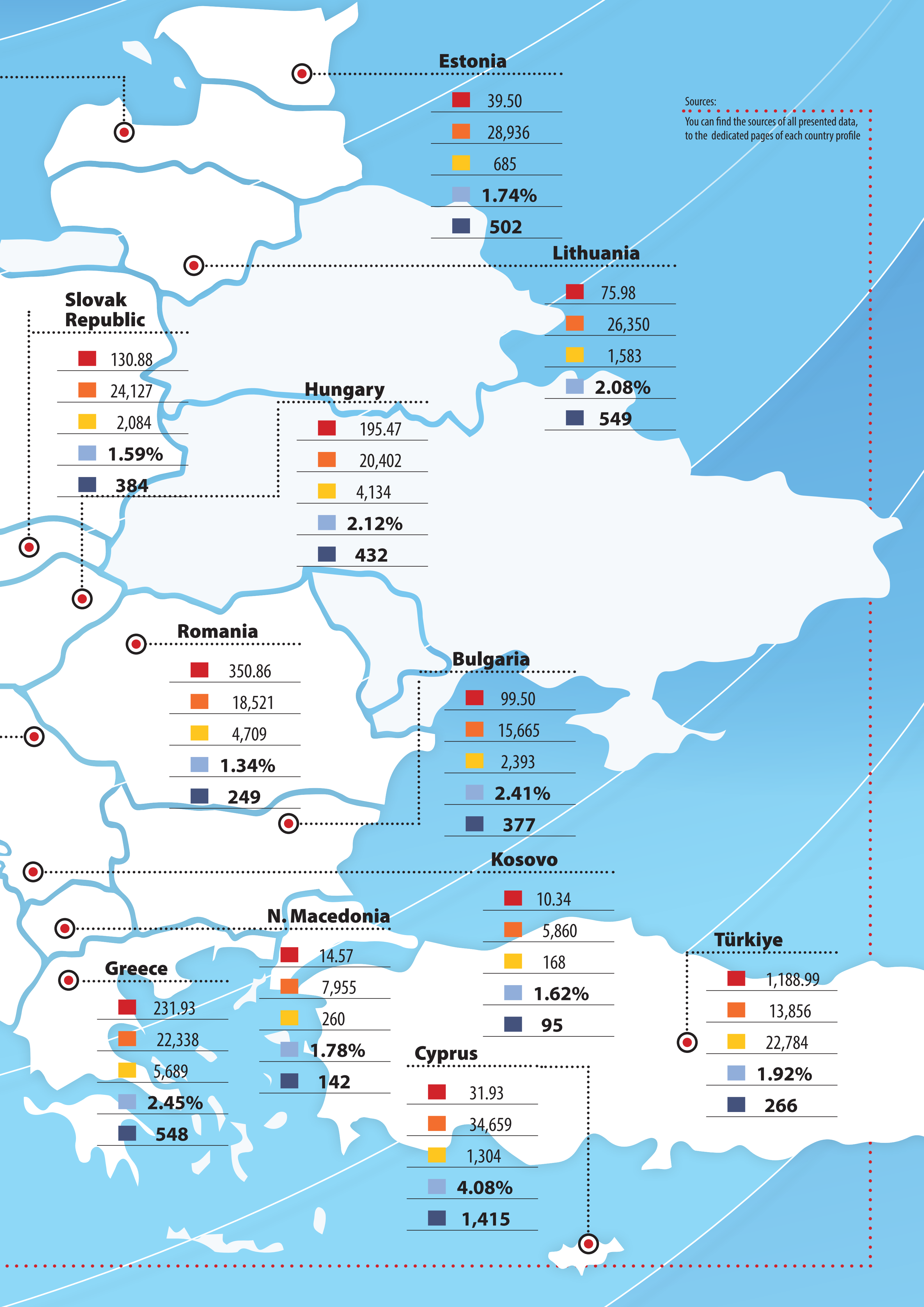
XPRIMM: As the new Director General of Insurance Europe, what is your vision for the organization's role in promoting a more resilient and forward-looking insurance sector across Europe?

T.U.H.J.: My vision is for Insurance Europe to work at European level in consideration of our member's markets to continue to find common positions that shape EU policy that supports a thriving insurance industry. It is fundamental that we are an active credible partner that offers solutions. We're here to advocate for an industry that listens and engages with policymakers, consumers, and peers across the financial services sector. If we do that well, the insurance sector will continue to be one of Europe's key pillars of protection.

Interview conducted by Daniela GHETU

CEE & SEE MAIN INDICATORS FY2024

	Latvia	Poland	Czechia	Slovenia	Serbia	Croatia	Bosnia	Montenegro	Albania
GDP, current prices (EUR billion)	41.78	851.98	313.84	67.18	76.53	82.29	26.28	7.44	24.92
GDP per capita, current prices (EUR)	22,230	23,265	27,047	31,702	11,601	21,456	7,606	11,749	9,153
Gross written premiums (EUR million)	1,227	20,051	8,619	2,727	1,516	1,923	555	134	250
Insurance penetration degree (% in GDP)	**2.94%**	**2.35%**	**2.90%**	**4.06%**	**1.98%**	**2.34%**	**2.11%**	**1.80%**	**1.00%**
Insurance density (EUR/capita)	**653**	**548**	**784**	**1,287**	**230**	**501**	**161**	**212**	**92**



Estonia
39.50
28,936
685
1.74%
502
Sources:
You can find the sources of all presented data, to the dedicated pages of each country profile
Lithuania
75.98
26,350
1,583
2.08%
549
Slovak Republic
130.88
24,127
2,084
1.59%
384
Hungary
195.47
20,402
4,134
2.12%
432
Romania
350.86
18,521
4,709
1.34%
249
Bulgaria
99.50
15,665
2,393
2.41%
377
Kosovo
10.34
5,860
168
1.62%
95
N. Macedonia
14.57
7,955
260
1.78%
142
Greece
231.93
22,338
5,689
2.45%
548
Cyprus
31.93
34,659
1,304
4.08%
1,415
Türkiye
1,188.99
13,856
22,784
1.92%
266

Note from the editor

This Report considers the CEE Region in the OECD sense, referring to the following countries: **Albania (AL), Bosnia and Herzegovina (BiH), Bulgaria (BG), Croatia (HR), Czechia (CZ), Estonia (EE), Hungary (HU), Kosovo (KV), Latvia (LV), Lithuania (LT), Montenegro (MN), North Macedonia (MK), Poland (PL), Romania (RO), Serbia (SB), Slovakia (SK), Slovenia (SI).**

Under the Ex-USSR generic name, we have considered all countries that were part of the USSR before 1990: **Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.**

The SEE designates a group of three South European countries: **Cyprus, Greece and Türkiye.**

In all cases, we have given preference to data provided by the national supervisory authorities. Where official statistical data were not available, we have used information provided by the national associations of insurers. The sources are indicated next to each table. An extended statistical database is available online, on **www.xprimm.com**, for each country and region.

Column coordinator:

Daniela GHETU
Editorial Director

CEE INSURANCE MARKETS IN 2024

A year marked by economic volatility and increased NatCat activity

Macroeconomic Overview of the CEET Region in 2024

In 2024, the Central and Eastern Europe and Türkiye (CEET) region experienced a mixed macroeconomic performance, shaped by persistent inflationary pressures, geopolitical uncertainties, and uneven growth trajectories across countries. While some economies managed a modest recovery, others remained under strain due to internal imbalances, energy dependencies, and volatile external demand.

Growth moderation amid tightening financial conditions

Economic growth in most CEET countries slowed in 2024 compared to the post-pandemic rebound years. After robust expansion in 2021–2022, the region saw GDP growth averaging around 2.1–2.4%, down from over 4% in previous years. The slowdown reflected weaker household consumption, cautious investment sentiment, and slower growth in the euro area, a major trade partner for the region.

Countries like Poland, Czech Republic, and Hungary experienced moderate growth supported by EU-funded infrastructure projects and resilient labor markets. However, Romania and Bulgaria saw more pronounced slowdowns due to fiscal tightening and energy cost volatility. Türkiye, despite maintaining positive growth - estimated at around 3.8% - faced heightened macroeconomic uncertainty stemming from currency depreciation and policy realignments following national elections.

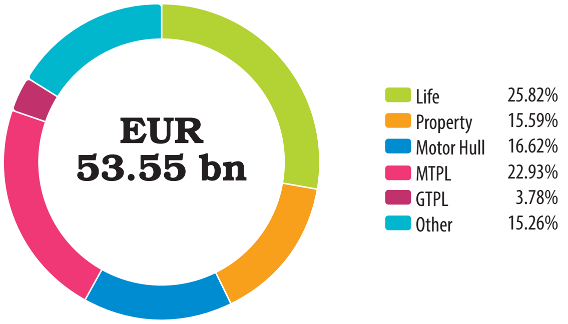
Inflation trends and monetary policy responses

Inflation remained a central concern across CEET. Although headline inflation rates eased from the double-digit peaks of 2022–2023, core inflation proved sticky, especially in countries with strong domestic demand and tight labor markets.

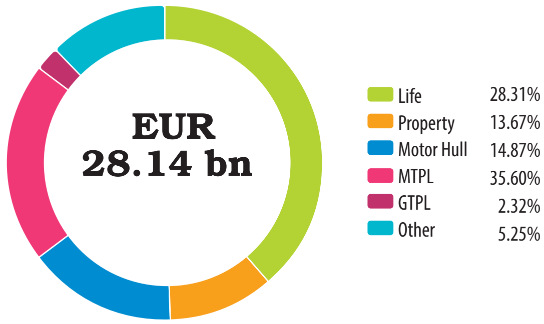
Hungary and Türkiye recorded the highest inflation rates in the region. In Hungary, inflation remained above 10% for most of the year, driven by food and energy prices. In Türkiye, inflation surged again in the second half of 2024, exceeding 60% y-o-y, due to the Turkish lira depreciation and rising costs of imported goods.

Monetary policy diverged across the region. Central banks in Central Europe (notably in Poland and the Czech Republic) maintained relatively high interest rates to anchor inflation expectations, while cautiously beginning to signal policy easing in the final quarter of 2024. In contrast, Türkiye's central bank

CEE GWP portfolio (%)



CEE claims portfolio (%)



adopted a tightening stance, pushing interest rates above 40% to restore confidence in the lira and counter rising inflation.

Currency volatility and fiscal balances

Currency markets reflected underlying economic pressures. The Polish zloty and Czech koruna remained relatively stable, supported by solid fundamentals and credible monetary policies. However, the Hungarian forint and Turkish lira continued to face depreciation pressures amid investor concerns over fiscal sustainability and political risk.

Fiscal policies remained expansionary in some countries, particularly where social spending and energy subsidies were extended to cushion households from price shocks. However, fiscal consolidation efforts became more prominent in late 2024, driven by IMF and EU guidance, as public debt levels approached post-pandemic highs.

Household income

In 2024, personal income trends in the CEET region (Central, Eastern, and Southeastern Europe including Türkiye) were characterized by a complex interplay of nominal wage growth, disinflation, and persistent cost-of-living challenges. While headline economic indicators pointed to recovery across many markets, the impact on household finances varied considerably by country and income group.

Nominal wage growth remained robust throughout most CEET countries, driven by tight labor markets, sectoral wage agreements, and policy adjustments such as increases in minimum wages. In countries like Poland, Hungary, and Romania, gross wages expanded by 10–15%, partly reflecting continued efforts to catch up with Western European standards. However, real income growth was uneven, as inflation - while declining - remained elevated in comparison to pre-pandemic levels. In Türkiye, for instance, persistently high inflation rates and lira depreciation eroded purchasing power despite rapid wage increases. In contrast, countries such as Czechia and Slovakia, where inflation moderated more sharply, experienced stabilization or moderate gains in real household income.

Cost-of-living pressures continued to weigh heavily on lower-income households, particularly in urban centers where housing, food, and energy prices rose significantly in early 2024. Although some governments deployed targeted subsidies or energy price controls, these measures often provided only temporary relief. Income inequality in many CEET countries remained structurally high, and in some cases widened further.

As a result, consumer behavior shifted markedly. Discretionary spending declined across the board, and households prioritized essential goods and services. While some countries saw a rise in household savings as inflation fell in the second half of the year, others - particularly those facing currency instability like Türkiye - experienced a decline in local-currency savings, with a shift toward foreign currency holdings or tangible asset investment as a hedge.

Meanwhile, government transfers and pensions played a larger role in household income in 2024, particularly in response to social pressures and electoral cycles. However, rising public debt in many CEET countries limited the fiscal space for sustained social support.

The macroeconomic conditions of 2024 - particularly high inflation, currency volatility, and tighter monetary policies - had a pronounced impact on the CEET insurance sector. Insurers faced rising claims costs, especially in health and motor lines, while investment income remained under pressure due to elevated interest rates and volatile asset markets. Inflation-adjusted premium growth was modest despite nominal increases. In Türkiye, the depreciating lira and persistently high inflation intensified pricing and solvency challenges. Conversely, demand for life and savings products strengthened in countries with more stable financial conditions, as consumers sought protection against economic uncertainty and long-term asset erosion.

From a financial and insurance market perspective, the income dynamics had several implications. First, the demand for life and pension products remained under pressure in real terms, with households prioritizing liquidity over long-term savings. Second, the protection gap in voluntary health and property insurance remained high, particularly in lower-income groups. Lastly, the stability of household incomes became a key factor in credit and risk assessment models, with insurers and lenders increasingly integrating macroeconomic sensitivity into pricing and underwriting decisions.

CEE, SEE & ex-USSR MACRO INDICATORS 2020-2024

	GDP, current prices (EUR bilion)					GDP per capita, current prices (EUR)					Population (milion)				
	2020	2021	2022	2023	2024	2020	2021	2022	2023	2024	2020	2021	2022	2023	2024
CEE - CENTRAL AND EASTERN EUROPE															
Albania	13.32	15.37	18.72	22.26	24.92	4,693	5,467	6,739	8,096	9,153	2.84	2.81	2.78	2.75	2.72
Bosnia	17.76	20.01	23.32	25.03	26.28	5,092	5,750	6,716	7,225	7,606	3.49	3.48	3.47	3.46	3.46
Bulgaria	61.61	71.06	85.80	93.95	99.50	8,907	10,390	13,307	14,576	15,665	6.92	6.84	6.45	6.45	6.35
Croatia	50.98	58.85	68.38	76.47	82.29	12,593	15,171	17,732	19,897	21,456	4.05	3.88	3.86	3.84	3.84
Czechia	222.07	253.73	292.34	308.13	313.84	20,751	24,126	27,000	28,398	28,700	10.70	10.52	10.83	10.85	10.94
Estonia	27.86	31.45	36.44	38.18	39.50	20,951	23,630	27,014	27,864	28,936	1.33	1.33	1.35	1.37	1.37
Hungary	132.68	149.61	164.78	195.91	195.47	13,581	15,375	17,007	20,408	20,402	9.77	9.73	9.69	9.60	9.58
Kosovo	6.77	7.96	8.90	9.65	10.34	3,766	4,486	5,049	5,476	5,860	1.80	1.77	1.76	1.76	1.76
Latvia	30.11	33.35	38.39	40.35	41.78	15,783	17,615	20,464	21,427	22,230	1.91	1.89	1.88	1.88	1.88
Lithuania	49.83	56.50	67.50	71.97	75.98	17,830	20,171	23,901	24,961	26,350	2.80	2.80	2.82	2.88	2.88
N. Macedonia	10.85	11.84	13.06	13.67	14.57	5,845	6,443	7,130	7,463	7,955	1.86	1.84	1.83	1.83	1.83
Montenegro	4.19	4.96	5.92	6.85	7.44	n/a	n/a	n/a	10,814	11,749	n/a	n/a	n/a	0.63	0.63
Poland	506.56	572.10	655.62	784.30	851.98	13,345	15,431	17,772	21,339	23,265	37.96	37.07	36.89	36.75	36.62
Romania	219.08	240.31	283.25	322.76	350.86	11,334	12,515	14,875	16,939	18,521	19.33	19.20	19.04	19.06	18.94
Serbia	46.81	53.34	60.50	69.56	76.53	6,786	7,805	9,078	10,502	11,601	6.90	6.83	6.66	6.62	6.60
Slovakia	93.45	100.25	109.76	122.81	130.88	17,122	18,361	20,196	22,622	24,127	5.46	5.46	5.44	5.43	5.43
Slovenia	46.74	52.02	56.91	63.95	67.18	22,300	24,667	27,007	30,209	31,702	2.10	2.11	2.11	2.12	2.12
CEE Region	1,540.65	1,732.69	1,989.58	2,265.81	2,409.32	12,926	14,737	17,026	19,317	20,603	119.19	117.57	116.85	117.30	116.94
SEE - SOUTHEAST EUROPE															
Cyprus	22.09	24.93	27.78	29.81	31.93	24,872	27,821	30,703	32,374	34,659	0.89	0.90	0.91	0.92	0.92
Greece	165.02	181.50	206.62	220.30	231.93	15,395	16,997	19,754	21,155	22,338	10.72	10.68	10.46	10.41	10.38
Türkiye	552.79	480.10	751.69	813.47	1,188.99	6,611	5,670	8,814	9,529	13,856	83.61	84.68	85.28	85.37	85.81
SEE Region	739.89	686.53	986.08	1,063.58	1,452.85	7,770	7,132	10,203	10,998	14,960	95.22	96.26	96.65	96.71	97.12
CIS - COMMONWEALTH OF INDEPENDENT STATES															
Armenia	9.64	12.89	20.24	21.11	24.55	3,256	4,350	6,908	7,120	8,281	2.96	2.96	2.93	2.96	2.96
Azerbaijan	34.74	48.38	73.96	65.55	72.56	3,483	4,825	7,350	6,472	7,080	9.97	10.03	10.06	10.13	10.25
Belarus	47.26	60.07	65.64	61.11	64.95	5,038	6,457	7,113	6,658	7,111	9.38	9.30	9.23	9.18	9.13
Georgia	12.38	17.33	25.26	26.97	30.64	3,329	4,648	6,848	7,218	8,201	3.72	3.73	3.69	3.74	3.74
Kazakhstan	136.88	172.11	210.54	240.05	242.50	7,298	9,058	10,723	12,086	12,077	18.76	19.00	19.64	19.86	20.08
Kyrgyzstan	6.31	8.17	11.16	12.47	15.34	969	1,228	1,643	1,799	2,168	6.52	6.65	6.80	6.93	7.08
Moldova	9.45	12.05	13.52	15.52	17.04	3,589	4,657	5,321	6,217	6,953	2.63	2.59	2.54	2.50	2.45
Russia	1,187.20	1,615.02	2,051.26	1,735.51	1,847.92	8,037	10,970	13,981	11,863	12,650	147.71	147.22	146.71	146.30	146.08
Tajikistan	6.04	7.90	10.63	10.66	12.59	638	818	1,080	1,065	1,236	9.48	9.66	9.84	10.01	10.19
Turkmenistan	42.74	53.91	73.16	70.33	80.51	6,838	8,501	11,376	10,793	12,202	6.25	6.34	6.43	6.52	6.60
Ukraine	121.53	176.27	134.51	154.90	171.69	2,934	4,300	3,897	4,552	5,134	41.42	41.00	34.51	34.03	33.44
Uzbekistan	52.25	67.12	83.23	86.82	105.80	1,541	1,942	2,360	2,410	2,865	33.91	34.56	35.27	36.03	36.93
CIS Region	1,666.43	2,251.21	2,773.10	2,500.99	2,686.10	5,693	7,682	9,641	8,679	9,297	292.70	293.04	287.64	288.17	288.92
CEE+SEE+CIS	3,946.98	4,670.43	5,748.76	5,830.37	6,548.27	7,783	9,214	11,471	11,610	13,019	507.11	506.86	501.14	502.17	502.98

Sources: You can find the sources of all presented data, to the dedicated pages of each country profile

The CEE Insurance Industry in 1H2024

Gross written premiums (GWP) in the Central and Eastern European (CEE) insurance industry reached EUR 53.55 billion in the first half of 2024, marking a 7.7% year-on-year increase. At the same time, claims paid rose by 10.37% y-o-y, amounting to EUR 29.53 billion.

With the exception of Slovenia, all CEE markets recorded positive premium growth - often at double-digit rates. The fastest-growing markets were generally the smaller ones, such as Kosovo, Albania, Bosnia & Herzegovina, and Montenegro. Among the larger markets, Romania and Poland posted the highest growth, just under 11%. In contrast, Slovakia, Hungary, and Czechia remained in the single-digit growth range. Slovenia stood out with a significant contraction of approximately 11%, driven by a sharp decline in non-life premiums.

Slovenia's negative performance was mainly due to the discontinuation of voluntary supplementary health insurance, replaced from January 1st, 2024 by a mandatory health contribution administered by the public Health Insurance Institute. All supplementary health insurance policies lapsed automatically at year-end 2023. Further details are provided in the respective country section of this report.

Consistent with previous periods, part of the premium growth was inflation-driven. Although inflation across the region has somewhat cooled compared to 2023, it remains above historical averages. Higher prices for materials and services led to increased

Gross written premiums (EUR milion)					Insurance penetration degree (% in GDP)					Insurance density (EUR/capita)					
2020	2021	2022	2023	2024	2020	2021	2022	2023	2024	2020	2021	2022	2023	2024	
134	160	184	220	250	1.01%	1.04%	0.98%	0.99%	1.00%	47	57	66	80	92	Albania
387	418	450	503	555	2.18%	2.09%	1.93%	2.01%	2.11%	111	120	130	145	161	Bosnia
1,473	1,666	1,847	2,246	2,393	2.39%	2.34%	2.15%	2.39%	2.41%	213	244	286	349	377	Bulgaria
1,390	1,559	1,682	1,749	1,923	2.73%	2.65%	2.46%	2.29%	2.34%	343	402	436	455	501	Croatia
6,400	7,229	8,297	8,619	9,150	2.88%	2.85%	2.84%	2.80%	2.92%	598	687	766	794	837	Czechia
469	486	551	638	685	1.68%	1.55%	1.51%	1.67%	1.74%	353	365	408	466	502	Estonia
3,298	3,604	3,568	3,941	4,134	2.49%	2.41%	2.17%	2.01%	2.12%	338	370	368	410	432	Hungary
102	117	134	146	168	1.50%	1.48%	1.51%	1.52%	1.62%	56	66	76	83	95	Kosovo
797	849	999	1,117	1,227	2.65%	2.55%	2.60%	2.77%	2.94%	418	449	532	593	653	Latvia
955	1,041	1,235	1,453	1,583	1.92%	1.84%	1.83%	2.02%	2.08%	342	372	437	504	549	Lithuania
163	189	208	233	260	1.50%	1.59%	1.59%	1.71%	1.78%	88	103	113	127	142	N. Macedonia
94	99	108	119	134	2.24%	1.99%	1.83%	1.74%	1.80%	n/a	n/a	n/a	189	212	Montenegro
13,743	15,050	15,429	18,144	20,051	2.71%	2.63%	2.35%	2.31%	2.35%	362	406	418	494	548	Poland
2,361	2,878	3,336	4,245	4,709	1.08%	1.20%	1.18%	1.32%	1.34%	122	150	175	223	249	Romania
935	1,016	1,142	1,325	1,516	2.00%	1.90%	1.89%	1.90%	1.98%	136	149	171	200	230	Serbia
2,224	1,839	1,925	1,947	2,084	2.38%	1.83%	1.75%	1.59%	1.59%	407	337	354	359	384	Slovakia
2,570	2,616	2,801	3,060	2,727	5.50%	5.03%	4.92%	4.79%	4.06%	1,226	1,240	1,330	1,446	1,287	Slovenia
37,493	40,816	43,897	49,708	53,549	2.43%	2.36%	2.21%	2.19%	2.22%	315	347	376	424	458	CEE Region
917	962	1,157	1,204	1,304	4.15%	3.86%	4.16%	4.04%	4.08%	1,033	1,074	1,278	1,308	1,415	Cyprus
3,959	4,640	4,836	5,235	5,689	2.40%	2.56%	2.34%	2.38%	2.45%	369	435	462	503	548	Greece
9,042	6,968	11,775	14,894	22,784	1.64%	1.45%	1.57%	1.83%	1.92%	108	82	138	174	266	Turkey
13,918	12,570	17,768	21,334	29,777	1.88%	1.83%	1.80%	2.01%	2.05%	146	131	184	221	307	SEE Region
69	91	145	159	175	0.72%	0.71%	0.72%	0.75%	0.71%	23	31	50	53	59	Armenia
349	438	536	651	763	1.00%	0.91%	0.72%	0.99%	1.05%	35	44	53	64	74	Azerbaijan
477	599	631	627	722	1.01%	1.00%	0.96%	1.03%	1.11%	51	64	68	68	79	Belarus
166	221	315	357	430	1.34%	1.27%	1.25%	1.33%	1.40%	45	59	85	96	115	Georgia
1,101	1,670	1,825	2,365	3,073	0.80%	0.97%	0.87%	0.99%	1.27%	59	88	93	119	153	Kazakhstan
13	13	24	31	57	0.21%	0.16%	0.21%	0.25%	0.37%	2	2	3	4	8	Kyrgyzstan
69	96	121	152	168	0.73%	0.80%	0.90%	0.98%	0.99%	26	37	48	61	69	Moldova
16,968	21,509	24,013	23,037	35,061	1.43%	1.33%	1.17%	1.33%	1.90%	115	146	164	157	240	Russia
n/a	n/a	28	36	n/a	n/a	n/a	0.26%	0.33%	n/a	n/a	n/a	3	4	n/a	Tajikistan
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Turkmenistan
1,301	1,581	1,017	1,114	1,237	1.07%	0.90%	0.76%	0.72%	0.72%	31	39	29	33	37	Ukraine
128	305	521	587	727	0.24%	0.45%	0.63%	0.68%	0.69%	4	9	15	16	20	Uzbekistan
20,640	26,524	29,178	29,115	42,414	1.24%	1.18%	1.05%	1.16%	1.58%	71	91	101	101	147	CIS Region
72,051	79,910	90,843	100,156	125,740	1.83%	1.71%	1.58%	1.72%	1.92%	142	158	181	199	250	CEE+SEE+CIS

claims and operational costs, prompting insurers to adjust non-life premiums accordingly.

Poland, Czechia, Romania, and Hungary remained the region's Top 4 insurance markets in terms of total GWP. Bulgaria entered the Top 5, replacing Slovenia due to its GWP contraction.

Life Insurance

Life insurance premiums across the CEE reached EUR 13.82 billion, reflecting a 5.74% y-o-y increase. After several sluggish reporting periods - largely due to declines in Poland - the regional life segment returned to growth. Poland's life insurance market expanded by 5.11%, supported by strong group life sales and a decline in mortality-related payouts. This single market contributed over one-third of the additional life insurance premium volume in the region.

Unit-Linked (UL) products also regained traction, growing 2.5% y-o-y to EUR 3.58 billion. While Czechia saw a continued contraction in UL premiums, other life segments offset this decline, resulting in overall life insurance growth of 4.67%.

Romania's life segment rose by 15.96%, with growth spread across all product lines. Albania, North Macedonia, and Montenegro posted life premium increases of around 17%, though these gains were marginal in absolute terms due to the markets' limited size.

Life insurance benefits and indemnities decreased slightly, down 1% to EUR 8.36 billion. However, this figure excludes Slovenian data, which may affect the final total.

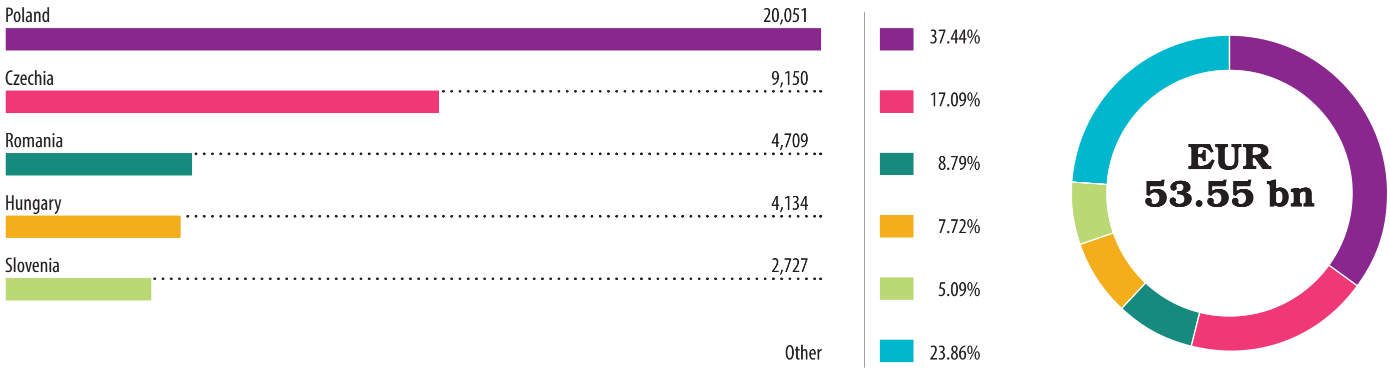
Poland, Czechia, Hungary, Slovenia (preliminary), and Romania accounted for roughly 80% of the regional life GWP.

CEE - OVERALL MARKET DATA

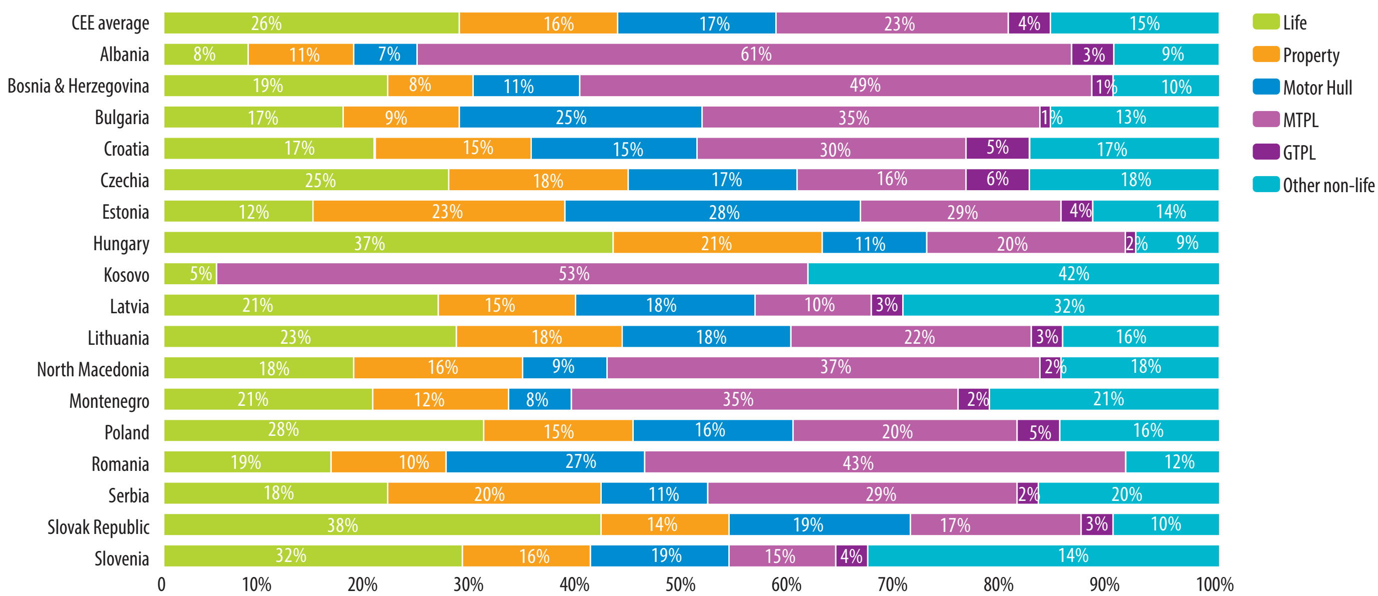
Country	GWP 2024	GWP 2023	Change	Claims 2024	Claims 2023	Change	Regional market share 2024	Regional market share 2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%
Albania	249.67	220.42	13.27	88.19	67.00	31.64	0.47	0.45
Bosnia & Herzegovina	554.98	503.13	10.31	240.16	219.53	9.40	1.04	1.02
Bulgaria	2,393.12	2,246.24	6.54	1,065.71	970.58	9.80	4.50	4.55
Croatia	1,922.90	1,749.42	9.92	1,259.09	1,162.97	8.27	3.62	3.54
Czechia	9,149.66	8,619.33	6.15	5,496.74	4,385.09	25.35	17.21	17.46
Estonia	685.43	638.44	7.36	410.19	438.62	-6.48	1.29	1.29
Hungary	4,134.43	3,940.74	4.91	2,039.99	2,054.12	-0.69	7.78	7.98
Kosovo	167.89	146.45	14.63	76.60	70.64	8.44	0.32	0.30
Latvia	1,227.06	1,116.88	9.87	748.01	706.11	5.93	2.31	2.26
Lithuania	1,583.36	1,453.11	8.96	704.67	632.46	11.42	2.98	2.94
North Macedonia	259.70	233.27	11.33	102.00	94.69	7.72	0.49	0.47
Montenegro	134.19	119.45	12.34	60.03	49.78	20.61	0.25	0.24
Poland	20,050.63	18,143.74	10.51	11,765.39	10,174.65	15.63	37.71	36.75
Romania	4,708.99	4,244.76	10.94	2,133.45	1,727.98	23.47	8.86	8.60
Serbia	1,515.90	1,325.00	14.41	739.79	665.31	11.19	2.83	2.67
Slovakia	2,083.82	1,946.87	7.03	1,214.04	1,086.13	11.78	3.92	3.94
Slovenia	2,727.49	3,060.42	-10.88	1,392.00	2,256.00	-38.20	5.09	6.16
Total CEE	53,549.20	49,707.65	7.73	29,536.05	26,761.63	10.37	100.00	100.00

* data provided by the Insurance Supervising Agency, including just claims paid by insurers headquartered in Slovenia

TOP 5 CEE countries as GWP (EUR million) & market shares (%)



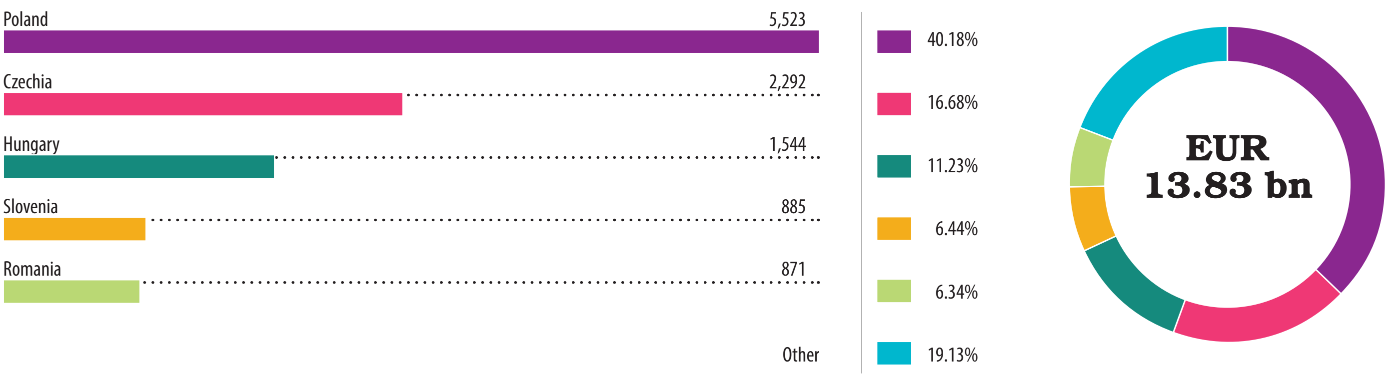
CEE GWP portfolio per countries



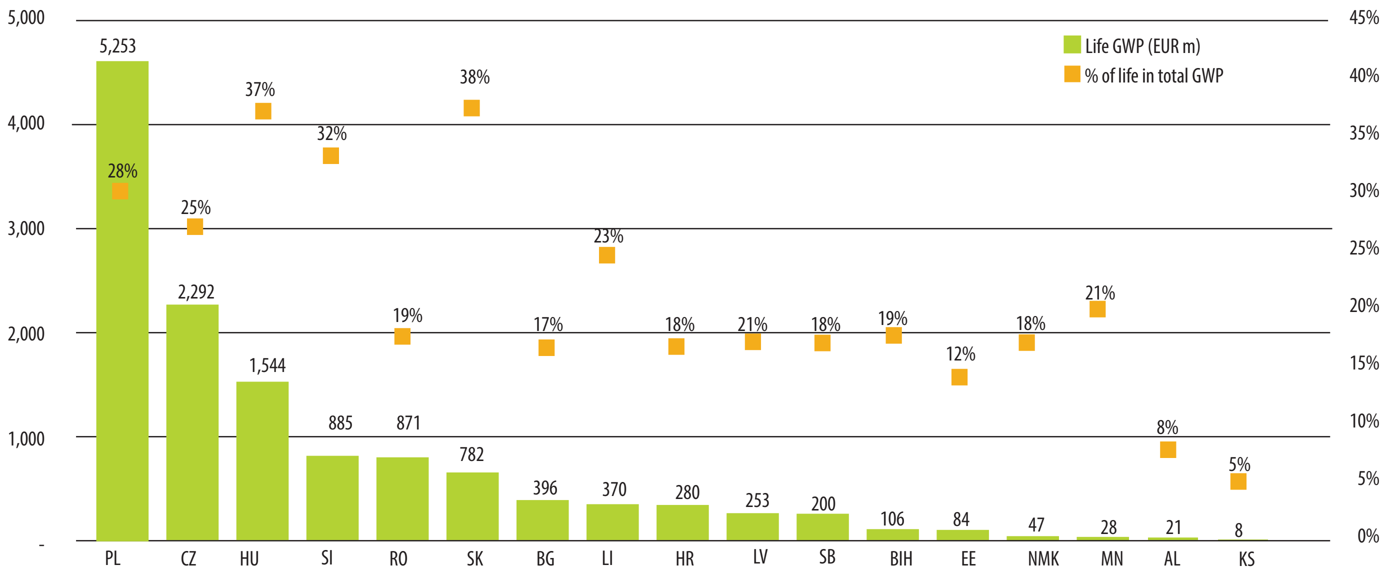
CEE - LIFE INSURANCE

Country	GWP		Change	Claims		Change	Weight in all GWP		Regional market share	
	2024	2023		2024	2023		2024	2023	2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
Albania	21.09	17.90	17.86	3.40	2.72	25.20	8.45	8.12	0.15	0.14
Bosnia & Herzegovina	106.25	102.01	4.16	58.28	55.54	4.93	19.14	20.27	0.77	0.78
Bulgaria	395.70	373.51	5.94	209.08	169.78	23.15	16.53	16.63	2.88	2.87
Croatia	335.10	321.54	4.22	437.81	419.82	4.29	17.43	18.38	2.44	2.47
Czechia	2,292.33	2,189.98	4.67	1,408.83	1,373.75	2.55	25.05	25.41	16.68	16.82
Estonia	84.02	83.99	0.03	71.29	133.23	-46.49	12.26	13.16	0.61	0.65
Hungary	1,544.17	1,490.26	3.62	1,004.17	1,073.52	-6.46	37.35	37.82	11.23	11.45
Kosovo	7.60	6.60	15.15	na	na	-	4.53	4.51	0.06	0.05
Latvia	252.75	234.26	7.89	182.69	194.32	-5.98	20.60	20.97	1.84	1.80
Lithuania	370.43	354.46	4.51	24.91	24.31	2.48	23.39	24.39	2.69	2.72
North Macedonia	47.06	40.46	16.31	17.03	13.94	22.22	18.12	17.35	0.34	0.31
Montenegro	27.77	23.62	17.56	15.28	11.00	38.95	20.69	19.78	0.20	0.18
Poland	5,523.42	5,254.77	5.11	3,831.16	3,732.58	2.64	27.55	28.96	40.18	40.36
Romania	871.31	751.42	15.96	376.95	331.68	13.65	18.50	17.70	6.34	5.77
Serbia	280.07	260.38	7.56	186.81	180.23	3.65	18.48	19.65	2.03	1.99
Slovakia	781.73	754.61	3.59	533.28	553.43	-3.64	37.51	38.76	5.69	5.80
Slovenia	885.13	837.10	5.74	na	na	-	32.45	27.35	6.44	6.43
Total CEE	13,746.11	13,019.28	5.58	8,302.31	8,213.22	1.08	25.86	26.37	100.00	100.00

TOP 5 CEE countries as GWP (EUR million) & market shares (%)



Weight of life GWP in total business



CEE - LIFE UNIT-LINKED INSURANCE

Country	GWP		Change	Claims		Change	Share in life GWP		Regional market share	
	2024	2023		2024	2023		2024	2023	2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
Albania	na	na	-	na	na	-	-	-	-	-
Bosnia & Herzegovina	na	na	-	na	na	-	-	-	-	-
Bulgaria	155.06	152.98	1.36	61.54	36.43	68.91	39.19	40.96	4.32	4.37
Croatia	70.24	57.12	22.97	59.70	50.33	18.61	20.96	17.77	1.96	1.63
Czechia	638.96	737.22	-13.33	515.80	465.79	10.74	27.87	33.66	17.81	21.07
Estonia	29.92	30.48	-1.85	32.75	91.77	-64.31	35.61	36.29	0.83	0.87
Hungary	681.83	645.43	5.64	655.53	660.53	-0.76	44.15	43.31	19.01	18.44
Kosovo	na	na	-	na	na	-	-	-	-	-
Latvia	na	na	-	na	na	-	-	-	-	-
Lithuania	298.60	281.78	5.97	13.04	12.87	1.36	80.61	79.50	8.32	8.05
North Macedonia	na	na	-	na	na	-	-	-	-	-
Montenegro	na	na	-	na	na	-	-	-	-	-
Poland	942.95	893.25	5.56	1,356.13	1,441.18	-5.90	17.07	17.00	26.29	25.52
Romania	249.29	211.27	17.99	na	na	-	28.61	28.12	6.95	6.04
Serbia	na	na	-	na	na	-	-	-	-	-
Slovakia	169.96	168.10	1.11	139.20	130.53	6.64	21.74	22.28	4.74	4.80
Slovenia	349.95	322.03	8.67	na	na	-	39.54	38.47	9.76	9.20
Total CEE	3,586.76	3,499.66	2.49	2,833.68	2,889.43	-1.93	26.09	26.88	100.00	100.00

Non-Life Insurance

Non-life premiums grew by 8.5% y-o-y to EUR 39.72 billion. Claims paid also increased substantially, reaching EUR 19.78 billion. With the exception of Slovenia, all markets saw premium growth - often outpaced by the rise in claims.

Poland, Czechia, Romania, Hungary, and Bulgaria formed the Top 5 non-life markets, a stable ranking with Bulgaria overtaking Slovenia due to the latter's exceptional contraction. Together, these five markets generated about 75% of the region's non-life premiums.

Motor Insurance

Motor insurance continued to dominate the non-life sector. In 1H2024, Motor Third Party Liability (MTPL) insurance premiums rose to EUR 12.28 billion, up by 9.5% y-o-y, while Motor Hull premiums grew by 12% y-o-y to EUR 8.9 billion. These figures exclude data from Kosovo.

Claims expenses increased across nearly all markets, in many cases at double-digit rates. Hungary was a rare exception in the Motor Hull line, and Czechia in the MTPL segment. Despite the easing of general inflation, claims inflation remains a pressing issue in motor insurance, driven by higher costs for repairs, parts, and labor.

Insurers responded with upward pricing in most markets, especially for Motor Hull products. However, in the MTPL segment - highly price-sensitive - insurers attempted to contain tariff increases, although small, gradual price rises are becoming apparent. However, as the claims inflation is an ongoing reality tat will probably persist in the near future, the upward trend in motor insurance pricing will also continue. Moreover, as long as significant progress in improving road safety statistics – which are quite bad in some of the region's countries – the need of raising prices will remain even is the macroeconomic conditions improve.

Consumer price sensitivity remains high. Policyholders continue to prioritize cost over coverage, increasing the risk of underinsurance and potential lapses. Insurers are already voicing concerns over a possible rise in the number of uninsured vehicles, particularly in economically strained households.

Poland, Romania, Czechia, Hungary, and Bulgaria were the region's Top 5 MTPL markets, generating about 75% of the total MTPL premium volume. Romania maintained its second-place position despite a modest growth rate, which was held back by a government-imposed temporary cap on MTPL tariffs following the Euroins Romania insolvency. As the cap remains in effect for the first half of 2024, slow growth is expected to persist.

The leading Motor Hull markets were Poland, Czechia, Romania, Bulgaria, and Slovenia, together accounting for over 75% of regional Motor Hull premiums, according to XPRIMM estimations.

Property Insurance

Gross written premiums for property insurance reached EUR 8.35 billion in the first half of 2024, representing a 12.04% increase y-o-y. Claims paid surged by more than 55% to EUR 4.03 billion, not including Slovenia, for which claims data were unavailable.

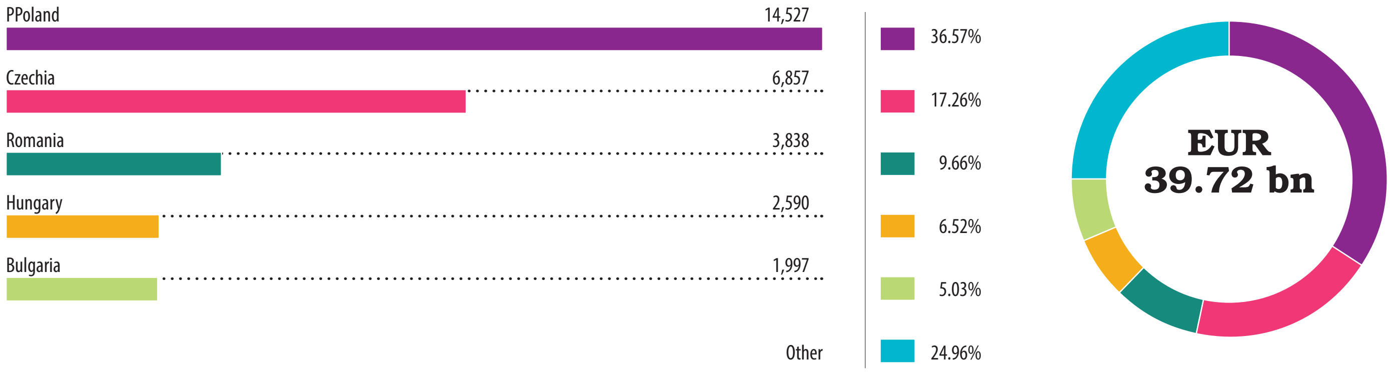
Secondary perils continued to pose a growing threat, with their frequency and severity demonstrating a sustained upward trend. While the first half of the year was marked by several damaging weather events - though not classified as catastrophes - their cumulative effect was significant.

The most impactful events occurred in the second half of the year, particularly the September and October floods, which devastated large swathes of Central and Eastern Europe. Countries such as Poland, Hungary, Czechia, Romania, and Bosnia & Herzegovina experienced widespread damage to infrastructure, homes, and

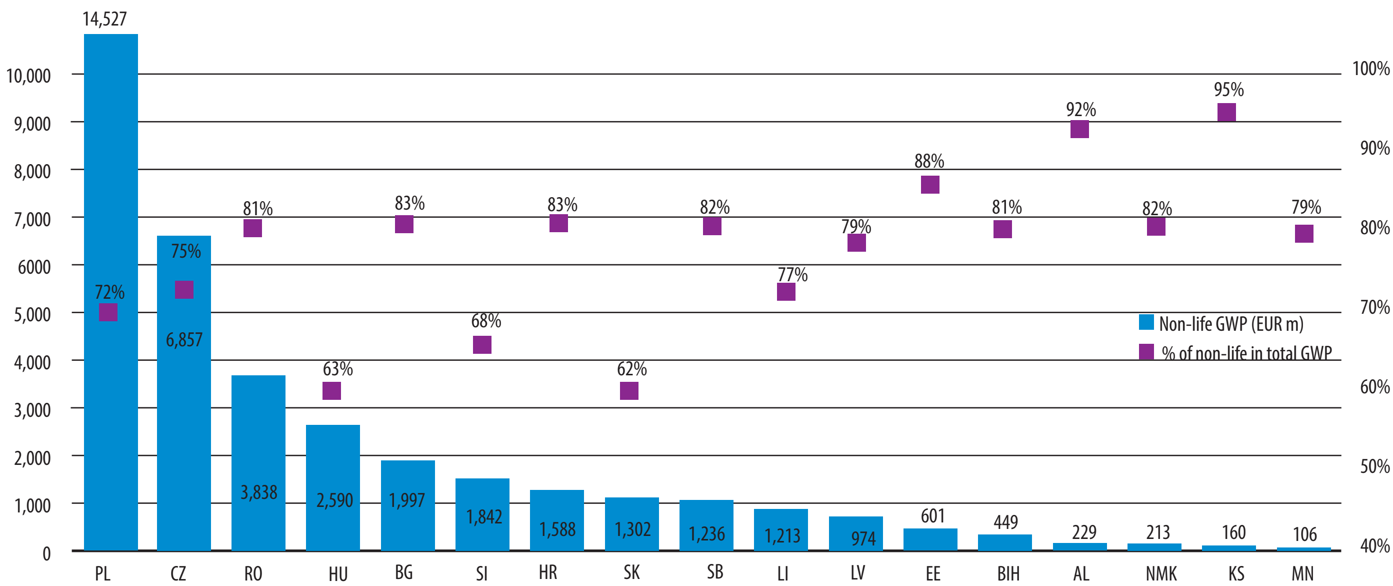
CEE - NON-LIFE INSURANCE

Country	GWP		Change	Claims		Change	Weight in all GWP		Regional market share	
	2024	2023		2024	2023		2024	2023	2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
Albania	228.57	202.52	12.86	84.79	64.28	31.91	91.55	91.88	0.58	0.56
Bosnia & Herzegovina	448.73	401.12	11.87	181.89	163.99	10.91	80.86	79.73	1.14	1.10
Bulgaria	1,997.42	1,872.73	6.66	856.63	800.80	6.97	83.47	83.37	5.07	5.15
Croatia	1,587.79	1,427.87	11.20	821.28	743.15	10.51	82.57	81.62	4.03	3.93
Czechia	6,857.34	6,429.34	6.66	4,087.91	3,011.34	35.75	74.95	74.59	17.40	17.69
Estonia	601.41	554.45	8.47	338.90	305.39	10.97	87.74	86.84	1.53	1.53
Hungary	2,590.25	2,450.48	5.70	1,035.81	980.60	5.63	62.65	62.18	6.57	6.74
Kosovo	160.29	139.85	14.61	76.60	70.64	8.44	95.47	95.49	0.41	0.38
Latvia	974.31	882.62	10.39	565.31	511.79	10.46	79.40	79.03	2.47	2.43
Lithuania	1,212.94	1,098.65	10.40	679.76	608.15	11.77	76.61	75.61	3.08	3.02
North Macedonia	212.64	192.80	10.29	84.97	80.75	5.22	81.88	82.65	0.54	0.53
Montenegro	106.42	95.83	11.05	44.75	38.78	15.40	79.31	80.22	0.27	0.26
Poland	14,527.21	12,888.97	12.71	7,934.23	6,442.07	23.16	72.45	71.04	36.85	35.46
Romania	3,837.68	3,493.35	9.86	1,756.50	1,396.29	25.80	81.50	82.30	9.74	9.61
Serbia	1,235.83	1,064.61	16.08	552.97	485.08	14.00	81.52	80.35	3.11	2.91
Slovakia	1,302.09	1,192.26	9.21	680.76	532.71	27.79	62.49	61.24	3.28	3.26
Slovenia	1,842.36	2,223.32	-17.13	na	na	-	67.55	72.65	4.64	6.07
Total CEE	39,723.27	36,610.78	8.50	19,783.05	16,235.79	21.85	74.18	73.65	100.00	100.00

TOP 5 CEE countries as GWP (EUR million) & market shares (%)



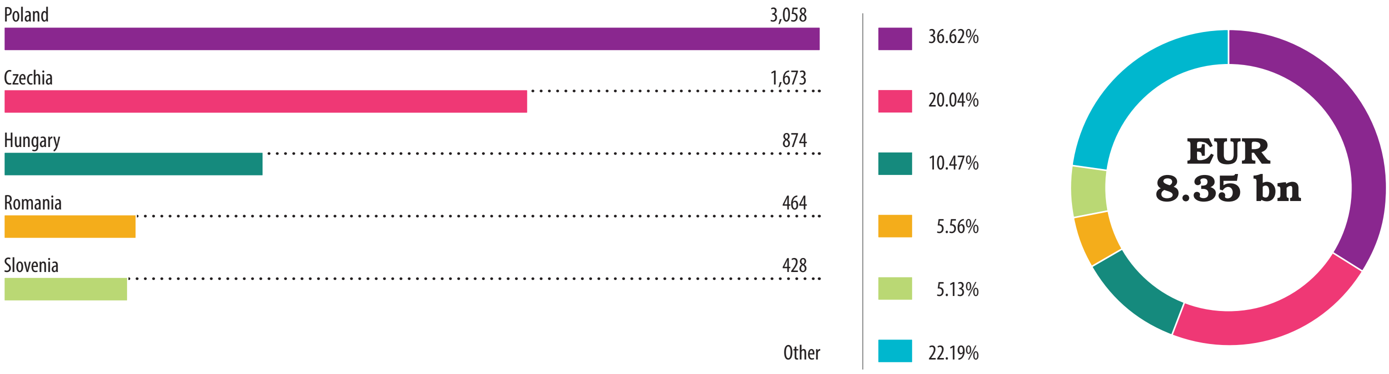
Weight of non-life GWP in total business



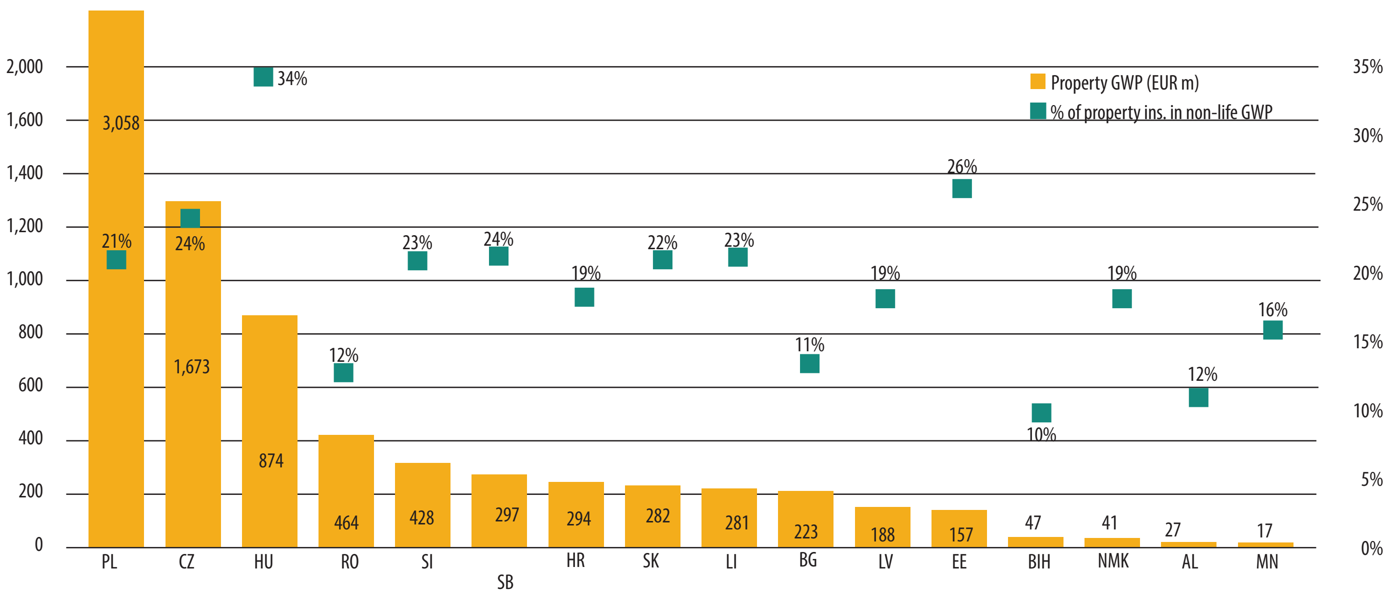
CEE - PROPERTY INSURANCE (Fire, allied perils and other damages to property, summed)

Country	GWP		Change	Claims		Change	Share in non-life GWP		Regional market share	
	2024	2023		2024	2023		2024	2023	2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
Albania	26.60	24.13	10.23	8.89	7.50	18.57	11.64	11.92	0.32	0.33
Bosnia & Herzegovina	46.71	40.92	14.15	20.46	18.89	8.30	10.41	10.20	0.56	0.55
Bulgaria	223.07	223.75	-0.31	37.67	47.88	-21.33	11.17	11.95	2.69	3.03
Croatia	294.28	270.23	8.90	148.53	173.92	-14.60	18.53	18.93	3.55	3.66
Czechia	1,673.41	1,537.77	8.82	1,528.59	608.05	151.39	24.40	23.92	20.21	20.80
Estonia	156.93	159.54	-1.64	78.68	74.32	5.86	26.09	28.78	1.90	2.16
Hungary	874.23	828.81	5.48	248.13	249.96	-0.73	33.75	33.82	10.56	11.21
Kosovo	na	na	-	na	na	-	-	-	-	-
Latvia	188.27	162.24	16.04	111.36	103.55	7.54	19.32	18.38	2.27	2.19
Lithuania	280.55	250.18	12.14	138.57	135.04	2.62	23.13	22.77	3.39	3.38
North Macedonia	41.08	37.95	8.24	10.14	12.36	-17.96	19.32	19.69	0.50	0.51
Montenegro	16.76	14.88	12.65	3.11	4.42	-29.72	15.75	15.53	0.20	0.20
Poland	3,057.75	2,634.85	16.05	1,448.01	957.78	51.18	21.05	20.44	36.93	35.64
Romania	464.41	389.98	19.08	na	na	-	12.10	11.16	5.61	5.28
Serbia	296.61	251.01	18.17	129.06	134.90	-4.33	24.00	23.58	3.55	3.37
Slovakia	281.82	256.47	9.89	124.93	73.98	68.88	21.64	21.51	3.37	3.44
Slovenia	428.34	370.49	15.62	na	na	-	23.25	16.66	5.13	4.97
Total CEE	8,350.81	7,453.22	12.04	4,036.13	2,602.54	55.08	21.02	20.36	100.00	100.00

TOP 5 CEE countries as GWP (EUR million) & market shares (%)



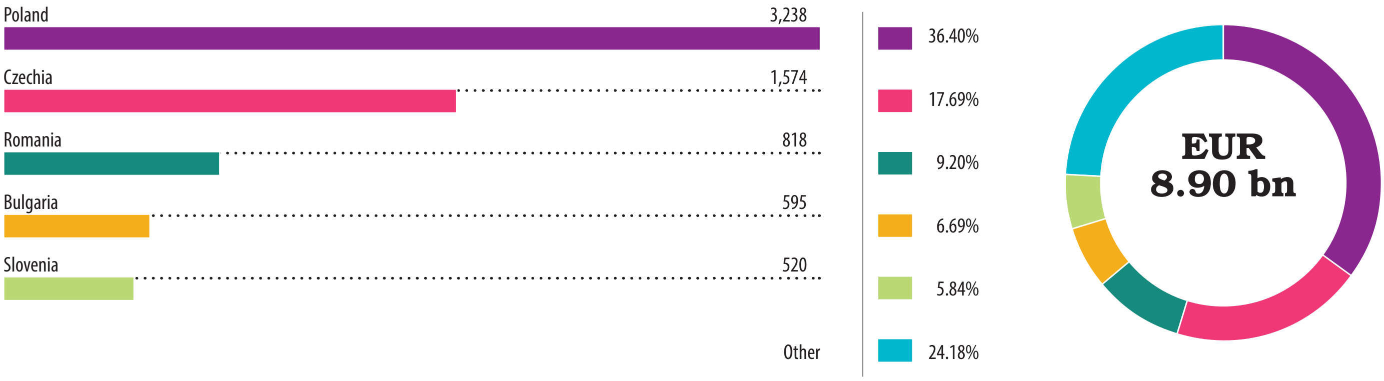
Weight of property GWP in non-life business



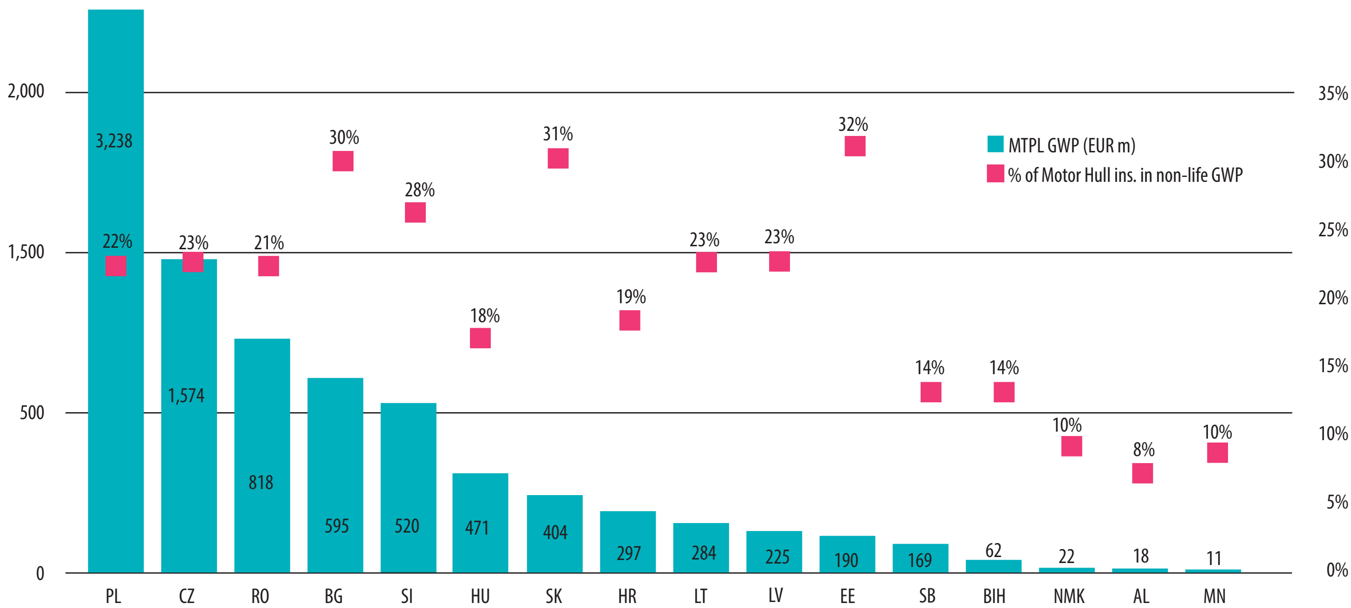
CEE - MOTOR HULL INSURANCE

Country	GWP		Change	Claims		Change	Share in non-life GWP		Regional market share	
	2024	2023		2024	2023		2024	2023	2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
Albania	17.96	14.29	25.68	9.21	8.22	11.96	7.86	7.06	0.20	0.18
Bosnia & Herzegovina	62.20	54.30	14.55	40.84	33.94	20.30	13.86	13.54	0.70	0.69
Bulgaria	595.03	513.48	15.88	255.38	209.90	21.66	29.79	27.42	6.72	6.49
Croatia	296.74	259.31	14.44	174.69	147.35	18.55	18.69	18.16	3.35	3.28
Czechia	1,574.31	1,437.91	9.49	867.61	787.53	10.17	22.96	22.36	17.78	18.18
Estonia	189.54	178.68	6.08	123.22	111.97	10.05	31.52	32.23	2.14	2.26
Hungary	470.70	428.81	9.77	230.41	243.70	-5.46	18.17	17.50	5.32	5.42
Kosovo	na	na	-	na	na	-	-	-	-	-
Latvia	224.54	202.70	10.77	137.39	127.15	8.06	23.05	22.97	2.54	2.56
Lithuania	283.90	251.43	12.91	183.35	162.56	12.79	23.41	22.89	3.21	3.18
North Macedonia	22.11	19.21	15.13	12.42	11.66	6.59	10.40	9.96	0.25	0.24
Montenegro	11.02	9.09	21.25	6.40	4.83	32.55	10.36	9.48	0.12	0.11
Poland	3,238.28	2,886.79	12.18	2,002.88	1,664.86	20.30	22.29	22.40	36.58	36.50
Romania	818.24	737.75	10.91	na	na	-	21.32	21.12	9.24	9.33
Serbia	169.16	142.37	18.81	105.74	90.12	17.34	13.69	13.37	1.90	1.79
Slovakia	403.56	357.59	12.86	241.63	215.43	12.16	30.99	29.99	4.54	4.50
Slovenia	519.96	453.04	14.77	na	na	-	28.22	20.38	5.84	5.70
Total CEE	8,897.24	7,946.75	11.96	4,391.16	3,819.22	14.98	22.40	21.71	100.00	100.00

TOP 5 CEE countries as GWP (EUR million) & market shares (%)



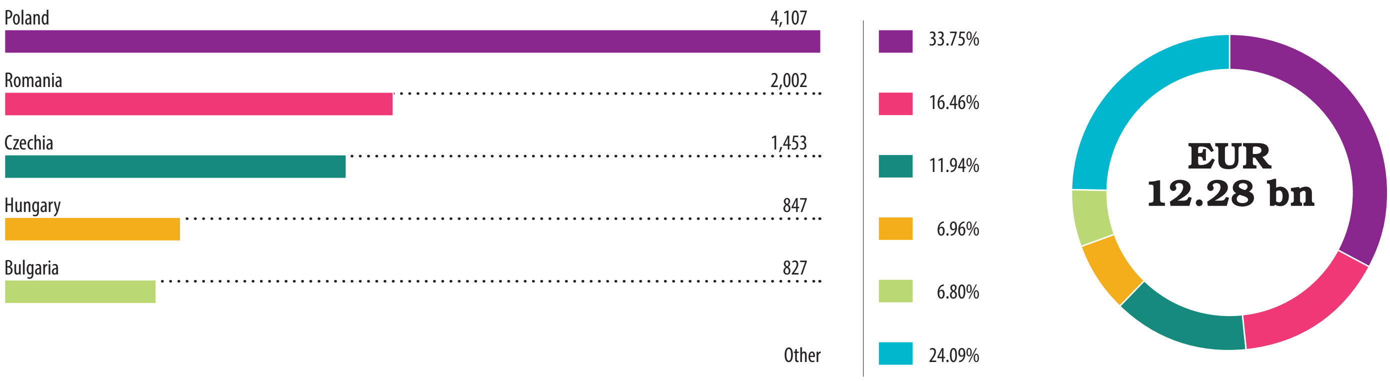
Weight of Motor Hull GWP in non-life business



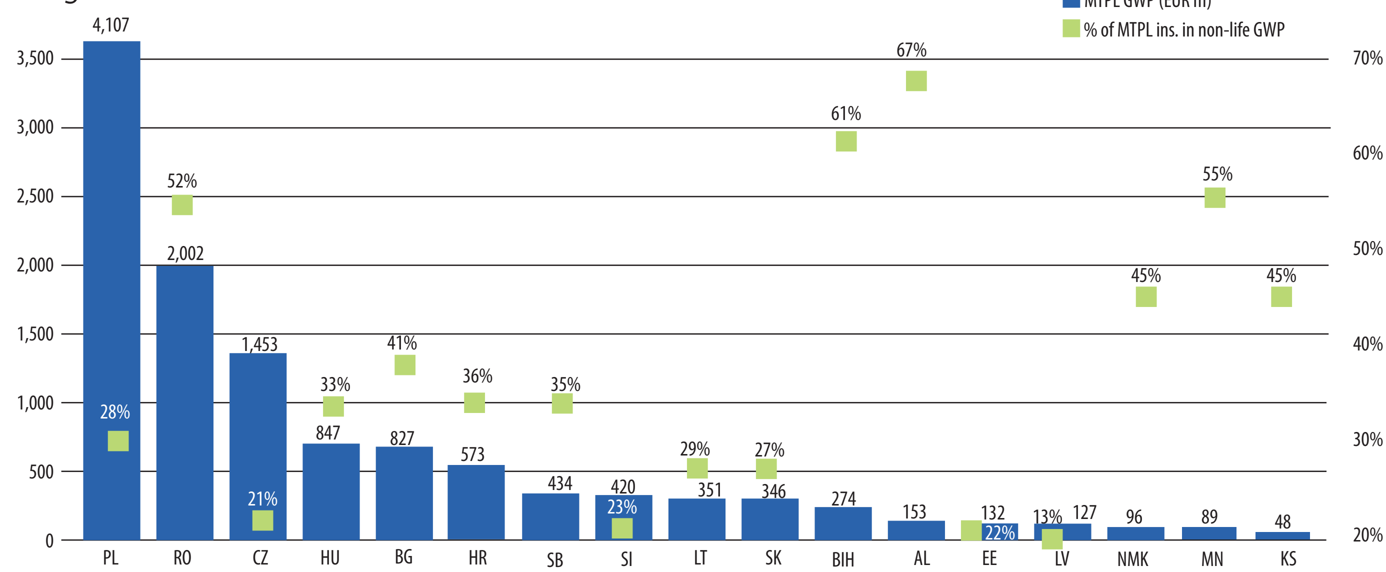
CEE - MTPL INSURANCE

Country	GWP		Change	Claims		Change	Share in non-life GWP		Regional market share	
	2024	2023		2024	2023		2024	2023	2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
Albania	153.42	134.58	14.00	54.36	37.91	43.37	67.12	66.45	1.25	1.20
Bosnia & Herzegovina	274.29	245.82	11.58	99.46	91.72	8.43	61.13	61.28	2.23	2.19
Bulgaria	827.25	787.21	5.09	457.60	422.78	8.24	41.42	42.04	6.74	7.02
Croatia	572.92	507.30	12.94	327.06	283.59	15.33	36.08	35.53	4.67	4.52
Czechia	1,452.96	1,389.68	4.55	721.41	733.55	-1.66	21.19	21.61	11.83	12.39
Estonia	132.13	125.11	5.61	81.27	74.49	9.11	21.97	22.56	1.08	1.12
Hungary	846.88	802.08	5.59	398.40	359.73	10.75	32.69	32.73	6.90	7.15
Kosovo	88.93	82.60	7.67	46.20	41.16	12.25	55.48	59.06	0.72	0.74
Latvia	127.49	116.91	9.05	74.06	64.95	14.02	13.09	13.25	1.04	1.04
Lithuania	350.67	336.02	4.36	212.16	185.27	14.51	28.91	30.58	2.86	3.00
North Macedonia	96.16	90.99	5.68	39.56	38.50	2.75	45.22	47.19	0.78	0.81
Montenegro	47.55	43.68	8.87	23.39	18.50	26.44	44.68	45.58	0.39	0.39
Poland	4,106.88	3,609.18	13.79	2,809.30	2,451.10	14.61	28.27	28.00	33.44	32.18
Romania	2,002.37	1,879.55	6.53	4,763.55	3,454.02	37.91	52.18	53.80	16.31	16.76
Serbia	433.67	394.57	9.91	178.50	147.80	20.78	35.09	37.06	3.53	3.52
Slovakia	346.47	312.10	11.01	227.99	175.68	29.78	26.61	26.18	2.82	2.78
Slovenia	419.69	357.63	17.35	na	na	-	22.78	16.09	3.42	3.19
Total CEE	12,279.74	11,215.00	9.49	10,514.26	8,580.76	22.53	30.91	30.63	100.00	100.00

TOP 5 CEE countries as GWP (EUR million) & market shares (%)



Weigth of MTPL GWP in non-life business



CEE - GTPL INSURANCE

Country	GWP		Change	Claims		Change	Share in non-life GWP		Regional market share	
	2024	2023		2024	2023		2024	2023	2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
Albania	8.69	9.71	-10.43	0.05	0.19	-75.44	3.80	4.79	0.43	0.53
Bosnia & Herzegovina	8.00	8.34	-4.08	1.34	0.92	45.66	1.78	2.08	0.39	0.45
Bulgaria	30.66	34.17	-10.27	9.77	6.29	55.37	1.54	1.82	1.51	1.86
Croatia	92.06	83.49	10.27	26.60	26.61	-0.06	5.80	5.85	4.55	4.56
Czechia	552.84	523.54	5.60	196.30	206.12	-4.76	8.06	8.14	27.30	28.57
Estonia	28.67	19.30	48.49	8.28	6.25	32.47	4.77	3.48	1.42	1.05
Hungary	67.89	59.76	13.59	32.57	28.65	13.68	2.62	2.44	3.35	3.26
Kosovo	na	na	-	na	na	-	-	-	-	-
Latvia	38.89	34.34	13.25	10.36	7.31	41.78	3.99	3.89	1.92	1.87
Lithuania	43.84	39.86	9.98	16.73	11.61	44.16	3.61	3.63	2.17	2.18
North Macedonia	5.94	5.15	15.50	0.40	0.29	39.91	2.79	2.67	0.29	0.28
Montenegro	2.90	2.50	15.85	0.29	0.15	93.18	2.72	2.61	0.14	0.14
Poland	935.27	819.69	14.10	356.79	306.37	16.46	6.44	6.36	46.19	44.73
Romania	na	na	-	na	na	-	-	-	-	-
Serbia	36.86	29.16	26.42	7.70	5.63	36.86	2.98	2.74	1.82	1.59
Slovakia	66.50	64.79	2.63	16.84	14.99	12.36	5.11	5.43	3.28	3.54
Slovenia	105.85	98.67	7.28	na	na	-	5.75	4.44	5.23	5.38
Total CEE	2,024.86	1,832.47	10.50	684.02	621.37	10.08	5.10	5.01	100.00	100.00

farmlands. Emergency services were overwhelmed, and economic disruption was severe, especially in agriculture and logistics.

In Poland, southern and eastern regions faced catastrophic flooding. Rivers like the Tisza and Danube breached their banks in Hungary and Romania, while Bosnia and Herzegovina endured one of the most severe natural disasters in recent years.

Agricultural damage was particularly severe in Romania and Hungary, where fertile farmland was submerged, driving up food prices and inflation. Insurance companies across the region saw a spike in flood-related claims, with payouts reaching hundreds of millions of euros. Nonetheless, many households and small businesses were either uninsured or underinsured, highlighting persistent protection gaps.

These floods underscored the growing vulnerability of the CEE region to climate change, reinforcing the need for enhanced flood management systems, resilient infrastructure, and urban planning.

At the same time, inflation remains a critical concern. According to national insurers' associations and EIOPA's "Impact of Inflation on the Insurance Sector" report, property underinsurance has become a serious systemic risk. In Czechia, for example - one of the region's most advanced markets in home insurance penetration - 1.6 million properties and 1.7 million households remain uninsured. Among insured properties, approximately 70% are underinsured, with the average underinsurance level reaching 31%.

Outlook

Looking ahead, the CEET region's economic prospects depend heavily on external demand recovery, global interest rate trends, and energy market stability. Structural challenges - such as demographic aging, productivity gaps, and political uncertainty - continue to weigh on long-term growth.

Nonetheless, green investment, digital transformation, and EU integration processes offer upside potential, particularly for the Western Balkans and Ukraine. Regional policymakers face a critical balancing act: sustaining growth while controlling inflation and ensuring fiscal discipline in an increasingly complex global environment. Overall, from the insurance business standpoint, challenges and opportunities are equally present in the near future.

While insurance markets across Central and Eastern Europe (CEE) have continued to show positive momentum, several structural challenges remain unresolved. Chief among these is the significant insurance gap, which extends beyond housing insurance against natural catastrophes to include life and health coverage, protection for small and medium-sized enterprises (SMEs), cyber insurance, and other critical areas. Despite the region's strong growth potential, efforts to close this gap must intensify. Raising public awareness, improving financial literacy, and further tailoring insurance products to be more accessible, attractive, and easier to understand are essential steps.

At the same time, digital transformation is becoming a pivotal growth driver for the CEE insurance sector. This shift is particularly accelerated by the emergence of younger generations of consumers, whose expectations are reshaping the way insurers design, distribute, and deliver their products and services.

CEE - Top 50 regional market rankings*

Life insurance

No	Company	Country	Home market ranking	GROSS WRITTEN PREMIUMS 2024 EUR m	2023 EUR m	Change %
1	PZU ŻYCIE SA	Poland	1	2,357	2,112	11.63
2	TU ALLIANZ ŻYCIE POLSKA S.A.	Poland	2	647	599	8.04
3	NATIONALE-NEDERLANDEN TUnŻ S.A.	Poland	3	546	516	6.00
4	VIENNA LIFE TU na ŻYCIE S.A. VIG	Poland	4	375	276	35.50
5	TUnŻ WARTA S.A.	Poland	5	374	316	18.44
6	KOOPERATIVA poisťovňa, a. s.VIG	Slovakia	1	319	320	-0.35
7	UNIQA TU na ŻYCIE S.A.	Poland	6	237	214	10.91
8	NN Asigurări de Viață	Romania	1	231	205	12.45
9	GENERALI ŻYCIE T.U. S.A.	Poland	7	230	219	4.76
10	Allianz - Slovenská poisťovňa, a. s.	Slovakia	2	206	199	3.93
11	STUnŻ ERGO HESTIA SA	Poland	8	152	135	12.53
12	UNUM ŻYCIE TUiR S.A.	Poland	9	150	120	24.89
13	Generali Poisťovňa	Slovakia	3	145	124	16.74
14	NN Životná poisťovňa, a. s.	Slovakia	4	120	117	2.92
15	DZI LIFE INSURANCE	Bulgaria	1	118	139	-15.30
16	UNIQA pojišťovna, a.s.	Slovakia	5	108	102	6.10
17	CA ŻYCIE TU S.A.	Poland	10	107	110	-2.31
18	BCR Asigurări de Viață VIG	Romania	2	105	96	8.89
19	BULSTRAD LIFE VIG	Bulgaria	2	104	92	13.19
20	SANTANDER ALLIANZ TU na ŻYCIE S.A.	Poland	11	95	106	-10.58
21	ALLIANZ-ȚIRIAC	Romania	3	89	72	23.30
22	ALLIANZ BULGARIA LIFE	Bulgaria	3	86	63	35.28
23	Compensa Life VIG filialas	Lithuania	1	85	83	1.68
24	MetLife Europe d. a. c.	Slovakia	6	83	81	1.92
25	Swedbank Life Insurance filialas	Lithuania	2	77	75	2.12
26	BRD Asigurări de Viață	Romania	4	72	59	21.17
27	Allianz Lietuva gyvybės draudimas	Lithuania	3	71	65	10.15
28	TUnŻ CARDIF POLSKA S.A.	Poland	12	67	65	2.19
29	SIGNAL IDUNA	Romania	5	63	55	14.74
30	PKO ŻYCIE TU S.A.	Poland	13	62	127	-51.37
31	TU na ŻYCIE EUROPA S.A.	Poland	14	61	82	-26.06
32	ALLIANZ Hrvatska d.d.	Croatia	1	61	58	4.69
33	SEB Life and Pension Baltic filialas	Lithuania	4	57	55	2.63
34	UNIQA Asigurări de Viață	Romania	6	53	36	47.62
35	ASIROM VIG	Romania	7	48	19	149.33
36	Wiener osiguranje Vienna Insurance Group d.d.	Croatia	2	46	45	2.50
37	ČSOB Poisťovňa, a. s.	Slovakia	7	45	30	49.78
38	CROATIA osiguranje d.d.	Croatia	3	40	31	28.07
39	Swedbank Life Insurance SE	Estonia	1	39	39	-1.64
40	AGRAM LIFE osiguranje d.d.	Croatia	4	39	40	-3.14
41	GENERALI OSIGURANJE d.d.	Croatia	5	37	34	9.36
42	GRAWE Hrvatska d.d.	Croatia	6	36	40	-11.24
43	UNIQA LIFE	Bulgaria	4	33	30	10.56
44	MERKUR OSIGURANJE d.d.	Croatia	7	32	33	-2.18
45	SB draudimas	Lithuania	5	29	14	111.80
46	BNP Paribas Cardif Poisťovňa, a. s.	Slovakia	8	28	26	6.51
47	UNIQA osiguranje d.d.	Croatia	8	27	24	10.27
48	GENERALI România	Romania	8	26	25	4.44
49	PZU Lietuva gyvybės draudimas	Lithuania	6	26	24	10.03
50	GRAWE BULGARIA LIFE INSURANCE	Bulgaria	5	26	22	15.89

*Insurers from Czechia, Hungary, Kosovo, Latvia, Serbia &Slovenia are not included in presented ranking

Non-life insurance

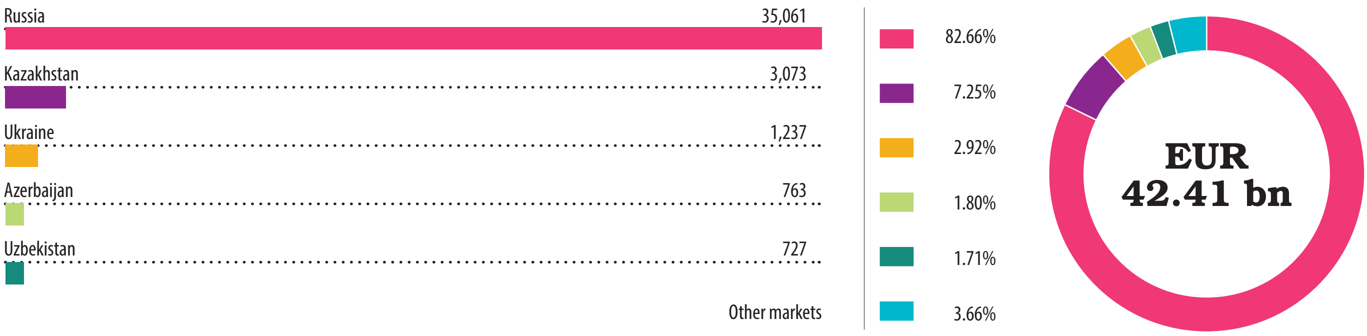
No	Company	Country	Home market ranking	GROSS WRITTEN PREMIUMS 2024 EUR m	2023 EUR m	Change %
1	PZU SA	Poland	1	4,156	3,723	11.62
2	TUiR WARTA S.A.	Poland	2	2,573	2,157	19.31
3	STU ERGO HESTIA SA	Poland	3	2,251	1,982	13.55
4	UNIQA TU S.A.	Poland	4	1,054	858	22.81
5	COMPENSA TU S.A.	Poland	5	908	575	57.92
6	GROUPAMA Asigurări	Romania	1	868	809	7.29
7	GENERALI T.U. S.A.	Poland	6	652	582	12.08
8	ALLIANZ-ȚIRIAC	Romania	2	651	630	3.25
9	TUiR ALLIANZ POLSKA S.A.	Poland	7	579	513	13.05
10	OMNIASIG VIG	Romania	3	559	479	16.80
11	Allianz - Slovenská poisťovňa, a. s.	Slovakia	1	508	475	7.01
12	CROATIA osiguranje d.d.	Croatia	1	449	408	9.99
13	INTERRISK TU S.A.	Poland	8	424	388	9.43
14	KOOPERATIVA poisťovňa, a. s.VIG	Slovakia	2	416	360	15.73
15	Lietuvos draudimas	Lithuania	1	366	330	10.74
16	TUW PZUW	Poland	9	346	265	30.53
17	GENERALI România	Romania	4	342	262	30.75
18	ASIROM VIG	Romania	5	316	303	4.35
19	LINK4 TU S.A.	Poland	10	273	286	-4.51
20	DallBogg: Zhivot I zdrave	Bulgaria	1	269	166	62.52
21	Generali Poisťovňa	Slovakia	3	263	234	12.40
22	EUROHERC osiguranje d.d.	Croatia	2	247	229	7.75
23	ADRIATIC OSIGURANJE d.d.	Croatia	3	245	210	16.72
24	GRAWE Romania	Romania	6	234	187	25.18
25	Euroins	Bulgaria	2	223	226	-1.18
26	Bulstrad VIG	Bulgaria	3	219	196	11.70
27	UNIQA pojišťovna, a.s.	Slovakia	4	218	194	12.66
28	DZI - General insurance	Bulgaria	4	207	181	14.45
29	LEV INS	Bulgaria	5	206	256	-19.67
30	PTR S.A.	Poland	11	196	199	-1.35
31	BTA Insurance Company filialas	Lithuania	2	192	171	12.52
32	TUW TUW	Poland	12	173	166	4.38
33	ARMEEC	Bulgaria	6	167	143	16.93
34	PKO TU S.A.	Poland	13	166	156	6.27
35	ALLIANZ Hrvatska d.d.	Croatia	4	162	143	12.94
36	ERGO Insurance filialas	Lithuania	3	152	144	5.47
37	AGRO UBEZPIECZENIA TUW	Poland	14	140	120	16.44
38	Generali Insurance	Bulgaria	7	132	114	16.01
39	Compensa VIG	Lithuania	4	130	118	10.59
40	BUL INS	Bulgaria	8	117	105	11.41
41	Swedbank P&C Insurance AS	Estonia	1	115	104	10.26
42	Allianz Bulgaria	Bulgaria	9	114	103	10.74
43	OZK Insurance	Bulgaria	10	113	115	-1.88
44	TUZ TUW	Poland	15	108	102	5.75
45	If P&C Insurance AS	Estonia	2	105	99	6.49
46	GENERALI OSIGURANJE d.d.	Croatia	5	104	89	16.55
47	TU EULER HERMES S.A.	Poland	16	102	114	-10.59
48	Wiener osiguranje VIG d.d.	Croatia	6	99	88	12.41
49	Gjensidige	Lithuania	5	98	92	6.07
50	Komunálna poisťovňa a. s.VIG	Slovakia	5	97	89	9.11

*Insurers from Czechia, Hungary, Kosovo, Latvia, Serbia &Slovenia are not included in presented ranking

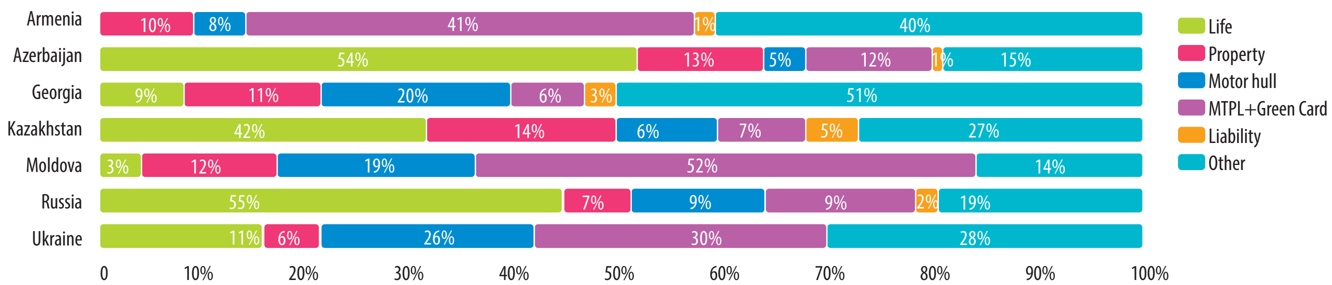
Ex-USSR - MARKETS OVERALL DATA

Country	GWP		Change	Claims		Change	Regional market share	
	2024	2023		2024	2023		2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%
Armenia	174.86	158.55	10.29	105.97	85.12	24.49	0.41	0.54
Azerbaijan	763.48	651.46	17.19	424.69	312.97	35.69	1.80	2.24
Belarus	722.01	626.60	15.23	416.88	368.70	13.07	1.70	2.15
Georgia	429.74	357.47	20.22	259.23	206.46	25.56	1.01	1.23
Kazakhstan	3,073.34	2,365.18	29.94	628.56	559.93	12.26	7.25	8.12
Kyrgyzstan	57.43	30.82	86.35	9.41	7.46	26.11	0.14	0.11
Moldova	168.38	151.67	11.02	66.46	52.91	25.61	0.40	0.52
Russia	35,060.68	23,036.74	52.19	20,252.15	10,528.91	92.35	82.66	79.12
Tajikistan	na	35.59	-	na	1.88	-	-	0.12
Turkmenistan	na	na	-	na	na	-	-	-
Ukraine	1,236.54	1,113.89	11.01	474.92	399.62	18.84	2.92	3.83
Uzbekistan	727.16	586.94	23.89	164.08	147.25	11.42	1.71	2.02
Total CIS	**42,413.62**	**29,114.93**	**45.68**	**22,802.34**	**12,671.23**	**79.95**	**100.00**	**100.00**

TOP 5 Ex-USSR countries as GWP (EUR million) & market shares (%)



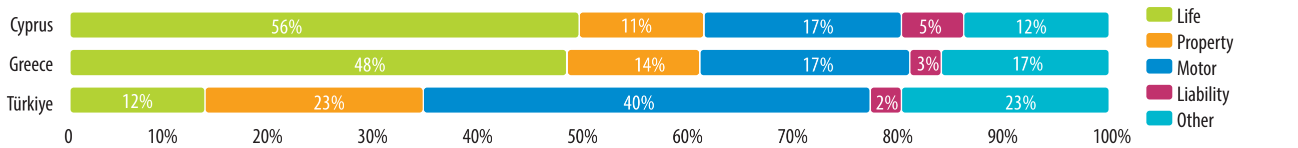
Ex-USSR GWP portfolio on selected countries (%)



SEE - OVERALL MARKET DATA

Country	GWP		Change	Claims		Change	Regional market share	
	2024	2023		2024	2023		2024	2023
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%
Cyprus	1,303.64	1,204.50	8.23	556.55	508.47	9.46	4.38	5.65
Greece	5,689.32	5,235.34	8.67	na	na	-	19.11	24.54
Türkiye	22,783.73	14,893.82	52.97	na	na	-	76.52	69.81
Total SEE	**29,776.69**	**21,333.66**	**39.58**	**na**	**na**	**-**	**100.00**	**100.00**

SEE GWP portfolio per countries (%)



Interview with

Hartwig LÖGER

CEO, Vienna Insurance Group (VIG)

XPRIMM: What are the key strategic priorities for Vienna Insurance Group in the coming years?

Hartwig LÖGER: In the VIG 25 strategy program, which is still running until the end of this year, we have focused strongly on creating added value for our customers. This means that we go beyond pure risk protection and offer comprehensive support and services in a variety of everyday situations, including prevention. In doing so, we are concentrating on building ecosystems in the areas of health, housing and mobility. We are currently working on a strategy beyond 25 that is further centered around customer proximity and will even more enable local companies to derive and implement their regional strategies, thus fostering local entrepreneurship. As the holding we are setting the frame for those regional strategies by providing our Group's principles, values as well as the strategic framework. This allows us to respond flexibly to market changes and ensures VIG's competitiveness.

XPRIMM: VIG is the player with the largest presence in Central and Eastern Europe (CEE). How does VIG plan to further strengthen its position in the region, considering market competition and economic volatility? What role do acquisitions and partnerships play in VIG's growth strategy?

H.L.: We have a clear goal of not only consolidating our market leadership in CEE but also expanding it. We have been in economically very challenging times for a few years now. However, our very good business results prove that we are not only up to these challenges but can also manage them very well. Our strong capital base, high market diversification and close cooperation within the Group provide the best conditions for further expanding our success. I am also encouraged by the fact that growth forecasts for the CEE region continue to be on average more than twice as high as in the eurozone.

We will use these parameters for organic growth, but acquisitions and partnerships also remain an option if profitable opportunities arise. Over the past two years, we have successfully integrated around 15 companies that we acquired from the Aegon Group in Hungary, Poland, Romania and Türkiye. In Poland, we acquired in March 2025 a stake in 'Phinance' – one of Poland's largest financial brokers – through our Polish VIG company Vienna Life, thereby gaining access to its extensive network of customers and advisors, which will enable us to further expand our business in the Polish market.

XPRIMM: What are the biggest challenges and opportunities for insurers operating in CEE compared to Western European markets?

H.L.: Of course, I see the use of better economic growth in comparison to Western Europe as an opportunity. In Austria, we are now in the third year of a recession, and growth opportunities are more difficult due to the muted willingness to invest on the part of both companies and private customers. Another opportunity and challenge at the same time is the still low insurance density. The aim here is to improve risk literacy in the CEE countries and to intensify the willingness to make provisions for the future. We have also conducted a study in nine countries that clearly shows us that risk literacy for the risks of everyday life is at a very low level and that many rely on state services.

I see a lot of potential in the use of artificial intelligence (AI). The aim here is to further improve customer service, optimize and automate processes, and establish new business models. The central concern always remains to provide customer-oriented and flexible solutions. Already 50% of all our innovation initiatives in the Group are focused on AI-based solutions.

The increasing number of natural disasters in particular shows how important it is to protect material assets. For example, the Pool for Insurance against Disasters (PAID) in Romania launched in April this year an awareness campaign about the lack of protection for the Romanian population against the consequences of storms and natural disasters. PAID has pointed out that only 24% of households are financially protected against unexpected risks.

XPRIMM: Where do you see the biggest opportunities for growth and innovation in the European insurance industry?

H.L.: I see great opportunities in pension and health insurance. The demographic trend is increasingly impacting the financial viability of state pension and health systems, making private provision ever more important. We also see great potential for expansion in digital services. We see offering customers added value in the form of risk protection as an important opportunity in customer positioning. The CEE countries are also far more open to digital products and services than the countries in Western Europe, and we have a very high level of innovation within our Group in this region.

XPRIMM: There are several regulatory changes in course in the European market. How is VIG adapting to these regulatory changes, particularly Solvency II updates and ESG reporting requirements?

H.L.: I have always been critical of the quantity and intensity of the regulatory framework. I very much hope that deregulation now being discussed at the European level does not take the form of new regulations but actually leads to a reduction and simplification of the existing regulatory framework, as our industry has repeatedly called for.

In VIG, we naturally meet the regulatory requirements. To better manage the regulatory burden, we rely on more efficient processes and increased technological support, for example in data structuring, reporting and internal processes. One example in our group is the use of AI in the legal area, where it is already helping to efficiently consolidate information. This demonstrates the potential of AI in providing support to help us get a better grip on the increasing regulation. But of course, AI alone cannot solve the problem and, with the AI Act itself, is a highly regulated area. Ultimately, it is about finding meaningful ways to implement regulatory requirements efficiently and responsibly – in the interest of our customers as well as the long-term stability of the industry.

XPRIMM: As you mentioned earlier, it is particularly important to reduce the protection gap in CEE, where most countries have a rather reduced level of insurance protection. How does VIG approach the issue of reducing the protection gap in the region? In particular, how is VIG addressing climate change risks, especially regarding natural catastrophe insurance and reinsurance?

H.L.: It is the task and responsibility of our companies to offer regional solutions that meet regional needs, with an increasing focus on digital offers. The effects of climate change are an extremely relevant topic for the insurance industry, particularly for reinsurance policy. As VIG, we follow the principle of conservative investment and reinsurance policy. We use modern modules to calculate and assess severe weather scenarios, which provides us with high-quality data for the entire region that is highly relevant for reinsurance assessments and reinsurance claims in the event of damage. One example is the storm Boris in September 2024, which caused severe flooding, particularly in Austria, the Czech Republic and Poland. Thanks to our conservative reinsurance strategy, we were able to absorb the effects of this largest loss event in our 200-year history well in terms of earnings. Despite high gross losses of 617 million Euro, we were able to maintain our profitability and keep the net burden significantly low at 70 million Euro.

I very much hope that deregulation now being discussed at the European level does not take the form of new regulations but actually leads to a reduction and simplification of the existing regulatory framework, as our industry has repeatedly called for.

XPRIMM: Sustainability goals seem to play a central role in your company's development strategy. What are currently VIG's sustainability goals, particularly regarding investments and underwriting policies?

H.L.: Our goal is to further strengthen sustainability as an integral part and foundation of our business model. Group-wide sustainability efforts are bundled into six fields of action, for which common objectives have been defined. The areas of asset management, underwriting and operations primarily address ecological aspects, while the three areas of employees, customers and society primarily address social aspects. VIG sees particularly strong levers for making an important contribution

We focus strongly on creating added value for our customers. This means that we go beyond pure risk protection and offer comprehensive support and services in a variety of everyday situations, including prevention.

to mitigating climate risks in its investments and underwriting. The Group's goal is to reduce greenhouse gas emissions from the investment portfolio and the corporate and retail underwriting portfolio to net zero by 2050. To achieve this, measures such as the application of exclusion criteria, an increase in the share of green investments and the pursuit of an engagement approach are used in the investment process. The engagement approach means that we are in favor of active exchange and dialog with companies to encourage them to improve their ESG performance in the areas relevant to VIG. We deliberately do not pursue a policy of exclusion and cancel culture here, but instead rely on dialog with the companies.

XPRIMM: With the rise of electric vehicles and shared mobility, how is VIG adapting its motor insurance offerings? Also, how does the company assess the impact of increasing repair costs and supply chain disruptions on motor insurance pricing across the region?

H.L.: The motor insurance business continues to be of great importance to VIG, as we are the largest motor vehicle insurer in the region, with well over 10 million insured vehicles. E-mobility is gaining in importance, but still plays a very minor role in our markets. We began to hone our group-wide underwriting expertise two years ago, as the claims behavior of e-cars is different from that of combustion engine cars. Influencing factors such as supply chain disruptions and increased repair costs are ultimately also reflected in the motor insurance premium. We pursue a market-oriented but profitable pricing policy, and we do not engage in discount wars that ultimately lead to ruinous competition and high reputational losses for some providers.

XPRIMM: Consumers' behavior has changed in many respects post-pandemic, while at the same time there are emerging new generations of customers, with different expectations. How is VIG responding to these changing needs and expectations of the public?

H.L.: As I mentioned at the beginning, we are responding to this by pushing ahead with digital services. We are making use of the broad diversification of the Group and the enormous potential for creative ideas and innovative approaches. I still see a lot of potential in the use of artificial intelligence (AI). The aim here is to further improve customer service, optimize and automate processes, and establish new business models. The central concern always remains to provide customer-oriented and flexible solutions. Already 50% of all our innovation initiatives in the Group are focused on AI-based solutions. We are also integrating insurance into digital platforms and ecosystems, and a lot is happening in the Home & Health area in particular. One example of this is Diagnose.me, an AI-supported solution for medical second opinions, or TeleDoc, which is one of the leading providers of telemedicine in Europe and is already being used in a number of our markets. Another example is the use of a telematics app with a cashback system for responsible driving. Currently, customers in the Czech Republic, Slovakia and Poland can use this free service. Once a quarter, depending on responsible driving behavior and the vehicle being driven, a part of the insurance premium can be recovered as a cashback.

Our strong capital base, high market diversification and close cooperation within the Group provide the best conditions for further expanding our success

XPRIMM: What message would you like to share with VIG's stakeholders - customers, investors, and employees—regarding the company's future?

H.L.: Our roots now go back more than 200 years. This is a clear sign of reliability, consistency and responsibility. For customers and employees, our long-term strategy in the markets and our local entrepreneurship with local ownership and a strong focus on regional needs are important signs of reliability and trust. For investors, our focus on a region with constant growth potential and the fact that we have paid dividends every year without interruption since our initial listing on the stock exchange in 1994. With this we live up to our approach of being seen as a stable and reliable partner.

Interview conducted by Daniela GHETU

Albania

S&P Rating
BB , STABLE

Moody's rating
Ba3, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] Bank of Albania
[3] Albanian Financial Supervisory Authority (AFSA)
[4] XPRIMM calculations

Motor insurance claims amounted to ALL 6.239 billion (72.07% of total claims), more by 30.17% y-o-y

Starting in 2025, motor insurance premiums will be calculated based on multiple risk factors, including the driver's age and experience, vehicle age, engine capacity, and claims history

Compensation limits for accident victims increased to EUR 28 million, while victims of accidents caused by uninsured vehicles may claim damages from their own insurer

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	ALL billion [1]	1,647.43	1,856.17	2,138.34	2,312.59	2,445.80
	EUR billion [4]	13.32	15.37	18.72	22.26	24.92
GDP per capita, current prices	ALL [1]	580,521	660,168	769,827	840,969	898,394
	EUR [4]	4,693	5,467	6,739	8,096	9,153
Unemployment rate	% of total labor force [1]	11.68	11.50	10.90	10.70	10.70
Population	Millions [1]	2.84	2.81	2.78	2.75	2.72
ALL/EUR exchange rate	End of period [2]	123.70	120.76	114.23	103.88	98.15
Gross written premiums	ALL million [3]	16,608.01	19,267.80	21,032.73	22,896.99	24,504.68
	EUR million [4]	134.26	159.55	184.13	220.42	249.67
Paid claims	ALL million [3]	7,496.56	6,671.30	6,830.43	6,959.46	8,655.97
	EUR million [4]	60.60	55.24	59.80	67.00	88.19
Insurance penetration degree	% in GDP [4]	1.01%	1.04%	0.98%	0.99%	1.00%
Insurance density	EUR/capita [4]	47.31	56.74	66.28	80.15	91.72

The Albanian insurance market saw notable growth in 2024, with gross written premiums (GWP) reaching ALL 24.5 billion (EUR 249.7 million), up 7.02% year-on-year, according to the Albanian Financial Supervisory Authority (AFSA). The number of insurance contracts rose by 8.84% to 1.6 million.

Non-life insurance dominated the market, accounting for 91.5% of total premiums, while life insurance contributed 8.45% and reinsurance just 0.043%. Compulsory insurance generated 61.45% of GWP, with voluntary lines covering the remaining 38.55%.

Gross claims paid by the insurance sector in 2024 totaled ALL 8.656 billion (EUR 88.2 million), reflecting a substantial 24.38% y-o-y increase (calculated in local currency).

The compulsory MTPL insurance line still accounted for more than 61% of the total market volume. GWP for this line totaled ALL 15.058 billion (EUR 153.42 million), an increase of 7.71% over 2023. Most of this volume was generated by the domestic MTPL business (almost 84% of the total MTPL premiums).

Motor insurance claims dominated, amounting to 6.239 billion ALL, representing 72.07% of total claims and a remarkable 30.17% growth from the previous year. In European currency, due to the appreciation of the Albanian Lek against Euro, the growth rate looks even more impressive (43.37%). For the

Market porfolio at December 31st, 2024

BUSINESS LINE	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET**	249.67	220.42	13.27	88.19	67.00	31.64	100.00	100.00
TOTAL LIFE	21.09	17.90	17.86	3.40	2.72	25.20	8.45	8.12
TOTAL NON-LIFE	228.46	202.38	12.89	80.08	60.59	32.16	91.51	91.82
Accidents insurance	6.15	5.99	2.69	0.71	0.49	44.70	2.46	2.72
Health insurance	8.04	7.23	11.26	6.30	5.27	19.57	3.22	3.28
Overall property insurance	26.60	24.13	10.23	8.89	7.50	18.57	10.65	10.95
Fire and allied perils	22.45	20.33	10.42	6.56	5.42	20.84	8.99	9.22
Damages to property	4.16	3.81	9.21	2.33	2.07	12.62	1.66	1.73
Overall motor insurance	171.38	148.88	15.12	63.56	46.14	37.77	68.64	67.54
Motor Hull	17.96	14.29	25.68	9.21	8.22	11.96	7.20	6.48
MTPL	153.42	134.58	14.00	54.36	37.91	43.37	61.45	61.06
- DMTPL	129.21	111.73	15.65	43.48	32.54	33.61	51.76	50.69
- Green Card	19.04	17.46	9.05	10.30	4.91	109.82	7.63	7.92
- Border	5.16	5.39	-4.19	0.58	0.47	24.60	2.07	2.44
Goods in transit	0.61	0.56	10.74	0.07	0.06	2.69	0.25	0.25
GTPL	8.69	9.71	-10.43	0.05	0.19	-75.44	3.48	4.40
Suretyship	4.52	3.63	24.37	0.38	0.93	-59.35	1.81	1.65
Other non-life insurance	2.47	2.27	8.65	0.14	0.02	-	0.99	1.03
REINSURANCE ACCEPTED	0.11	0.14	-20.80	-	-	-	0.04	0.06
PAID CLAIMS FOR COMPENSATION FUND	-	-	-	4.70	3.68	27.74	-	-

** EXCEPT the Paid Claims for Compensation Fund.

1 EUR = 103.88 Lek - ALL (December 31st, 2023)
1 EUR = 98.15 Lek - ALL (December 31st, 2024)

Kadri MORINA
President
Albanian
Insurance Bureau

Domestic MTPL Insurance (DMTPL) the average claim decreased by 7.11%, from ALL 168,000 in 2023 to ALL 156,000 in 2024. At the same, on the Green Card side, the average claim surged by 68.35%, reaching ALL 891,000.

It is worth noting that Albania's MTPL insurance law has undergone significant reforms aimed at increasing fairness, transparency, and consumer protection. Starting in 2025, motor insurance premiums will be calculated based on multiple risk factors, including the driver's age and experience, vehicle age, engine capacity, and claims history. This risk-based model moves away from uniform pricing and aligns with EU standards, incentivizing safer driving by offering bonus discounts (2–5%) for claim-free drivers beginning in 2026.

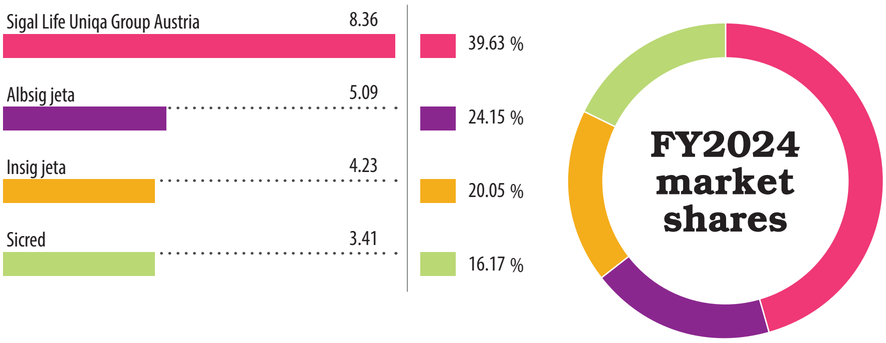
The law also clarifies that the Bonus-Malus system—often misunderstood as the sole risk factor—is just one of several elements used to adjust premiums. Importantly, for 2025, the Bonus-Malus coefficient is set to 1, meaning no immediate impact on pricing, allowing time for driver education and system adjustment.

Other legal changes include increased compensation limits for accident victims, now up to EUR 28 million, and a new rule allowing victims of accidents caused by uninsured vehicles to claim damages from their own insurer. This marks a significant shift toward consumer-focused regulation. The AMF and insurance companies have also enhanced data infrastructure and digital systems to support these changes, ensuring accurate, real-time risk assessments and fair pricing. The system will utilize real-time data from the Financial Supervisory Authority (AMF) and the General Directorate of Road Transport Services (DPSHTRR) to accurately assess risk and set premiums.

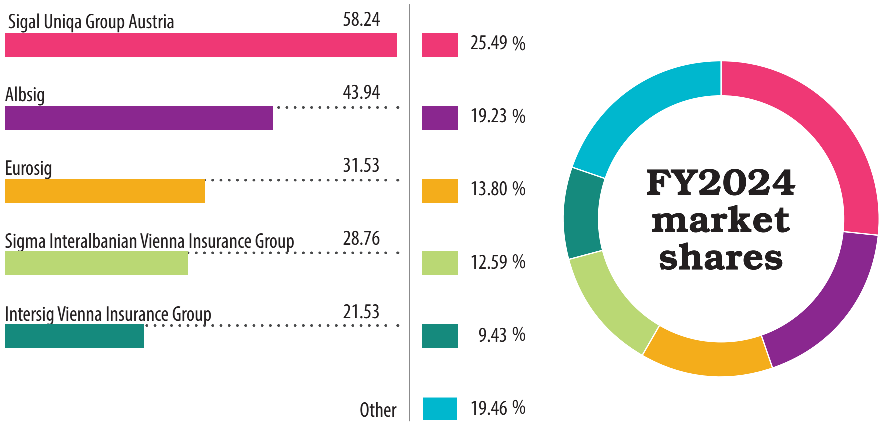
*This reform aligns Albania's insurance practices with European standards, aiming to enhance transparency, fairness, and market stability in the MTPL insurance sector,"*commented Kadri Morina, President of the Albanian Insurance Bureau. (D.G.)

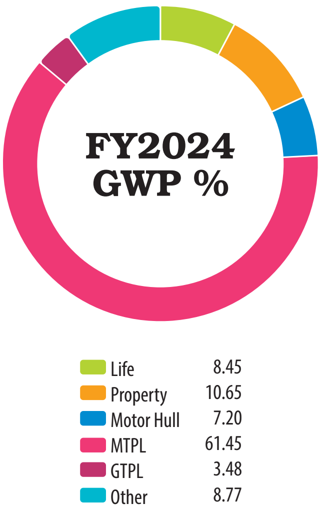
Albania

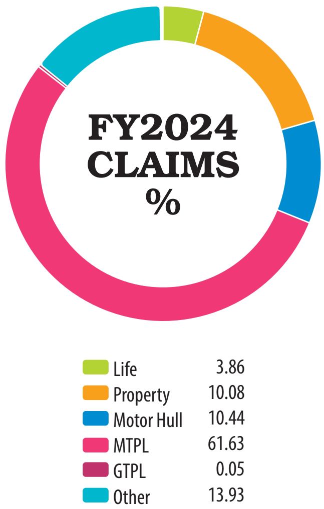
Life insurance ranking (GWP, EUR m)



Top 5 Non-life insurance (GWP, EUR m)







Bosnia and Herzegovina

S&P Rating
B, STABLE

Moody's rating
B3, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] Central Bank of Bosnia and Herzegovina

[3] AZOBIH - Insurance Agency of Bosnia and Herzegovina

[4] XPRIMM calculations

- The Bosnian market saw a 10.3% GWP y-o-y growth in 2024, to EUR 555 million
- Only 2% of the GDP in BiH is made up by the insurance industry
- MTPL market liberalization, wished for and expected by insurers, is not yet possible, given the economic situation, but may occur in the next three years
- The catastrophe insurance coverage remains unsatisfactory in Bosnia, as demonstrated by the October 2024 floods and the most recent ones, in March 2025

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	BAM billion [1]	34.73	39.15	45.62	48.95	51.40
	EUR billion [4]	17.76	20.01	23.32	25.03	26.28
GDP per capita, current prices	BAM [1]	9,959	11,245	13,135	14,130	14,876
	EUR [4]	5,092	5,750	6,716	7,225	7,606
Unemployment rate	% of total labor force [1]	15.90	17.36	15.39	13.20	13.20
Population	Millions [1]	3.49	3.48	3.47	3.46	3.46
BAM/EUR exchange rate	fixed [2]	1.95583	1.95583	1.95583	1.95583	1.95583
Gross written premiums	BAM million [3]	756.45	818.41	881.06	984.03	1,085.45
	EUR million [4]	386.76	418.44	450.48	503.13	554.98
Paid claims	BAM million [3]	309.78	346.94	398.63	429.36	469.72
	EUR million [4]	158.39	177.39	203.82	219.53	240.16
Insurance penetration degree	% in GDP [4]	2.18%	2.09%	1.93%	2.01%	2.11%
Insurance density	EUR/capita [4]	110.92	120.21	129.71	145.24	160.63

At the end of 2024, the BiH insurance market totaled EUR 555 million (BAM 1.1 billion), up by 10.3% y-o-y, as the local insurance agency – AZOBIH informed. At the same time, the value of claims paid by insurers expanded by 9.4% y-o-y to EUR 240 million.

The value of GWP of the insurers operating in the Federation of Bosnia and Herzegovina increased by 10.5% to EUR 385 million (69.5% of total GWP), while the Republika Srpska based insurers generated almost EUR 170 million, up by 10% y-o-y.

Overall, of total insurance market, non-life insurance premiums increased by almost 12% year-on-year to EUR 449 million, while premiums in the life insurance segment went up by over 4% y-o-y to EUR 106 million. From the non-life subclasses, EUR 46.7 million (or 8.4%) corresponded to the property lines and EUR 336.5 million (or 60.6%) to motor insurance (MoD and MTPL, summed).

In terms of GWP, the top three largest life insurers in the country were FBiH based insurers Vienna osiguranje (GWP worth EUR 22.70 million), Uniqa osiguranje (EUR 22.6 million) and Grawe osiguranje (EUR

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	554.98	503.13	10.31	240.16	219.53	9.40	100.00	100.00
TOTAL LIFE	106.25	102.01	4.16	58.28	55.54	4.93	19.14	20.27
TOTAL NON-LIFE	448.73	401.12	11.87	181.89	163.99	10.91	80.86	79.73
Accidents insurance	31.87	29.34	8.61	11.23	11.98	-6.28	5.74	5.83
Health	11.87	10.85	9.34	5.15	4.16	23.70	2.14	2.16
Goods in transit	1.96	2.07	-5.36	0.19	0.24	-20.82	0.35	0.41
Overall property insurance	46.71	40.92	14.15	20.46	18.89	8.30	8.42	8.13
Fire and allied perils	24.02	20.49	17.21	13.29	10.10	31.55	4.33	4.07
Damages to property	22.70	20.43	11.08	7.17	8.79	-18.43	4.09	4.06
Overall motor insurance	336.49	300.12	12.12	140.30	125.67	11.64	60.63	59.65
Motor Hull	62.20	54.30	14.55	40.84	33.94	20.30	11.21	10.79
MTPL	274.29	245.82	11.58	99.46	91.72	8.43	49.42	48.86
GTPL	8.00	8.34	-4.08	1.34	0.92	45.66	1.44	1.66
Credit insurance	4.42	4.10	7.86	1.98	1.18	67.71	0.80	0.82
Suretyship	0.31	0.25	25.70	0.11	0.14	-24.05	0.06	0.05
Financial loss	4.63	3.20	44.86	0.85	0.50	67.53	0.83	0.64
Travel	2.09	1.62	29.22	0.28	0.15	81.92	0.38	0.32
Other non-life insurance	0.37	0.31	20.69	0.01	0.15	-94.54	0.07	0.06
FBiH insurers								
TOTAL FBiH insurers	385.43	348.93	10.46	178.22	158.62	12.36	69.45	69.35
LIFE	91.15	87.41	4.28	49.85	46.84	6.44	16.42	17.37
NON-LIFE	294.28	261.52	12.52	128.37	111.78	14.84	53.02	51.98
RS insurers								
TOTAL RS insurers	169.55	154.20	9.96	61.95	60.91	1.70	30.55	30.65
LIFE	15.10	14.60	3.44	8.43	8.70	-3.17	2.72	2.90
NON-LIFE	154.45	139.60	10.64	53.52	52.21	2.51	27.83	27.75

1 EUR = 1.95583 Convertible marks - BAM (fixed)

18 million), while ASA Central osiguranje (market share 14.5%), Adriatic osiguranje (11.5%) and Euroherc osiguranje (10.1%) formed the Top 3 on non-life segment.

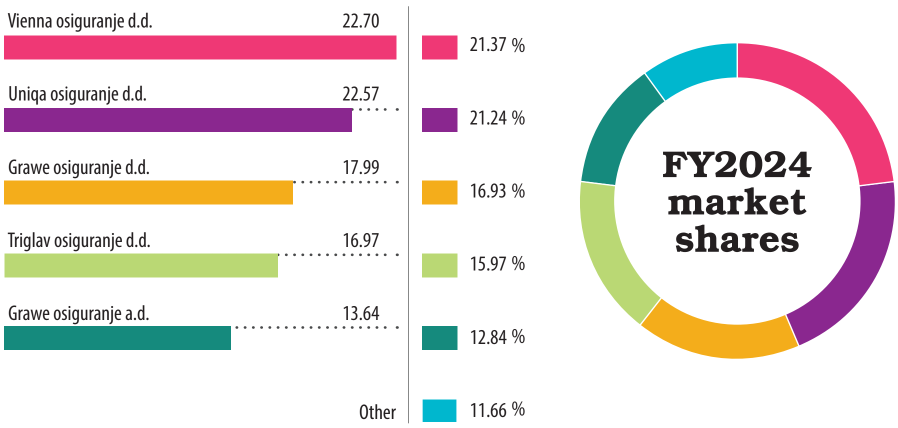
According to a public statement of Srđan Amidžić, Minister of Finance and Treasury of Bosnia and Herzegovina, the insurance market participants aren't satisfied with the current situation in the sector, as only 2% of the GDP in BiH is made up by the insurance industry.

Given that BiH is focused on EU integration and market liberalization, Amidžić believes that BiH should strengthen the domestic insurance industry. Since motor insurance is the largest class, it should be regulated first, so that it can support development of other types of insurance. However, it seems the MTPL market liberalization, an operation in preparation for many years, will have to wait a while longer as the current economic situation of the BiH citizens doesn't allow for liberal prices. However, as all insurance companies are waiting for it, liberalization may occur in the following one to three, the Ministry of Finance said.

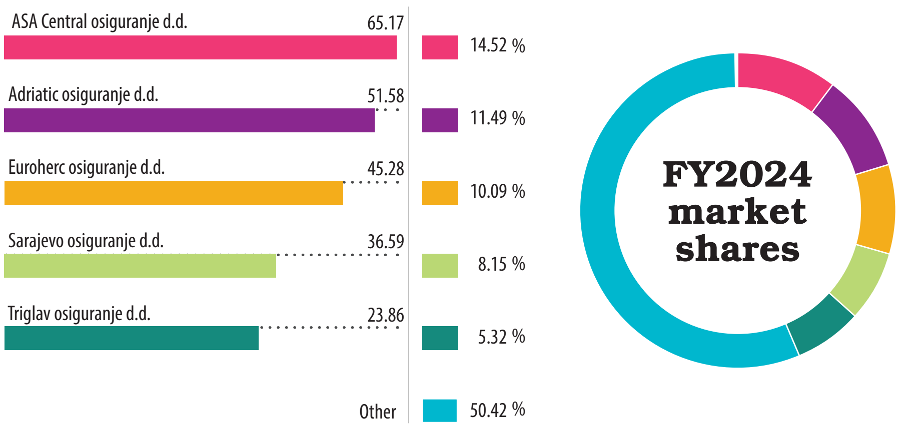
Another reason for concern is the low level of catastrophe insurance coverage in Bosnia and Herzegovina and neighboring countries, despite significant exposure to natural disasters and the growing impact of climate change. In October 2024, central and southern Bosnia and Herzegovina experienced severe flooding—the worst since the 2014 Southeast Europe floods. While no official estimate of total losses has been released, various sources suggest the damage amounts to over EUR 116 million and may be significantly higher. A similar flood event occurred in March 2025, causing further substantial losses and affecting several hundred families. Commenting on the 2024 insurance market results, Ermin Čengić, General Secretary of the Association of Insurance Companies in the Federation of Bosnia and Herzegovina (UDOFBiH), noted that "as an industry, insurers were not significantly involved in addressing major damages from natural disasters—not even the recent catastrophic floods that struck Jablanica, Konjic, and other cities in October." He emphasized that a large portion of property remains uninsured. In his view, these events highlight the urgent need to introduce mandatory property insurance against specific catastrophic risks such as floods and earthquakes—an initiative UDOFBiH has been advocating for years. (D.G.)

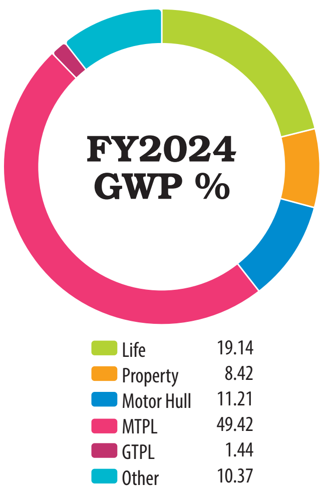
Bosnia and Herzegovina

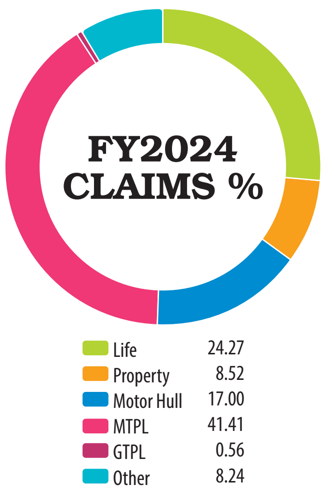
Top 5 Life insurance (GWP, EUR m)



Top 5 Non-life insurance (GWP, EUR m)







Bulgaria

S&P Rating
BBB+, POSITIVE

Moody's rating
Baa1, STABLE

Fitch Rating
BBB, POSITIVE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] Bulgarian National Bank

[3] The Financial Supervision Commission of Bulgaria (FSC)

[4] XPRIMM calculations

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	BGN billion [1]	120.49	138.98	167.81	183.74	194.61
	EUR billion [4]	61.61	71.06	85.80	93.95	99.50
GDP per capita, current prices	BGN [1]	17,421	20,322	26,026	28,507	30,637
	EUR [4]	8,907	10,390	13,307	14,576	15,665
Unemployment rate	% of total labor force [1]	5.21	5.25	4.21	4.40	4.30
Population	Millions [1]	6.92	6.84	6.45	6.45	6.35
BGN/EUR exchange rate	fixed [2]	1.95583	1.95583	1.95583	1.95583	1.95583
Gross written premiums	BGN million [3]	2,880.25	3,258.75	3,613.05	4,393.26	4,680.54
	EUR million [4]	1,472.65	1,666.17	1,847.32	2,246.24	2,393.12
Paid claims	BGN million [3]	1,208.54	1,296.92	1,436.78	1,898.28	2,084.36
	EUR million [4]	617.92	663.10	734.62	970.58	1,065.71
Insurance penetration degree	% in GDP [4]	2.39%	2.34%	2.15%	2.39%	2.41%
Insurance density	EUR/capita [4]	212.90	243.63	286.50	348.52	376.75

Bulgarian insurance market reported FY2024 GWP worth BGN 4.68 billion (EUR 2.39 billion), up 6.5% y-o-y, according to the official quarterly figures published on Financial Supervisory Commission website.

At the "claims chapter", the value of paid claims by insurers went up y-o-y by 9.8% to BGN 2.08 billion (~EUR 1.06 billion) driven mainly by the motor insurance lines which saw a 12.7% increase, mostly owed to increasing claims costs on MoD line.

The assets managed by Bulgarian insurance companies rose by 6.6% y-o-y to BGN 11.5 billion (EUR 5.9 billion) at the end of 2024. The assets of non-life companies rose by 3.5% y-o-y, exceeding BGN 8.1 billion, and non-life represented a share of 70.4% of the total insurance assets. At the same time, the assets of life insurance companies increased by 14.9% to BGN 3.4 billion and accounted for 29.6% of overall assets.

Nikolay Stanchev, Chairman of the Board of the Association of Bulgarian Insurers (ABZ) and CEO of Generali Bulgaria, speaking about the main trends and prospects of the insurance market in Bulgaria, pointed out that in recent years the market has been developing steadily, and life insurance maintains a good growth rate (6% in 2024).

According to him, the share of life insurance in the market portfolio is still low, but this also means high potential for future development. He noted that non-life insurance is growing with motor insurance continuing to dominate. The latest data for 2024 indicate a significant growth in the Motor Hull segment due to increasing car prices over the years, which leads to an increase in premiums, without any changes in the tariff schedule, explained Nikolay Stanchev.

CEO of Generali Bulgaria added that this trend is an issue not only in Bulgaria,

The assets managed by Bulgarian insurance companies rose by 6.6% y-o-y to EUR 5.9 billion at the end of 2024

Non-life insurance is growing with motor insurance continuing to dominate

Barely 10% of homes in Bulgaria are insured, which is a serious concern

Increasing the share of insured property – household property, corporate property, small and medium-sized enterprises, agricultural insurance – is among the top priorities of ABZ, as

Market porfolio at December 31st, 2024

BUSINESS LINE	GROSS WRITTEN PREMIUMS			PAID CLAIMS*			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	2,393.12	2,246.24	6.54	1,065.71	970.58	9.80	100.00	100.00
TOTAL LIFE	395.70	373.51	5.94	209.08	169.78	23.15	16.53	16.63
Ins. with profit participation	62.38	64.18	-2.81	65.46	64.91	0.84	2.61	2.86
Index-linked and unit-linked	155.06	152.98	1.36	61.54	36.43	68.91	6.48	6.81
Other	178.26	156.36	14.01	82.08	68.44	19.95	7.45	6.96
TOTAL NON-LIFE	1,997.42	1,872.73	6.66	856.63	800.80	6.97	83.47	83.37
Medical expense insurance	82.00	65.25	25.68	54.97	43.28	27.02	3.43	2.90
Income protection insurance	33.77	25.63	31.78	5.81	3.63	60.01	1.41	1.14
Marine, aviation and transport	52.41	48.98	6.99	17.47	7.68	127.64	2.19	2.18
Overall property insurance	223.07	223.75	-0.31	37.67	47.88	-21.33	9.32	9.96
Overall motor insurance	1,422.28	1,300.70	9.35	712.98	632.69	12.69	59.43	57.91
Motor Hull	595.03	513.48	15.88	255.38	209.90	21.66	24.86	22.86
MTPL	827.25	787.21	5.09	457.60	422.78	8.24	34.57	35.05
GTPL	30.66	34.17	-10.27	9.77	6.29	55.37	1.28	1.52
Credit and suretyship	96.14	104.44	-7.94	8.77	7.11	23.25	4.02	4.65
Assistance	25.94	42.33	-38.72	5.76	14.75	-60.98	1.08	1.88
Other non-life insurance	31.14	27.48	13.32	3.45	37.50	-90.81	1.30	1.22

*Claims incurred

1 EUR = 1.95583 Leva, BGN (fixed)

Nikolay STANCHEV
Chairman of the Board, ABZ

but also in all markets in Central and Eastern Europe. This LoB also has a higher penetration, mainly due to replacement of the car fleet in Bulgaria and that people insure new cars more than old ones. Nikolay Stanchev also added that the price of motor civil liability insurance is changing at a much slower pace than inflation growth, which means that premiums are not high.

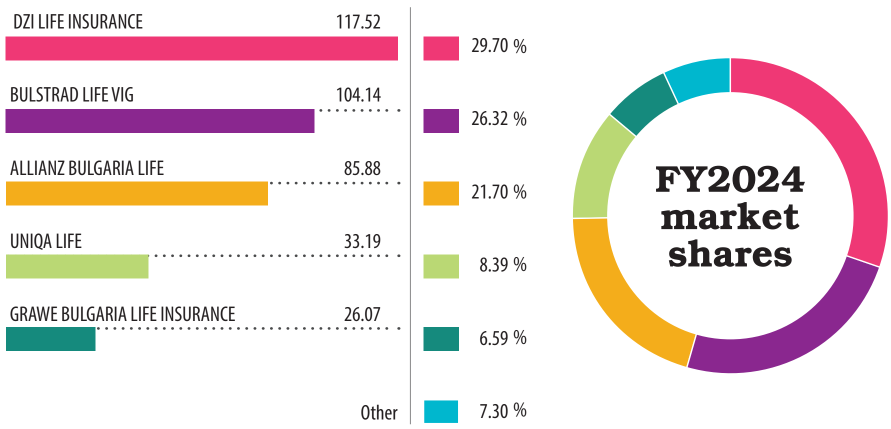
Bulgaria is a territory where many natural disasters occur. If such a thing happens, the burden will be borne either by the state budget or by the affected households themselves, instead of insurers. However, barely 10% of homes in Bulgaria are insured, which is a serious problem, Nikolay Stanchev emphasized, speaking about home insurance. A large part of home insurance policies is still concluded in connection with requirements of mortgage loans. A smaller share is purchased voluntarily, even though home insurance prices are affordable. *Increasing the share of insured property – household property, corporate property, small and medium-sized enterprises, agricultural insurance – is among the top priorities of ABZ and we are developing initiatives in this direction,* explained Nikolay Stanchev.

According to Vesselin Angelov, member of the Board of Directors of the Association of Bulgarian Insurers (ABZ), about 85% of people in Bulgaria live in their own homes, but only about 8% of them are insured. However, in recent years, a positive trend has been observed - the share of insured homes is gradually increasing.

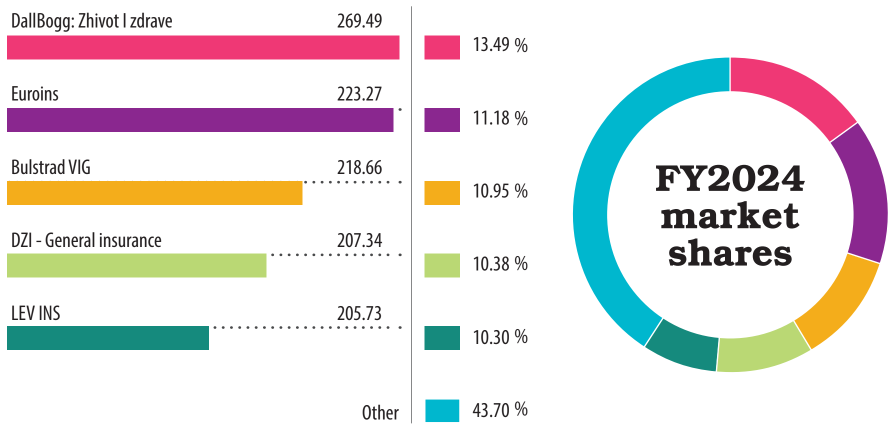
The problem is that the starting price is low and if the current growth rate is maintained, it will take years to reach acceptable levels, as Vesselin Angelov explained. The price of home insurance cannot be a deterrent factor when buying, he added. These policies are extremely affordable, certainly more affordable than motor insurance. The average annual premium in Bulgaria is about BGN 100 (~EUR 51) with amount insured of about BGN 100 thousand (EUR 51 thousand), member of the Board of Directors of the ABZ said. (M.M.)

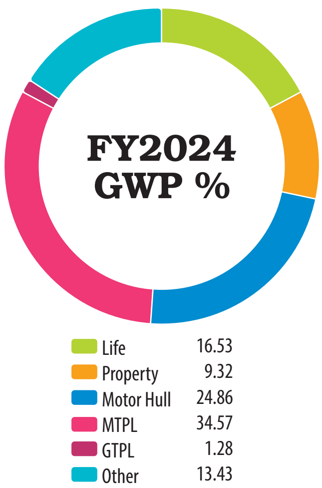
Bulgaria

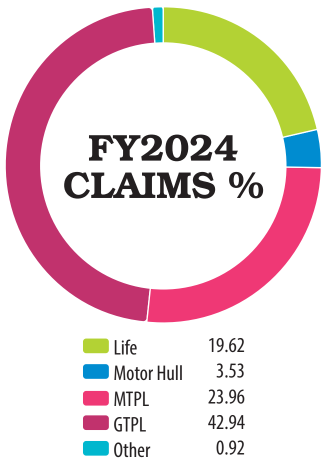
TOP 5 Life insurance (GWP, EUR million)



TOP 5 Non-Life insurance (GWP, EUR million)







Croatia

S&P Rating
BBB+, POSITIVE

Moody's rating
A3, STABLE

Fitch Rating
AA-, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] Croatian Insurance Bureau

[3] XPRIMM calculations

Croatia's insurance market reached EUR 1.9 billion in 2024; insurance penetration remains low at 2.2% compared to the EU average of 6.2%

Hanfa adopted a new Rulebook to improve the motor claims process, ensuring fair, transparent, and timely handling in line with the new Law on Compulsory Traffic Insurance.

Digital innovation is advancing, with 36% of insurers using AI in business operations and platforms like kompare.hr enabling online motor insurance distribution.

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	50.98	58.85	68.38	76.47	82.29
GDP per capita, current prices	EUR [1]	12,593	15,171	17,732	19,897	21,456
Unemployment rate	% of total labor force [1]	9.00	8.09	6.78	6.22	5.64
Population	Millions [1]	4.05	3.88	3.86	3.84	3.84
Gross written premiums	EUR million [2]	1,389.84	1,558.76	1,682.43	1,749.42	1,922.90
Paid claims	EUR million [2]	866.50	970.83	1,024.11	1,162.97	1,259.09
Insurance penetration degree	% in GDP [3]	2.73%	2.65%	2.46%	2.29%	2.34%
Insurance density	EUR/capita [3]	343.34	401.85	436.32	455.22	501.41

At the close of 2024, Croatia's insurance market recorded total premiums of EUR 1.9 billion, according to year-end figures released by the Croatian Financial Services Supervisory Agency (Hanfa). Life insurance accounted for EUR 335.1 million (17.4%) of that total, while non-life business dominated with EUR 1.6 billion (82.6%). Despite this growth, the country's insurance penetration rate remains low at 2.2%, well below the EU average of 6.2%, highlighting a significant gap in market maturity. As of December 2024, 14 insurers were active in the Croatian market.

Premiums grew by 9.9% y-o-y, driven primarily by the 11.2% increase in non-life insurance, while life insurance premiums rose by 4.2%. MTPL remained the largest contributor in the non-life segment (EUR 573 million), followed by motor own damage (EUR 297 million) and property insurance (EUR 294 million).

Claims settled during 2024 totaled EUR 1.3 billion, reflecting an 8.3% increase from the previous year. Non-life claims rose by 10.5%, while life claims increased by 4.3%. Of the total, EUR 437.8 million (34.8%) was paid in life insurance, and EUR 821.3 million (65.2%) in non-life lines. Within non-life, MTPL claims accounted for the highest share (EUR 327 million), followed by MoD (~EUR 175 million) and property insurance (EUR 148.5 million).

While still developing, the sector is progressing steadily toward modernization and alignment with European standards.

Hanfa President Ante Žigman noted that achieving national green transition targets will require annual investments of approximately EUR 3.4 billion—about

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2023	2022	Change	2023	2022	Change	2023	2022
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,922.90	1,749.42	9.92	1,259.09	1,162.97	8.27	100.00	100.00
TOTAL LIFE	335.10	321.54	4.22	437.81	419.82	4.29	17.43	18.38
Life assurance	246.48	246.61	-0.05	372.51	363.05	2.60	12.82	14.10
Unit-linked	70.24	57.12	22.97	59.70	50.33	18.61	3.65	3.27
Other life	18.38	17.81	3.17	5.61	6.44	-12.88	0.96	1.02
TOTAL NON-LIFE	1,587.79	1,427.87	11.20	821.28	743.15	10.51	82.57	81.62
Accident	77.43	75.31	2.81	12.31	11.79	4.38	4.03	4.31
Health	131.31	112.27	16.96	86.88	67.53	28.65	6.83	6.42
Overall property insurance	294.28	270.23	8.90	148.53	173.92	-14.60	15.30	15.45
Fire and allied perils	146.10	128.94	13.31	69.74	79.69	-12.49	7.60	7.37
Damages to property	148.17	141.29	4.87	78.80	94.23	-16.38	7.71	8.08
Overall motor insurance	869.67	766.60	13.44	501.75	430.94	16.43	45.23	43.82
Motor hull	296.74	259.31	14.44	174.69	147.35	18.55	15.43	14.82
MTPL	572.92	507.30	12.94	327.06	283.59	15.33	29.79	29.00
GTPL	92.06	83.49	10.27	26.60	26.61	-0.06	4.79	4.77
Other non-life insurance	123.04	119.96	2.56	45.22	32.35	39.77	6.40	6.86

Ante ŽIGMAN, President, Hanfa

4.5% of GDP—bringing Croatia in line with broader EU efforts in sustainable finance.

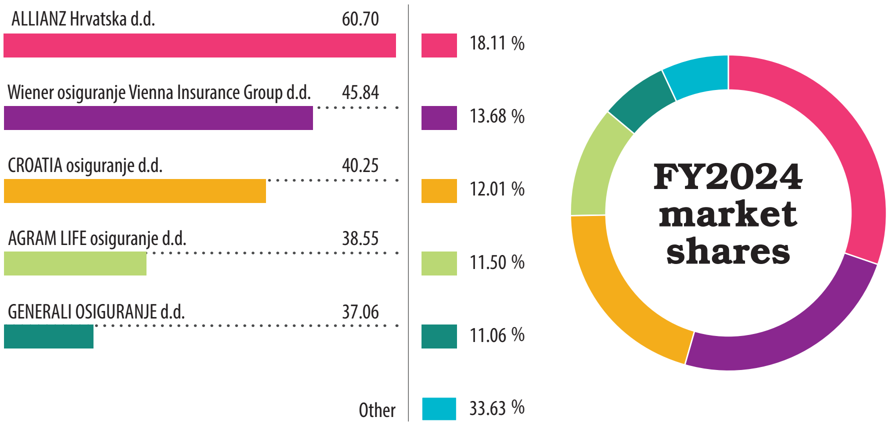
In regulatory developments, Hanfa has adopted a new Rulebook governing claims procedures for victims of traffic accidents. Introduced following the 2024 Law on Compulsory Traffic Insurance, the Rulebook outlines insurer obligations to ensure claims are handled fairly, transparently, and efficiently. The move reflects a broader push to raise service standards and strengthen consumer protection.

Digitalization continues to be a strategic focus for Croatian insurers. According to Hanfa, approximately 36% of insurers are already deploying artificial intelligence in areas such as marketing, sales, process automation, underwriting, CRM, and claims management. The integration of AI is seen as key to enhancing competitiveness, service quality, and operational efficiency.

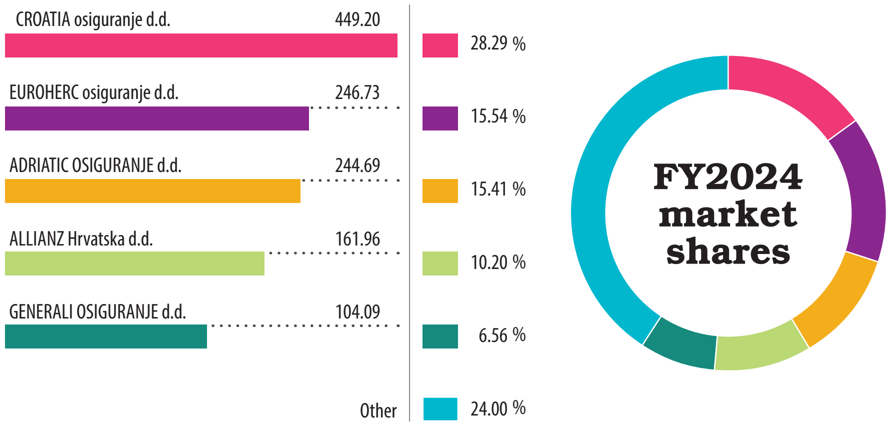
Innovation is also being driven by private sector players. The country's leading insurance and telecom services comparator, kompare.hr, has launched a digital platform for the online distribution of motor insurance. The platform enables digital partners to offer clients a streamlined insurance purchasing process and was first successfully integrated with the popular KEKS Pay mobile app.

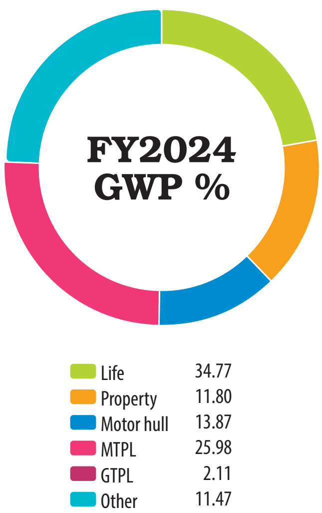
In another sign of the market's growing engagement at the European level, the Insurance and Reinsurance Distributors Association of the Croatian Chamber of Commerce (HGK) has joined BIPAR, the European Federation of Insurance and Financial Intermediaries. This membership will allow the Association to contribute to policy development and represent Croatian interests within the broader European insurance community. (D.G.)

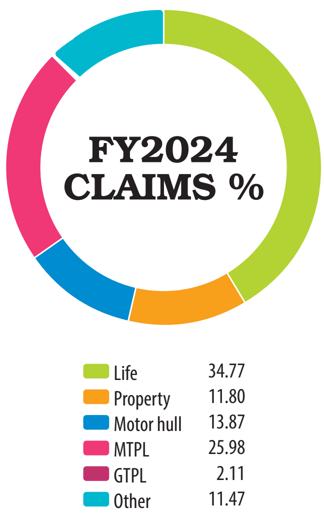
TOP 5 Life insurance (GWP, EUR million)



TOP 5 Non-Life insurance (GWP, EUR million)







Czechia

S&P Rating
AA-, STABLE

Moody's rating
Aa3, STABLE

Fitch Rating
AA-, NEGATIVE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] Czech National Bank (CNB)

[3] XPRIMM calculations

Insurance companies faced a steep rise in claims in 2024, driven by the extreme natural risks, as well as by the claims inflation that persisted also in 2024

The September 2024 floods had a dramatic impact on the Czech property insurance market, but other natural perils as storms, hail etc. also played a substantial role in the more than 150% increase in the paid claims for property insurance

Seven out of ten Czech family homes are underinsured, with coverage amounts reaching only about 60% of the actual property value

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	CZK billion [1]	5,828.32	6,307.76	7,049.87	7,618.56	7,904.08
	EUR billion [3]	222.07	253.73	292.34	308.13	313.84
GDP per capita, current prices	CZK [1]	544,612	599,784	651,106	702,131	722,803
	EUR [3]	20,751	24,126	27,000	28,398	28,700
Unemployment rate	% of total labor force [1]	2.51	2.73	2.17	2.58	2.80
Population	Millions [1]	10.70	10.52	10.83	10.85	10.94
CZK/EUR exchange rate	End of period [2]	26.245	24.860	24.115	24.725	25.185
Gross written premiums	CZK million [2]	167,976.65	179,716.07	200,071.72	213,112.82	230,434.22
	EUR million [3]	6,400.33	7,229.13	8,296.57	8,619.33	9,149.66
Paid claims	CZK million [2]	91,999.32	102,036.55	117,092.76	108,421.24	138,435.32
	EUR million [3]	3,505.40	4,104.45	4,855.60	4,385.09	5,496.74
Insurance penetration degree	% in GDP [3]	2.88%	2.85%	2.84%	2.80%	2.92%
Insurance density	EUR/capita [3]	598.05	687.38	766.21	794.33	836.73

The Czech insurance market totaled CZK 230.43 billion (EUR 9.15 billion) at the end of 2024, up by 8.13% y-o-y in national currency, according to the year-end figures published by the Czech National Bank (CNB).

Claims paid by local insurers totaled CZK 138.43 billion (EUR 5.49 billion) up by almost 27% y-o-y, of which CZK 38.5 billion related to property insurance, who saw a huge increase (156%) in the claims paid following the September floods in Czechia.

For the life segment, the GWP value (including reinsurance) grew slightly, by 6.6% y-o-y to CZK 57.73 billion, while the non-life insurance market expanded by over 8.64% y-o-y to CZK 172.7 billion.

The year-end figures released by the local professional association - ČAP (Czech Insurance Association), are somewhat different of the CNB results because of the different scope of their respective statistical results. However, the dynamics shown by the two sets of data are similar. Insurance companies operating under the ČAP faced a steep rise in claims in 2024, with total payouts reaching CZK 128.26 billion. This marks a y-o-y increase of 28.5%—or CZK 28.4 billion—compared to 2023.

The September 2024 floods had a dramatic impact on the Czech property insurance market, driving total claim costs to CZK 37.4 billion - up 150% from CZK 14.97 billion in 2023. This CZK 22.46 billion surge

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS*			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	9,149.66	8,619.33	6.15	5,496.74	4,385.09	25.35	100.00	100.00
TOTAL LIFE**	2,292.33	2,189.98	4.67	1,408.83	1,373.75	2.55	25.05	25.41
Insurance with profit participation	460.84	385.89	19.42	536.74	601.54	-10.77	5.04	4.48
Index-linked and unit-linked	638.96	737.22	-13.33	515.80	465.79	10.74	6.98	8.55
Health insurance	368.81	321.39	14.76	120.55	102.32	17.82	4.03	3.73
Other	823.71	745.48	10.49	235.74	204.09	15.51	9.00	8.65
TOTAL NON-LIFE***	6,857.34	6,429.34	6.66	4,087.91	3,011.34	35.75	74.95	74.59
Medical expense insurance	204.09	222.41	-8.24	67.51	76.96	-12.28	2.23	2.58
Income protection insurance	541.84	516.68	4.87	266.06	233.32	14.03	5.92	5.99
Overall property insurance	1,673.41	1,537.77	8.82	1,528.59	608.05	151.39	18.29	17.84
Overall motor insurance	3,027.27	2,827.59	7.06	1,589.01	1,521.08	4.47	33.09	32.81
Motor Hull	1,574.31	1,437.91	9.49	867.61	787.53	10.17	17.21	16.68
MTPL	1,452.96	1,389.68	4.55	721.41	733.55	-1.66	15.88	16.12
GTPL	552.84	523.54	5.60	196.30	206.12	-4.76	6.04	6.07
Marine, aviation and transport insurance	55.47	52.77	5.12	16.01	10.66	50.21	0.61	0.61
Credit and suretyship insurance	121.43	107.23	13.24	86.30	77.48	11	1.33	1.24
Miscellaneous financial loss insurance	127.36	117.00	8.85	58.94	7.10	730.62	1.39	1.36
Other	553.63	524.35	5.59	279.18	270.57	3.18	6.05	6.08

The CNB figures includes information on all Czech insurers, branches of insurers from other EU or EEA member states and branches of insurers from other countries in the Czech Republic as of the given date. Also included are data on the branches of these insurers operating abroad.

*Gross claims paid incl. change in balance of technical provisions

**Life and health insurance, incl. reinsurance, total

***Total non-life insurance (incl. reinsurance accepted)

1 EUR = 24.725 Kroon - CZK (December 31st, 2023)

1 EUR = 25.185 Kroon - CZK (December 31st, 2024)

Jan MATOUŠEK, Executive Director ČAP

Czechia

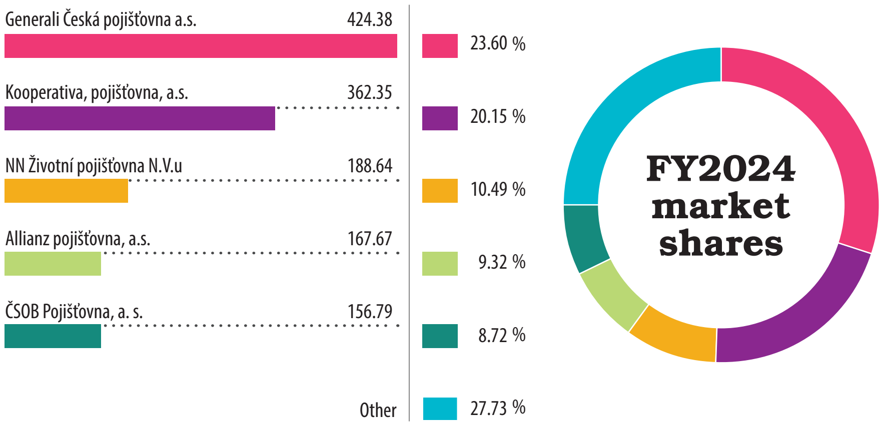
marks the largest annual increase on record for the sector.

Flood-related claims alone skyrocketed from CZK 479 million in 2023 to CZK 19.7 billion in 2024, primarily due to the catastrophic event in North Moravia. Other natural perils also saw substantial increases: storm-related losses rose from CZK 949 million to CZK 1.41 billion, hail-related claims nearly doubled from CZK 929 million to CZK 1.78 billion, and precipitation damages surged by 164% to CZK 892 million. Despite this extreme rise in gross losses, the net claims burden for insurers - after reinsurance coverage for natural catastrophes - is far more modest. Net insurance claims increased by just 7.7%, from CZK 24.7 billion in 2023 to CZK 26.6 billion in 2024.

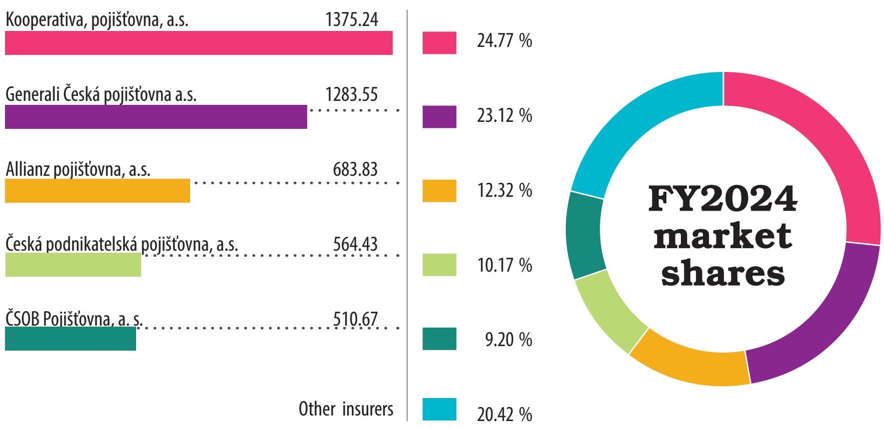
While the number of property insurance contracts grew by just 4.1%, gross written premiums rose by 10.7%. However, while Czechia is one of the CEE markets with the highest degree of property insurance coverage, underinsurance remains a serios concern. According to ČAP, seven out of ten Czech family homes are underinsured, with coverage amounts reaching only about 60% of the actual property value. High inflation in the recent years only worsened the situation, many home owners ignoring the need of updating their home insured value. *Czechs do not update their insurance policies for many years. We often witness the same thing – surprise and disappointment that they will not be able to build a new house with the money from the insurance policy. A problem that the entire market has been drawing attention to for years, but which clients overlook,* says Jan Matoušek, Executive Director ČAP.

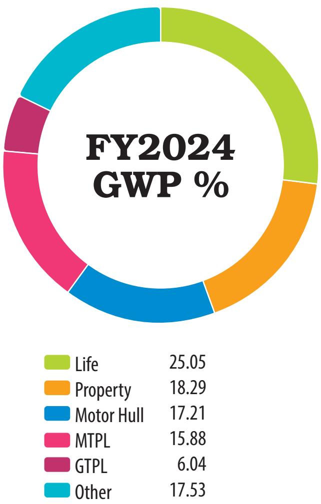
Apart from the weather-related events' impact, Czech insurance companies reported also increasing claim expenses for many other business lines as MoD insurance, some of the life insurance subclasses or health insurance. Claims inflation seems to have remained a persistent trend in 2024 and, judging by the first quarter of 2025, also this year. (D.G.)

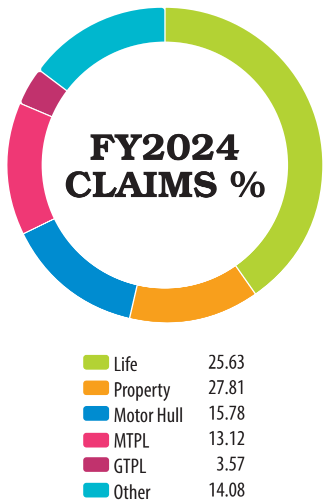
Top 5 Life insurance (GWP, EUR m)



Top 5 Non-life insurance (GWP, EUR m)







Estonia

S&P Rating
AA-, POSITIVE

Moody's rating
A1,STABLE

Fitch Rating
A+, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] The Estonian National Statistics Board

[3] XPRIMM calculations

- Estonia's insurance market grew 7.36% in 2024, totaling EUR 685.43 million GWP
- Total claims paid decreased by 6.5% to EUR 410.19 million
- Motor insurance accounted for ~47% of GWP; damage from traffic accidents rose 9%
- The number of accidents with damages exceeding EUR 100.000 increased in 2024
- Investigators confirmed 561 fraudulent insurance cases in 2024, with attempted fraud totaling over EUR 2 million, many of them related to motor insurance
- Over 80% of Estonian homes are insured

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	27.86	31.45	36.44	38.18	39.50
GDP per capita, current prices	EUR [1]	20,951	23,630	27,014	27,864	28,936
Unemployment rate	% of total labor force [1]	6.81	6.18	5.57	6.38	7.52
Population	Millions [1]	1.33	1.33	1.35	1.37	1.37
Gross written premiums	EUR million [2]	468.86	486.39	550.90	638.44	685.43
Paid claims	EUR million [2]	276.76	355.46	382.57	438.62	410.19
Insurance penetration degree	% in GDP [3]	1.68%	1.55%	1.51%	1.67%	1.74%
Insurance density	EUR/capita [3]	352.52	365.43	408.38	466.02	502.14

At the end of 2024, Estonia's insurance market reached a total gross written premium (GWP) of EUR 685.43 million, marking a 7.36% year-on-year increase, according to year-end data published by the Estonian National Statistics Board.

The life insurance segment remained virtually unchanged from 2023, with a GWP of EUR 84.02 million. Meanwhile, the non-life insurance market grew to EUR 601.4 million, representing 87.74% of the total GWP and an 8.47% annual increase.

In terms of claims, insurers paid out a total of EUR 410.19 million in 2024, a 6.5% decline compared to the previous year. This drop - amounting to EUR 28.4 million - was largely driven by a 46.5% decrease in indemnities paid within the life insurance segment.

Motor insurance continued to play a key role in the market, accounting for approximately 47% of the total GWP. According to the Estonian Motor Insurance Fund (LKF), there were 33,700 motor insurance claims filed in Estonia in 2024, resulting in total losses of EUR 80 million. Additionally, Estonian vehicles were involved in 2,400 traffic accidents abroad, incurring EUR 10 million in damages. *The total damage from traffic accidents increased by 9% over the year due to a rise in serious accidents and higher repair and service costs,* said Mart Jesse, CEO of LKF.

There were 25 serious traffic accidents in Estonia in 2024, each resulting in damages exceeding EUR 100,000. This compares to 20 such accidents in 2023 and 17 in 2022. The average payout for motor third-party

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	685.43	638.44	7.36	410.19	438.62	-6.48	100.00	100.00
TOTAL LIFE	84.02	83.99	0.03	71.29	133.23	-46.49	12.26	13.16
Term and whole life assurance	23.02	21.71	5.99	3.82	2.50	53.27	3.36	3.40
Endowment insurance	6.03	7.02	-14.00	15.38	20.79	-26.01	0.88	1.10
Pension insurance	6.54	7.63	-14.35	12.82	12.38	3.53	0.95	1.20
Unit linked life insurance	29.92	30.48	-1.85	32.75	91.77	-64.31	4.36	4.77
Supplementary insurance	18.52	17.15	7.97	6.51	5.79	12.53	2.70	2.69
Other life insurance	-	-	-	0.00	0.00	-84.62	-	-
TOTAL NON-LIFE	601.41	554.45	8.47	338.90	305.39	10.97	87.74	86.84
Accident	11.04	10.25	7.75	3.19	3.07	3.98	1.61	1.61
Sickness	13.58	10.28	32.10	9.11	7.91	15.29	1.98	1.61
Overall property insurance	156.93	159.54	-1.64	78.68	74.32	5.86	22.89	24.99
Overall motor insurance	321.67	303.79	5.89	204.49	186.45	9.67	46.93	47.58
Motor Hull	189.54	178.68	6.08	123.22	111.97	10.05	27.65	27.99
MTPL	132.13	125.11	5.61	81.27	74.49	9.11	19.28	19.60
GTPL	28.67	19.30	48.49	8.28	6.25	32.47	4.18	3.02
Other vehicles insurance	1.66	1.65	1.09	3.37	5.03	-33.02	0.24	0.26
Goods in transit insurance	2.31	2.20	5.12	0.76	0.50	51.99	0.34	0.34
Vehicles liability insurance	2.93	2.98	-1.69	1.48	1.24	19.58	0.43	0.47
Travel insurance	28.06	25.71	9.16	16.15	14.03	15.14	4.09	4.03
Insurance for pecuniary loss	17.36	18.76	-7.45	7.13	6.60	8.13	2.53	2.94
Technical risk insurance	17.20	-	-	6.26	-	-	2.51	-

Estonian currency: EURO

Mart JESSE
CEO, LKF

liability (MTPL) insurance cases was EUR 2,500. For trucks, the average claim was EUR 4,200; for buses, EUR 2,800; and for cars and light trucks, EUR 2,300. Personal injury claims averaged EUR 8,316, while vehicle damage claims averaged EUR 2,219.

Motor insurance also continues to be the main target for fraud. According to the Estonian Insurance Association (EKsL), investigators confirmed 561 fraudulent insurance cases in 2024, with attempted fraud totaling over EUR 2 million. The number of staged or intentionally provoked cases was the highest ever recorded—160 cases amounting to EUR 800,000. Of these, 90 were traffic accidents and about 20 were other motor-related cases.

On the property insurance front, EKsL reported that 472,000 home insurance contracts were active in Estonia last year, covering over 80% of the country's homes. In 2024, the average insured value for home property insurance was EUR 31,000, while average liability insurance coverage stood at EUR 27,000. Insurers paid out EUR 59 million in home insurance claims, including EUR 9 million for household contents. Losses related to home liability insurance totaled EUR 4 million.

In the life insurance segment, Swedbank Life Insurance SE led the market with a 46.2% share of GWP, followed by SEB Life and Pension Baltic SE Eesti filiaal (23.47%) and COMPENSA Life VIG SE (16.86%).

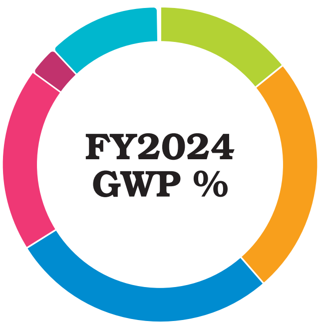
In non-life insurance, the top three market players by GWP were Swedbank P&C Insurance AS (EUR 114.93 million), the former market leader If P&C Insurance AS (EUR 105.19 million), and AB Lietuvos draudimas Eesti filiaal (EUR 93.38 million), which overtook ERGO Insurance SE for third place. (D.G.)

TOP 5 Life insurance ranking (GWP, EUR million)

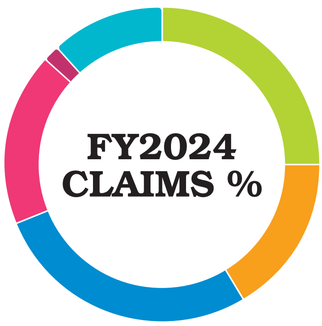
Swedbank Life Insurance SE	39.48	46.22 %
SEB Life and Pension Baltic SE Eesti filiaal	19.38	23.47 %
Compensa Life Vienna Insurance Group SE	12.78	16.86 %
Ergo Life Insurance SE Eesti filiaal	8.98	10.72 %
Gyvybės draudimo UAB SB draudimas Eesti filiaal	3.10	2.72 %
Other		- %

TOP 5 Non-Life insurance (GWP, EUR million)

Swedbank P&C Insurance AS	114.93	19.11 %
If P&C Insurance AS	105.19	17.49 %
AB Lietuvos draudimas Eesti filiaal	93.38	15.53 %
ERGO Insurance SE	88.65	14.74 %
Compensa Vienna Insurance Group UADB Eesti filiaal	63.46	10.55 %
Other		22.58 %



Life	12.26
Property	22.89
Motor Hull	27.65
MTPL	19.28
GTPL	4.18
Other	13.74



Life	17.38
Property	19.18
Motor Hull	30.04
MTPL	19.81
GTPL	2.02
Other	11.57

Hungary

S&P Rating
BBB-, NEGATIVE

Moody's rating
Baa2,NEGATIVE

Fitch Rating
BBB, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] National Bank of Hungary
[3] XPRIMM calculation

In 2024 the insurance sector's aggregated technical income was 66% higher y-o-y.

Insurers' after-tax profit for 2024 amounted to HUF 47.8 billion, up by 119.1% y-o-y. Twenty insurance companies made profits in 2023 Q1-Q4, and three insurers made a loss.

Home insurance premiums rose: by 12.6% for Certified Consumer-Friendly Home Insurance (MFO) products and by 13.3% for standard policies

The average annual premium for mandatory MTPL insurance (Q3 data) for standard-use passenger cars in Hungary rose by 10%

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	HUF billion [1]	48,444.47	55,204.98	65,951.75	74,992.05	80,160.96
	EUR billion [3]	132.68	149.61	164.78	195.91	195.47
GDP per capita, current prices	HUF [1]	4,958,733	5,673,237	6,806,868	7,811,671	8,366,723
	EUR [3]	13,581	15,375	17,007	20,408	20,402
Unemployment rate	% of total labor force [1]	4.13	4.05	3.60	4.13	4.40
Population	Millions [1]	9.77	9.73	9.69	9.60	9.58
HUF/EUR exchange rate	End of period [2]	365.13	369.00	400.25	382.78	410.09
Gross written premiums	HUF million [2]	1,204,156.93	1,329,883.57	1,428,211.23	1,508,436.23	1,695,486.76
	EUR million [3]	3,297.89	3,604.02	3,568.30	3,940.74	4,134.43
Paid claims	HUF million [2]	655,990.91	702,992.14	805,758.42	786,274.76	836,577.45
	EUR million [3]	1,796.60	1,905.13	2,013.14	2,054.12	2,039.99
Insurance penetration degree	% in GDP [3]	2.49%	2.41%	2.17%	2.01%	2.12%
Insurance density	EUR/capita [3]	337.55	370.36	368.28	410.49	431.52

The Hungarian insurance sector's cumulative premium income amounted to HUF 1,695.5 billion in 2024 (EUR 4.13 billion), 12.4% higher y-o-y, data provided by the National Bank of Hungary show. However, as the Association of Hungarian Insurance Companies (MABISZ) commented, "in real terms, this is equivalent to the levels last seen in 2018."

While the life insurance premium income rose by 11%, non-life GWP increased by13.2%. Yet, one should note that these growth rates were calculated in local currency. The about 7% depreciation of the Hungarian Forint against Euro made the results denominated in European currency to show lower growth rates: 4.9% for total GWP (3.62 for life insurance and 5.7% for non-life insurance).

The number of insurance contracts managed by domestic insurers approached 14 million — nearly 400,000 more than in 2023. The main drivers were motor third-party liability (MTPL), pension, and liability insurance products.

CASCO car insurance contracts continued to decline, attributed to the aging domestic vehicle fleet — which now averages 16.1 years — and tax policy changes. Property insurance for households saw a 5.5% rise in premium revenues (in Euro), and revenues from MTPL policies grew by 5.6%. In local currency, paid claims also increased by 9.6% y-o-y, with life claims up 3.9% and non-life claims rising by 16.1%.

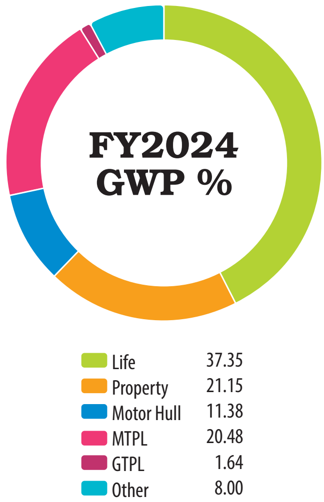
In 2024 the insurance sector's aggregated technical income was 66% higher y-o-y.

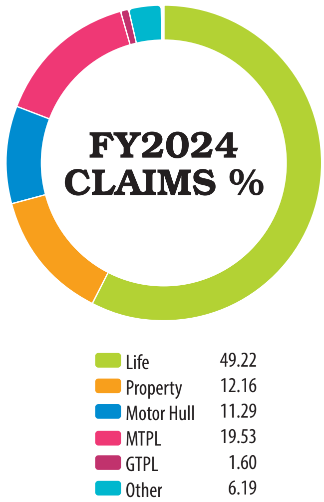
Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS**			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	4,134.43	3,940.74	4.91	2,039.99	2,054.12	-0.69	100.00	100.00
TOTAL LIFE, OF WHICH:	1,544.17	1,490.26	3.62	1,004.17	1,073.52	-6.46	37.35	37.82
Unit-linked or index-linked	681.83	645.43	5.64	655.53	660.53	-0.76	16.49	16.38
Other	862.35	844.83	2.07	348.65	412.99	-15.58	20.86	21.44
TOTAL NON-LIFE, OF WHICH:	2,590.25	2,450.48	5.70	1,035.81	980.60	5.63	62.65	62.18
Overall property insurance*	874.23	828.81	5.48	248.13	249.96	-0.73	21.15	21.03
Overall motor insurance	1,317.57	1,230.89	7.04	628.81	603.43	4.21	31.87	31.23
Motor Hull	470.70	428.81	9.77	230.41	243.70	-5.46	11.38	10.88
MTPL	846.88	802.08	5.59	398.40	359.73	10.75	20.48	20.35
General liability	67.89	59.76	13.59	32.57	28.65	13.68	1.64	1.52
Other	330.56	331.01	-0.14	126.30	98.56	28.16	8.00	8.40

* Fire and damage to property of individuals, institutions, undertakings (excluding Small and Medium Sized Undertakings), Small and Medium Sized Undertakings & Other fire and damage to property - summed

**claims incurred
1 EUR = 382.78 Forints - HUF (December 31st, 2023)
1 EUR = 410.09 Forints - HUF (December 31st, 2024)





This reflected an increase of HUF 0.4 billion and HUF 33.8 billion in technical income of the life insurance and in non-life insurance businesses, respectively, relative to a year earlier.

According to the profitability data of the insurance companies, provided by the National Bank, it is seen that based on the return on equity (ROE) values in 2024 there were 3 insurers with an ROE value below 0% compared to 7 in the previous year. There are 12 insurers with ROE values between 0% and 10%, 6 companies had ROE values between 11% and 20% as opposed to 2023 (7, 7), and two companies had values between 21% and 30% compared to the one a year earlier. As seen in 2023, no insurance company had a ROE of over 30% in 2024 Q1-Q4.

Insurers' after-tax profit for 2024 Q1-Q4 amounted to HUF 47.8 billion, showing an increase of 119.1% compared to the figure seen in the previous year. Twenty insurance companies made profits in 2023 Q1-Q4, and three insurers made a loss.

Home insurance was the theater of several developments in 2024. Despite the 2023 housing insurance campaign, the number of household insurance policies decreased slightly — by 1,152 — y-o-y, MABISZ said. However, the average premiums rose: by 12.6% for Certified Consumer-Friendly Home Insurance (MFO) products and by 13.3% for standard policies, consistent with the 15.9% increase in construction price indices. The share of MFO (Certified Consumer-Friendly Home Insurance) policies nearly doubled and now accounts for 2.7% of the total 3.3 million contracts. At identical coverage levels, MFO products remained HUF 18,000 cheaper annually. Meanwhile, insured property values increased 32.3%, outpacing premium growth and improving value for homeowners. The market grew modestly with 3.26 million active policies and a 17.2% jump in total premium volume to over HUF 192 billion. Most new policies covered movable assets, while vacant properties also saw increased coverage.

The Certified Consumer-Friendly Home Insurance (MFO) remains popular, chosen in 25% of online cases, as users take advantage of transparent policy terms. Meanwhile, the rise in deductible-based products has prompted a regulatory response. The Hungarian National Bank (MNB) urges insurers and brokers to provide clear, detailed information, especially since deductibles can impose unexpected financial burdens on households.

In 2024, Hungarian farmers paid over HUF 24.9 billion (~EUR 60.7 million) in crop insurance premiums, 15.7% less y-o-y. About 96% of the total premiums were associated with the state's ex-post premium subsidy scheme.

The subsidized agricultural insurance program, initiated by Hungary's Ministry of Agriculture, completed its thirteenth year in 2024, the year-end results highlighting the continued reliance on government support within the sector. This program allows farmers to receive up to 70% reimbursement on eligible premiums.

The crop insurance segment continued to dominate the market, accounting for 87.9% of total premium income. However, livestock insurance gained some ground with a 1.9% increase, and property and liability insurance also rose by 10.1%. In contrast, forest insurance remained marginal.

Prices increased also for MTPL insurance. In Q3 2024, the average annual premium for mandatory MTPL insurance for standard-use passenger cars in Hungary rose by 10% y-o-y, reaching HUF 58,000, said the National Bank of Hungary. Claims costs rose by half as much, and there was no growth in claims expenses during the last quarter. With inflation declining, a smaller increase would have been justified.

The adjusted MNB index, which excludes the effects of taxes and claims expenses, showed slight growth in all quarters of 2024. Premiums for most vehicle categories rose above inflation, except for motorcycles, heavy trailers, and specialized tractors, which remained stable or decreased.

The Hungarian National Bank (MNB) has been publishing the MTPL index quarterly since 2021, utilizing data from its Central MTPL Itemized Database. This index promotes transparency and competition in the insurance market. The published figures reflect average changes, but individual MTPL contracts may vary, allowing customers to review and potentially switch providers on their policy renewal date. (D.G.)

Kosovo

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] Kosovo Agency of Statistics (KAS)

[3] Central Bank of the Republic Kosovo

[4] XPRIMM calculations

The Kosovar market grew by 14.63% in GWP terms, reaching EUR 167.9 million.

The non-life insurance business accounted for 95.5% of total insurance premiums, reaching EUR 160.3 million, 14.6% up y-o-y

The aggregate net profit of local insurers increased y-o-y by about 20% amounting to EUR 12.9 million

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	6.77	7.96	8.90	9.65	10.34
GDP per capita, current prices	EUR [4]	3,766	4,486	5,049	5,476	5,860
Unemployment rate	% of total labor force [1]	25.95	20.75	12.58	10.88	n/a
Population	Millions [2]	1.80	1.77	1.76	1.76	1.76
Gross written premiums (non-life)	EUR million [3]	101.52	117.40	134.00	146.45	167.89
Paid claims (non-life)	EUR million [3]	51.50	61.00	64.30	70.64	76.60
Insurance penetration degree	% in GDP [4]	1.50%	1.48%	1.51%	1.52%	1.62%
Insurance density	EUR/capita [4]	56.46	66.18	76.05	83.07	95.17

According to the Central Bank of the Republic of Kosovo (CBK), the local market grew by 14.63% y-o-y, to GWP worth EUR 167.9 million. At the same time, paid claims reached EUR 76.60 million, which is 8.44% higher than in 2023.

Life insurance remained in an early stage of development, with GWP worth EUR 7.6 million, 15.15% more y-o-y.

The non-life insurance business accounted for 95.5% of total insurance premiums, reaching EUR 160.3 million, 14.6% up y-o-y. More than half of the non-life GWP (55.4%) was provided by the MTPL insurance segment (EUR 88.93 million). On the claims side, out of the total claims paid by Kosovar insurers for the non-life segment, of EUR 76.6 million, MTPL claims account for 60% (EUR 41.16 million)

During the year, the aggregate net profit of local insurers grew by about 50% y-o-y amounting to EUR 15.3 million at the end of December 2024, up from EUR 10.7 million a year earlier, according to data published by the Central Bank.

At the same time, the assets held by Kosovo insurance companies increased to EUR 333.6 million as of December 31st, 2024, from EUR 305.4 million a year earlier, out of which life insurers held EUR 28.2 million, the remaining EUR 305.4 million being administrated by non-life insurers.

Total liabilities reached EUR 333.9 million, out of which technical reserves account for EUR 223.2 million, reinsurance payable (EUR 9.3 million), loans (EUR 8 million), other liabilities (EUR 10.9 million) and shareholders' equity (EUR 82.4 million).

The figures comprise data for 12 insurance companies operating in Kosovo (6 of them being foreign owned), 10 - non-life insurers and two life companies. Some of them are subsidiaries of well-known European insurance entities like GRAWE, UNIQA Group Austria, VIENNA Insurance Group or Slovenian SAVA Re Group.

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	167.89	146.45	14.63	76.60	70.64	8.44	100.00	100.00
TOTAL LIFE*	7.60	6.60	15.15	na	na	-	4.53	4.51
TOTAL NON-LIFE**	160.29	139.85	14.61	76.60	70.64	8.44	95.47	95.49
MTPL	88.93	82.60	7.67	46.20	41.16	12.25	52.97	56.40
Third Party Liability	80.36	73.37	9.52	38.27	34.70	10.30	47.86	50.10
Border policies	8.58	9.23	-7.05	7.92	6.46	22.69	5.11	6.30
Other (non TPL)	71.35	57.26	24.62	30.40	29.48	3.13	42.50	39.09

*according to "Financial System - Monthly Information" published by CBK
**according to "Insurance Companies Activity" published by CBK
Kosovo currency: EURO

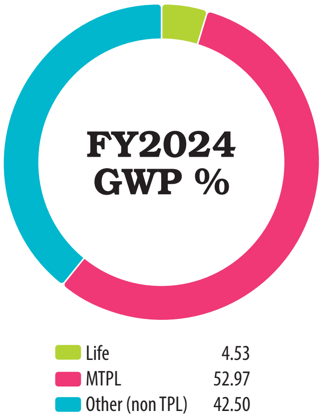
Kosovo

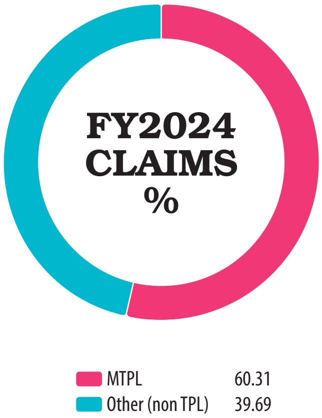
The insurers owned by Slovene insurance group SAVA and Austrian UNIQA are, in terms of FY2024 GWP, the largest insurance companies that are active on Kosovo insurance market, according to the market shares presented by Slovene re/insurer SAVA Re in its 2024 Annual Report.

Thus, according to the mentioned source, the local subsidiaries of UNIQA - Sigal and Sigal Kosova Life account for 15.1% (EUR 25.35 million), followed by the subsidiaries of the Slovene insurance group SAVA - Illyria and Illyria Life, holding together a market share of 14.1% (the equivalent of EUR 23.67 million).The top 5 is completed by Elsig – 11.6%, Scardian and Eurosig (almost equal shares, of 11.5%).

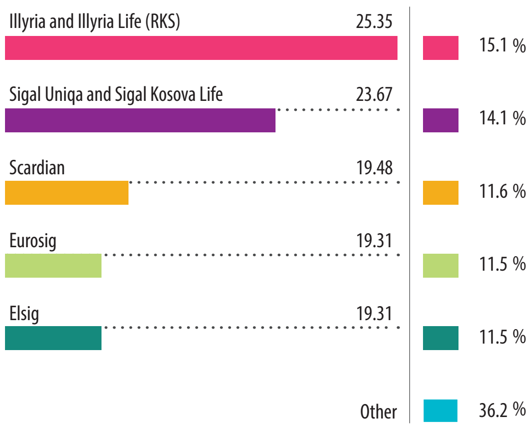
Speaking at the Regional Conference of the Central, Eastern and Southeastern European Insurance Supervision Initiative (CESEE ISI), CBK Governor Ahmet Ismaili highlighted the progress made in the insurance sector Kosovo, especially the strengthening of the legal and regulatory framework, which has enabled the growth and sustainability of this sector. However, challenges still remain to be addressed in order to advance to the required levels. *With the reforms we are undertaking, with the support of international partners, we are gradually moving from compliance-based supervision to prudential supervision based on risk. The implementation of Solvency II and IFRS 17 in the countries of the region is a significant challenge,* said Governor Ismaili.

He also emphasized that CBK is working to increase oversight of market behavior among our financial institutions, where the Department of Consumer Protection has already been established for this purpose. (D.G.)





Top 5 Total market (GWP, EUR m)



Latvia

S&P Rating
A-, STABLE

Moody's rating
A3, STABLE

Fitch rating
BBB, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] The Financial and Capital Market Commission of Latvia - FKTK (local an EU branches, added-up)

[3] Latvijas Banka

[4] XPRIMM calculations

In the context of decreasing inflation, the market growth pace slowed last year, as compared with 2023

Health insurance demonstrated the fastest growth among all insurance types, helped by the increased interest of employers for providing health insurance as a benefit

The storm that took place in July 2024 set another record in terms of insurance claims

The number of claims related to vehicle collisions increased significantly throughout the summer of 2024

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	30.11	33.35	38.39	40.35	41.78
GDP per capita, current prices	EUR [1]	15,783	17,615	20,464	21,427	22,230
Unemployment rate	% of total labor force [1]	8.10	7.56	6.85	6.51	6.73
Population	Millions [1]	1.91	1.89	1.88	1.88	1.88
Gross written premiums	EUR million [2]	797.47	849.41	998.68	1,116.88	1,227.06
Paid claims	EUR million [2]	501.07	541.36	642.56	706.11	748.01
Insurance penetration degree	% in GDP [3]	2.65%	2.55%	2.60%	2.77%	2.94%
Insurance density	EUR/capita [3]	417.96	448.71	532.35	593.14	653.04

The Latvian insurance market saw a 10% increase in GWP, in 2024, to almost EUR 1.23 billion, data provided by the National Bank of Latvia show. However, in the context of decreasing inflation, the market growth pace also slowed last year, as compared with 2023. The growth in claims paid was also slower, of only 5%. Premiums written in Latvia account for 67% of the total, an amount that is by 9% more than in 2023. Claims paid in Latvia account for 68% of the total, while they reached a volume by 8% higher than in 2023. At the same time, the business of the insurers who are members in the Latvian Insurers Association (LAA), increased by 11%, to EUR 800 million, while the amount of paid premiums was around EUR 500 million, which is an increase of 8.5%.

In 2024, health insurance experienced the fastest growth in terms of both premiums and claims. This is due to the increase in the prices of health products and services. Also, employers are increasingly purchasing health insurance. This trend might be encouraged by "the fact that, as of January 1, 2024, the limit by which employers can purchase health insurance policies for their employees with tax benefits was expanded", said Jānis Abāšins, President of the LAA.As such, in 2024 GWP for health insurance increased y-o-y by about 19%, to EUR 160.5 million, while its share in the market portfolio grew by 1 percentage point. To increase the population's knowledge about health insurance, the Latvian Insurers Association (LAA) prepared a roadmap, which was the third one in the "What You Need to Know About Insurance" campaign. The largest paid claims' amount was also recorded in health insurance – EUR 103.8 million, which is by 9.5% more y-o-y.

Overall, claims paid by Latvian insurers went up by almost 6%, to EUR 748 million. The weather events during the 2024 summer played an important role in establishing this trend. On the occasion

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,227.06	1,116.88	9.87	748.01	706.11	5.93	100.00	100.00
TOTAL LIFE	252.75	234.26	7.89	182.69	194.32	-5.98	20.60	20.97
Life insurance	190.70	182.99	4.21	147.17	161.07	-8.63	15.54	16.38
Accident insurance	14.62	11.85	23.42	3.50	3.10	13.13	1.19	1.06
Health insurance	47.44	39.43	20.32	32.02	30.15	6.20	3.87	3.53
TOTAL NON-LIFE	974.31	882.62	10.39	565.31	511.79	10.46	79.40	79.03
Accidents insurance	21.87	18.97	15.29	9.62	8.69	10.68	1.78	1.70
Helth insurance	160.56	135.15	18.80	103.07	94.08	9.56	13.09	12.10
Overall property insurance	188.27	162.24	16.04	111.36	103.55	7.54	15.34	14.53
Overall motor insurance	352.03	319.61	10.14	211.45	192.10	10.08	28.69	28.62
Motor hull	224.54	202.70	10.77	137.39	127.15	8.06	18.30	18.15
MTPL	127.49	116.91	9.05	74.06	64.95	14.02	10.39	10.47
Transport ownership liability ins.	148.06	152.32	-2.80	96.47	86.18	11.93	12.07	13.64
GTPL	38.89	34.34	13.25	10.36	7.31	41.78	3.17	3.07
Suretyship insurance	22.74	20.84	9.13	4.87	4.14	17.68	1.85	1.87
Assistance insurance	28.30	26.23	7.86	12.68	10.33	22.81	2.31	2.35
Other non-life insurance	13.59	12.91	5.24	5.42	5.40	0.34	1.11	1.16

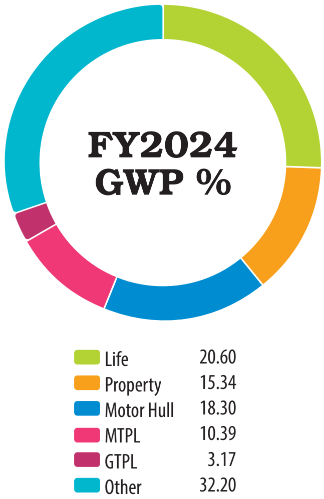
Latvian currency: EURO

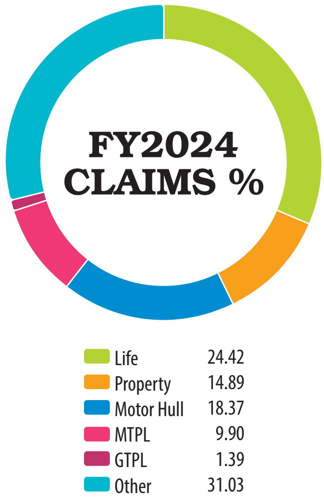
Latvia

Jānis Abāšins
President, LAA

of an expert discussion organized by the Association, titled "Lessons for Latvia from the summer storm", the president of LAA stated that the storm that took place in July 2024 set another record in terms of insurance claims. During the discussion it was noted that if after a storm of similar strength experienced in August 2023, insurers received 2,234 claims for a total of EUR 16.6 million (paid and reserved), then after the summer 2024 storm they received 9,774 claim applications for compensation in the amount of EUR 25 million. According to the LAA, by October 23, 2024, insurers paid out EUR 19.4 million and settled 9,000 insurance cases, or 92% of all claim applications. *For insurers, the storm experienced in summer was a good lesson. We are improving both our procedures and communication with the public and all stakeholders. I sincerely hope that all of us, working together, will succeed in better preparing for future natural disasters*, said Jānis Abāšins.

During 2024 claims paid to farmers in Latvia for frozen winter crops and other crop damage were growing, according to the data compiled by the Association of Latvian Insurers, which includes Latvian insurers and one German insurer working in the Latvian agroinsurance market. *In general, we see a trend that farmers increasingly use the opportunities provided by insurance for their financial risk management. Of course, this is also stimulated by state support for premium payments, as well as experienced natural disasters and insurance support in such cases,* commented the president of the Association.





Last year also saw a significant increase in the number of claims related to vehicle collisions – by 63% y-o-y. In summer only, BALTA (PZU group) insurance company paid out almost EUR 3.2 million for road transport collisions, according to the LAA. In summer months, the number of claims approached 2,000, and they made up almost half of all BALTA claims related to collisions with other vehicles within the year. In total, by September 2024, BALTA had already paid out EUR 6.7 million for collisions with other vehicles.

According to the NBL, the largest share of insurance companies' portfolios was in investments in funds (34%), and 71% of them were investments in equity funds. In 2024, higher profit opportunities in the stock market encouraged insurance companies to shift their focus to investments in equity funds, as a result of which their share in the portfolio increased by 44 percentage points.

All Latvian insurance companies together ended 2024 with a profit - the total profit reached EUR 59.4 million, which is 19% higher than the previous year, the market authority (NBL) said. (M.M.)

Lithuania

Moody's rating
A2, STABLE

Fitch Rating
A, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, Ocotber 2024

[2] Bank of Lithuania (LB)

[3] XPRIMM calculations

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	49.83	56.50	67.50	71.97	75.98
GDP per capita, current prices	EUR [1]	17,830	20,171	23,901	24,961	26,350
Unemployment rate	% of total labor force [1]	8.49	7.11	5.95	6.88	7.30
Population	Millions [1]	2.80	2.80	2.82	2.88	2.88
Gross written premiums	EUR million [2]	954.87	1,040.70	1,234.74	1,453.11	1,583.36
Paid claims	EUR million [2]	500.74	547.23	523.99	632.46	704.67
Insurance penetration degree	% in GDP [3]	1.92%	1.84%	1.83%	2.02%	2.08%
Insurance density	EUR/capita [3]	341.63	371.55	437.23	504.03	549.21

During 2024, the Lithuanian insurance market grew by 8.96% y-o-y, to EUR 1.58 billion, while the value of payments expanded by 11.4% y-o-y, to EUR 704.67 million, according to the market figures published by the Bank of Lithuania – Lietuvos Bankas.

According to the Central Bank's statistics, Compensa Life Insurance VIG (22.85% market share) is the largest life insurer in the country as GWP volume ahead of the former leader - SWEDBANK Life Insurance (20.7% market share), while Lietuvos draudimas (~EUR 365.7 million, 30.15% market share) is the top non-life insurer out of 13 active market players.

Throughout 2024, the country's largest non-life insurance company Lietuvos draudimas expanded its business, as well as its market share in Lithuania, strengthening its market leadership position. *The growth in premiums was supported by the interest in home insurance, and as a result, GWP in this segment increased significantly. Traditionally, residential and commercial transport insurance, as well as business insurance, made up a significant part of the total premium portfolio,* commented Kęstutis Šerpytis, CEO of Lietuvos draudimas. *After entering the warm season in the 2Q2024, the number of seasonal damages increased,*

During 2024, the Lithuanian insurance market grew by 8.96% y-o-y (to EUR 1.58 billion

The Bank of Lithuania processed a record number of consumer disputes last year, the largest part relating to vehicle insurance, a sector that recorded the highest number of disputer in the past five years

Lithuanians' awareness of the importance of home insurance is increasing after major disasters. In the past, over a quarter of the country's population did not take any home security measures, but now this number has halved

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,583.36	1,453.11	8.96	704.67	632.46	11.42	100.00	100.00
TOTAL LIFE	370.43	354.46	4.51	24.91	24.31	2.48	23.39	24.39
Index-linked and unit-linked	298.60	281.78	5.97	13.04	12.87	1.36	18.86	19.39
Insurance with profit participation	33.03	37.51	-11.94	2.48	2.43	2.01	2.09	2.58
Other life insurance	38.80	35.17	10.31	9.39	9.01	4.20	2.45	2.42
TOTAL NON-LIFE	1,212.94	1,098.65	10.40	679.76	608.15	11.77	76.61	75.61
Medical expense insurance	139.36	117.27	18.83	92.14	84.39	9.19	8.80	8.07
Income protection insurance	49.42	41.34	19.55	15.62	14.57	7.25	3.12	2.84
Property insurance	280.55	250.18	12.14	138.57	135.04	2.62	17.72	17.22
Overall motor insurance	634.57	587.45	8.02	395.51	347.83	13.71	40.08	40.43
Motor Hull	283.90	251.43	12.91	183.35	162.56	12.79	17.93	17.30
MTPL	350.67	336.02	4.36	212.16	185.27	14.51	22.15	23.12
Goods in transit	4.66	4.37	6.57	1.90	0.70	172.80	0.29	0.30
GTPL	43.84	39.86	9.98	16.73	11.61	44.16	2.77	2.74
Carrier TPL insurance	5.03	5.31	-5.33	2.63	2.77	-4.91	0.32	0.37
Credit insurance	7.40	8.26	-10.46	6.61	2.45	169.47	0.47	0.57
Suretyship insurance	24.93	22.76	9.54	1.41	1.80	-21.76	1.57	1.57
Financial loss insurance	12.31	12.91	-4.66	4.69	4.02	16.68	0.78	0.89
Assistance	8.41	6.89	22.15	2.89	2.26	27.77	0.53	0.47
Other non-life insurance	2.45	2.04	20.12	1.04	0.73	43.57	0.15	0.14

*only Claims paid for insurance losses

Lithuania joined the Eurozone by adopting the euro on 1 January 2015 *for example, vehicle and animal collisions increased, but there were no major natural disasters and damages in the second quarter. These factors, together with the company's successful investment activities, generated a positive net profit result for the first half of the year,* the CEO added.

The Bank of Lithuania processed a record number of consumer disputes last year. The number of disputes with insurers recorded an increase, while the number of disputes with banks was significantly decreasing, the Bank said. Almost half of the disputes resolved (49%) were consumer disputes with insurance companies (371 disputes). Compared to 2023, their number increased by 35%. The parties most often argued about property, compulsory motor vehicle and comprehensive insurance products. The number of disputes regarding insurance of vehicles was the highest in the past five years. The overall growth in the number of disputes with insurers was influenced by the increasing number of contracts and economic, weather and other factors.

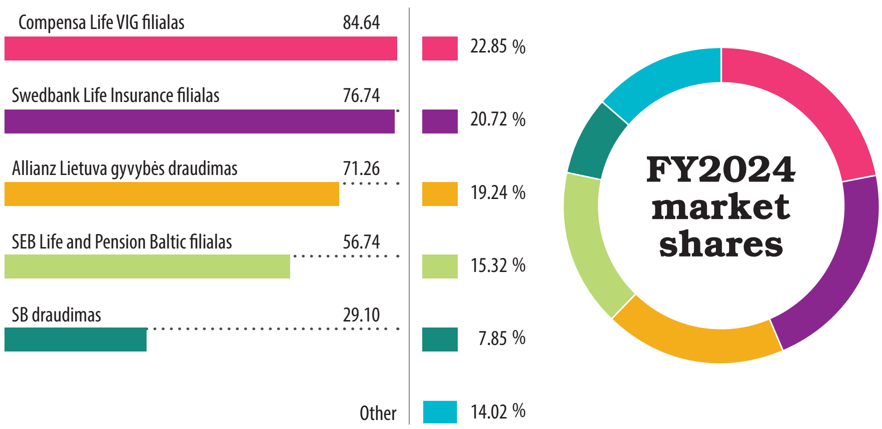
Lithuanians' awareness of the importance of home insurance is increasing after major disasters. The head of Gjensidige's claims department for the Baltic countries, Viktorija Katiliene noticed that after every major incident, the interest in home insurance increases significantly, which indicates a change in the public's attitude from "don't care" to "necessary". Gjensidige is the leading insurance group in the Nordic countries and the market leader in Norway. The group currently operates in Norway, Denmark, Sweden, and the Baltic States.

The events of recent years in Lithuania have highlighted importance of home insurance. Research shows that in the past, over a quarter of the country's population did not take any home security measures, but now this number has halved. NielsenIQ data reveals that home insurance has become the most popular means of protection among Lithuanian residents, and over a half of the country's homeowners have purchased insurance in recent years.

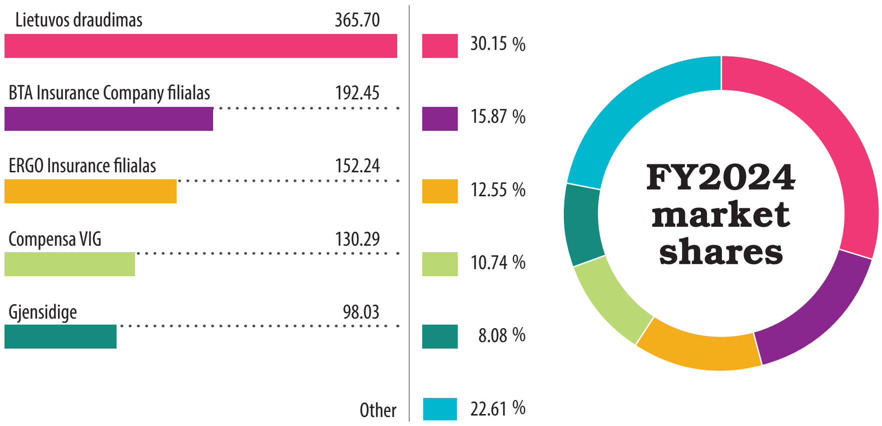
The increase in natural disasters has shown relevance and necessity of home insurance. Viktorija Katiliene emphasized that last year's storms and rains caused record damage, and insurance payouts reached extremely high numbers. (M.M.)

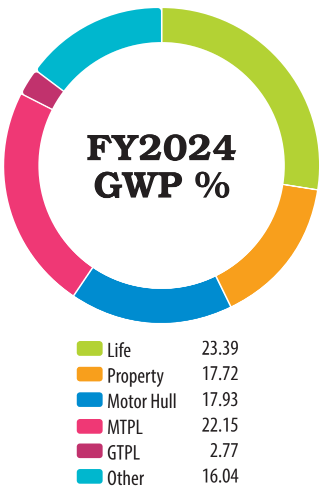
Lithuania

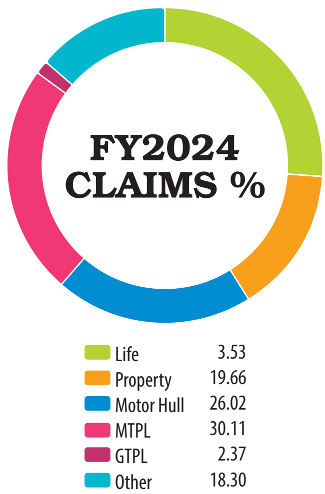
TOP5 Life insurance (GWP, EUR million)



TOP 5 Non-Life insurance (GWP, EUR million)







Montenegro

S&P Rating
B, STABLE

Moody's rating
Ba3, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] Insurance Supervision Agency of Montenegro
[3] XPRIMM calculations

The Montenegrin market reported in FY2024 a 12.34% y-o-y growth in GWP, to EUR 134.19 million

LOVCEN was the largest insurer in terms of GWP among nine active insurance companies in Montenegro, while Austrian insurers GRAWE and VIG accounted for more than two thirds of local life insurance market

The deficit of insurance protection for Nat Cat risks is very large in Montenegro, less than 1% of the residential buildings being insured for natural risks as earthquake and floods

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	4.19	4.96	5.92	6.85	7.44
GDP per capita, current prices	EUR [1]	n/a	n/a	n/a	10,814	11,749
Unemployment rate	% of total labor force [1]	n/a	n/a	n/a	n/a	n/a
Population	Millions [1]	n/a	n/a	n/a	0.63	0.63
Gross written premiums	EUR million 2	93.67	98.81	108.28	119.45	134.19
Paid claims	EUR million [2]	36.58	43.31	45.58	49.78	60.03
Insurance penetration degree	% in GDP [3]	2.24%	1.99%	1.83%	1.74%	1.80%
Insurance density	EUR/capita [3]	n/a	n/a	n/a	188.71	212.00

The Montenegrin market reported in FY2024 a 12.34% y-o-y growth in GWP, to EUR 134.19 million, according to the preliminary figures published by the Insurance Supervision Agency of Montenegro (ANO), while the value of paid claims and indemnities increased by 20.6% y-o-y to almost EUR 60 million.

The largest non-life insurers in the country were the local units of Slovene insurers TRIGLAV and SAVA: LOVCEN Osiguranje (37.47% market share) and SAVA osiguranje (21.3%).

On the life insurance side, the local subsidiaries of Austrian insurers GRAWE and VIG accounted for more than two thirds of local market: WIENER STAEDITCSHE zivotno osiguranje (43.66% market share) and GRAWE osiguranje (20.83%).

The net consolidated profit of the Montenegrin insurers amounted to EUR 14.18 million. The two market leaders in GWP terms had also the largest contributions to the market aggregated profit before tax: Lovcen reported a profit of EUR 3.04 million (21% of the total profit), while Sava, with EUR 3.25 million, provided about 22.5% of the total market profit.

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Bearing in mind complexity of the requirements of the Solvency II Directive and the need for a significant adjustment of the insurance sector, the Insurance Supervision Agency has started a series of activities so that the Montenegrin insurance sector is fully prepared for the full application of all requirements of Solvency II.

After the first stress test conducted in 2020, the Agency conducted a second stress test of the Montenegrin insurance sector in 2024, based on the methodological standards of the European Insurance and

Market porfolio at December 31st, 2023

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	134.19	119.45	12.34	60.03	49.78	20.61	100.00	100.00
TOTAL LIFE	27.77	23.62	17.56	15.28	11.00	38.95	20.69	19.78
TOTAL NON-LIFE	106.42	95.83	11.05	44.75	38.78	15.40	79.31	80.22
Accident	14.66	12.66	15.84	6.37	6.19	2.91	10.93	10.60
Health	6.35	5.98	6.05	3.46	2.65	30.57	4.73	5.01
Overall property insurance	16.76	14.88	12.65	3.11	4.42	-29.72	12.49	12.46
Fire and allied perils	4.54	4.07	11.53	1.16	0.72	59.88	3.38	3.40
Damages to property	12.22	10.81	13.08	1.95	3.69	-47.30	9.11	9.05
Overall motor insurance	58.57	52.76	11.00	29.78	23.32	27.70	43.65	44.17
Motor hull	11.02	9.09	21.25	6.40	4.83	32.55	8.21	7.61
MTPL	47.55	43.68	8.87	23.39	18.50	26.44	35.43	36.56
GTPL	2.90	2.50	15.85	0.29	0.15	93.18	2.16	2.09
Other non-life insurance	7.19	7.05	1.99	1.74	2.05	-14.97	5.36	5.90

Montenegro currency: EURO

Occupational Pensions Authority (EIOPA).

The Agency noted in the report that aggregate capital requirement before and after stress of both life and non-life insurers remained relatively unchanged. After the stress, the capital adequacy of the sector remained at satisfactory level, but at the individual level certain insurance companies had SCR ratio below the regulatory minimum of 100%.

Montenegro, as a candidate country for membership in the European Union, is obliged to start applying the Solvency II Directive, which represents a comprehensive and risk-based regulatory framework for the insurance sector. The Insurance Supervision Agency plans to conduct the next stress test of the insurance sector in 2027.

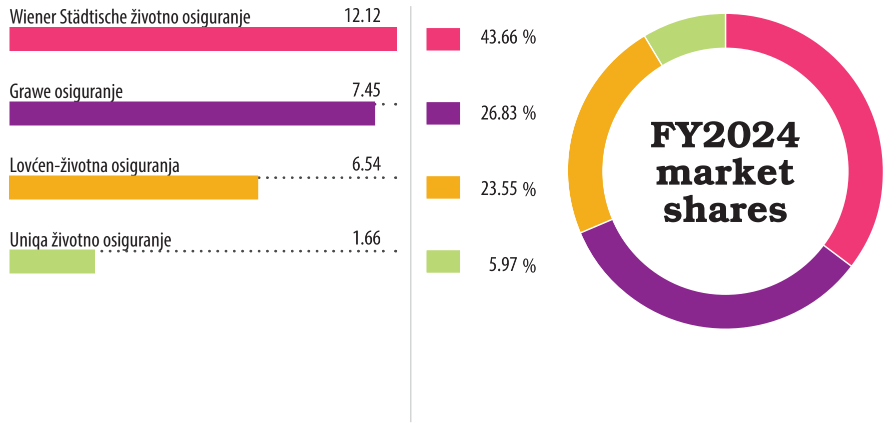
***

The very large protection deficit of Montenegro against the Nat Cat risks is a matter of concern for the Insurance Supervision Agency. According to a recent report issued by the institution, less than 1% of the residential buildings are protected by insurance for the earthquake and the floods risks. The percentage is slightly better for the state-owned buildings (around 2%). Agricultural properties have also almost no insurance protection for floods and hail, while registered road motor vehicles are probably the best protected properties in the country although only 7% of them are covered by insurance for floods and hail.

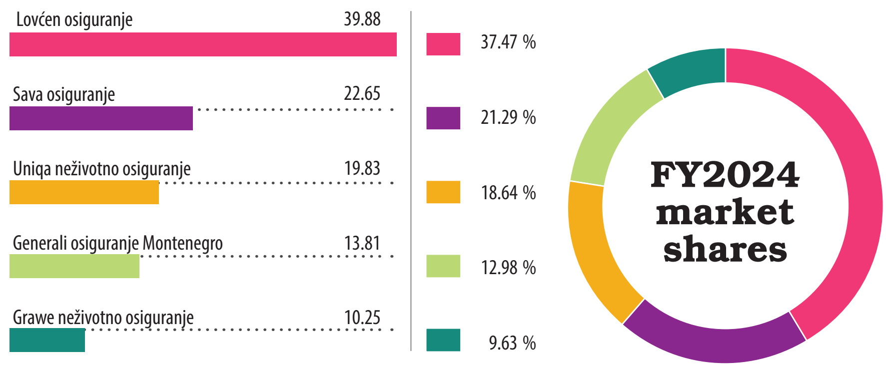
Given these findings, the Agency, in cooperation with UNDP in Montenegro and as part of the NAP project "Enhancing Montenegro's capacity to integrate climate change risk into planning," funded by the Green Climate Fund (GCF), has developed a Roadmap for integrating climate change actions into Montenegro's insurance sector. The roadmap is based on a comprehensive situation analysis and risk assessment related to Montenegro's insurance sector and its exposure to natural hazards, the report reads, adding that *in the upcoming period, and based on the comparative experiences of various European models with systemically established national mechanisms for property and agricultural insurance against natural disaster risks, the Agency will undertake all necessary steps to formulate a sustainable solution to be presented to political decision-makers.(M.M.)*

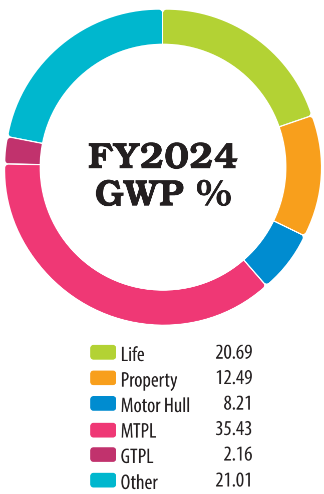
Montenegro

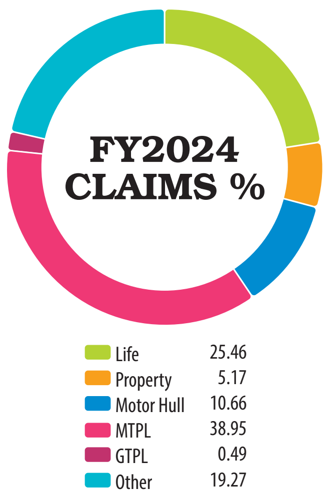
TOP Life insurance ranking (GWP, EUR million)



TOP 5 Non-Life insurance ranking (GWP, EUR million)







North Macedonia

S&P Rating
BB-, STABLE

Fitch Rating
BB+, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, Octber 2024
[2] National Bank of the Republic of Macedonia
[3] Insurance Supervision Agency
[4] XPRIMM calculations

- Insurance companies reported aggregate FY2024 business worth EUR 259.7 million, up by 11.3% y-o-y
- Assets managed by insurance companies operating in North Macedonia amounted to EUR 605.6 million
- The main driver of the insurance companies' asset growth was higher investments in debt and equity securities, with additional gains from other components
- July was a record month in terms of non-life sales, mainly driven by MTPL significant growth

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	MKD billion [1]	669.28	729.44	803.14	840.61	896.02
	EUR billion [4]	10.85	11.84	13.06	13.67	14.57
GDP per capita, current prices	MKD [1]	360,579	397,060	438,464	458,921	489,173
	EUR [4]	5,845	6,443	7,130	7,463	7,955
Unemployment rate	% of total labor force [1]	16.15	15.43	14.38	13.05	13.00
Population	Millions [1]	1.86	1.84	1.83	1.83	1.83
MKD/EUR exchange rate	End of period [2]	61.694	61.627	61.493	61.495	61.495
Gross written premiums	MKD million [3]	10,065.91	11,629.70	12,785.43	14,344.69	15,970.23
	EUR million [4]	163.16	188.71	207.92	233.27	259.70
Paid claims	MKD million [3]	4,005.50	4,664.39	5,113.01	5,822.81	6,272.47
	EUR million [4]	64.93	75.69	83.15	94.69	102.00
Insurance penetration degree	% in GDP [4]	1.50%	1.59%	1.59%	1.71%	1.78%
Insurance density	EUR/capita [4]	87.91	102.73	113.49	127.33	141.76

North Macedonia's insurance companies reported aggregate FY2024 business worth MKD 15.97 billion (~EUR 259.7 million), up by 11.3% y-o-y, according to the preliminary year-end market figures published by the country's Insurance Supervision Agency (ASO). Claims paid by insurers increased by 7.7% to MKD 6.27 billion (~EUR 102 million), of which MKD 5.22 billion - non-life payments and MKD 1.04 billion - life indemnities.

According to ASO, July last year was a record month in terms of non-life sales, mainly driven by MTPL significant growth because of more than 85,000 vehicles being registered in just one month. Fire insurance also recorded a high growth rate, although the business lines remained still at a rather low share in the market portfolio, of about 6.3%. Overall, property insurance accounted for 15.8% of the total GWP.

Total premiums paid by citizens in travel insurance for traveling abroad in June, July and August last year reached EUR 2 million, which is 6% more y-o-y. At the same time, paid claims in travel insurance for this period, increased by 89% and reached EUR 560,000, the Insurance Supervision Agency informed. Over 220,000 citizens bought

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	259.70	233.27	11.33	102.00	94.69	7.72	100.00	100.00
TOTAL LIFE	47.06	40.46	16.31	17.03	13.94	22.22	18.12	17.35
TOTAL NON-LIFE, of which:	212.64	192.80	10.29	84.97	80.75	5.22	81.88	82.65
Overall property insurance	41.08	37.95	8.24	10.14	12.36	-17.96	15.82	16.27
Fire and allied perils	16.50	13.59	21.38	4.09	4.58	-10.70	6.35	5.83
Damages to property	24.58	24.36	0.91	6.05	7.78	-22.23	9.47	10.44
Overall motor insurance	118.27	110.20	7.33	51.99	50.16	3.64	45.54	47.24
Motor Hull	22.11	19.21	15.13	12.42	11.66	6.59	8.51	8.23
MTPL	96.16	90.99	5.68	39.56	38.50	2.75	37.03	39.01
GTPL	5.94	5.15	15.50	0.40	0.29	39.91	2.29	2.21
Other non-life insurance	47.34	39.51	19.84	22.44	17.94	25.05	18.23	16.94

1 EUR = 61.4950 Denars, MKD (December 31th, 2023)
1 EUR = 61.4950 Denars, MKD (December 31th, 2024)

travel insurance in the summer months (June, July and August), the total number of issued policies for traveling abroad in these three months was 220,860, and the insureds paid MKD 125.65 million (EUR 2 million) in premiums. During the summer months, insurers paid MKD 34.46 million (EUR 560,000) for medical expenses, lost luggage or any other of the risks covered by travel insurance, which is 89% more y-o-y (MKD 18.23 million/EUR 296,000 in summer months of 2023). The number of claims paid in June, July and August last year was 14.5% higher y-o-y.

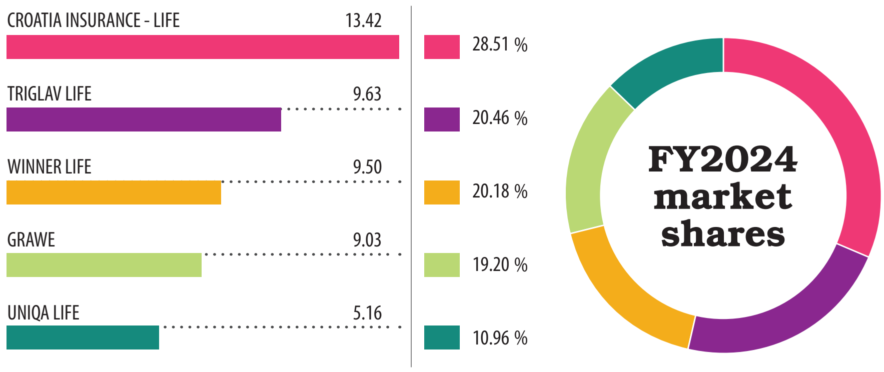
The largest non-life insurer in the country was MAKEDONIJA Insurance s.c. Skopje, member of the Vienna Insurance Group (17.63% market share) – the company resulted following the merger of the two VIG local subsidiaries in 2024. The merger was completed in Q1 2024, with Makedonija Osiguruvanje absorbing the non-life insurer Wienner. The resulting company currently holds a 17.6% market share. Croatia Osiguruvanje part of Croatia osiguranje Group - holds the largest market share on life segment – 28.5%. The Slovene Group's Triglav subsidiaries rank second both in life and non-life insurance.

The assets managed by insurance companies operating in North Macedonia amounted to MKD 37.3 billion (EUR 605.6 million) at the end of 2024, which is 8.2% more y-o-y, the Central Bank said, emphasizing that the main driver of the insurance companies' asset growth was higher investments in debt and equity securities, with additional gains from other components, according to the central bank.

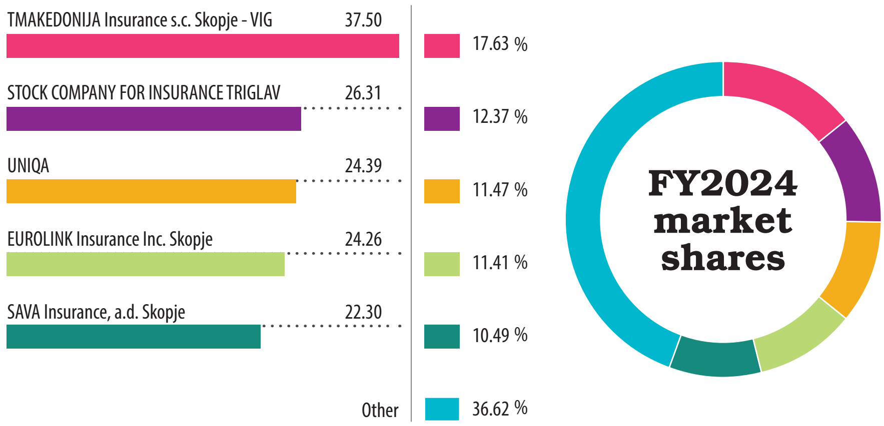
Macedonian insurers reported an aggregated profit of MKD 846.94 million (EUR 13.77 million), out of which MKD 569.3 million represented the aggregated financial result of the non-life insurers. Except for two small companies, all insurers ended 2024 with a positive financial result. AD Osiguritelna Polisa reported the highest profit figure, of MKD 129.6 million for the non-life segment, while Grawe Life is the top performed on the life insurance side, with a reported profit of MKD 108.47 million. (M.M.)

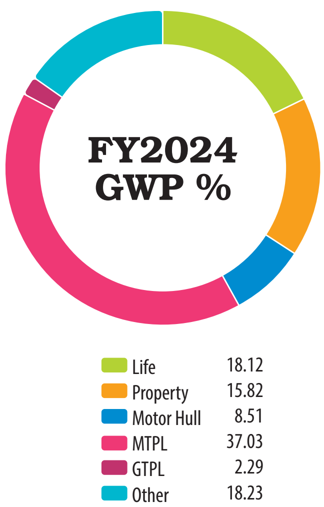
North Macedonia

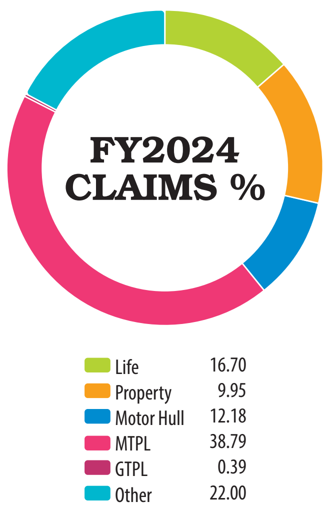
TOP 5 Life insurance ranking (GWP, EUR m)



TOP 5 Non-Life insurance (GWP, EUR million)







Poland

S&P Rating
A-, DEVELOPING

Moody's rating
A2, STABLE

Fitch Rating
A-, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] National Bank of Poland
[3] The Polish Financial Supervision Authority (KNF)
[4] XPRIMM calculations

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	PLN billion [1]	2,337.67	2,631.30	3,074.80	3,410.14	3,640.51
	EUR billion [4]	506.56	572.10	655.62	784.30	851.98
GDP per capita, current prices	PLN [1]	61,586	70,976	83,351	92,783	99,410
	EUR [4]	13,345	15,431	17,772	21,339	23,265
Unemployment rate	% of total labor force [1]	3.16	3.37	2.87	2.82	3.16
Population	Millions [1]	37.96	37.07	36.89	36.75	36.62
PLN/EUR exchange rate	End of period [2]	4.6148	4.5994	4.6899	4.3480	4.2730
Gross written premiums	PLN million [3]	63,421.47	69,222.36	72,359.05	78,888.98	85,676.35
	EUR million [4]	13,743.06	15,050.30	15,428.70	18,143.74	20,050.63
Paid claims	PLN million [3]	39,649.71	41,302.77	44,385.67	44,239.37	50,273.52
	EUR million [4]	8,591.86	8,980.03	9,464.10	10,174.65	11,765.39
Insurance penetration degree	% in GDP [4]	2.71%	2.63%	2.35%	2.31%	2.35%
Insurance density	EUR/capita [4]	362.06	405.96	418.24	493.65	547.52

In 2024, Polish insurers paid out a record-breaking PLN 50.3 billion (EUR 11.76 billion) in claims and benefits, marking a 13.6% increase y-o-y. Notably, natural disaster-related payouts surged by 64.1% to PLN 3.7 billion (EUR 865 million), primarily due to floods and other extreme weather events. At the same time, GWP rose by 8.9% y-o-y, to PLN 85.7 billion.

Despite the rising claims expenses, the insurance sector remained financially stable. According to Jan Grzegorz Prądzyński, President of the Polish Chamber of Insurance (PIU), *the industry effectively managed mass claims, especially flood-related ones, without a significant increase in complaints.* He also emphasized the need for regulatory dialogue to ensure that new policies align with market realities and self-regulatory best practices.

Poles are increasingly recognizing life insurance as a financial safety net, yet the market still lags behind Western Europe. The total spending on life insurance reached PLN 23.6 billion, up 3.5% from 2023. There were 22.9 million policies in

Polish insurers paid out a record-breaking 50.3 billion PLN (EUR 11.76 billion) in claims and benefits, marking a 13.6% increase y-o-y.

The biggest challenge remains rising claim costs, driven by higher medical expenses, spare parts prices, and repair costs.

2024 was also a challenging year for agriculture, with frosts, hailstorms, and floods causing severe damage.

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	20,050.63	18,143.74	10.51	11,765.39	10,174.65	15.63	100.00	100.00
TOTAL LIFE	5,523.42	5,254.77	5.11	3,831.16	3,732.58	2.64	27.55	28.96
Life insurance	2,432.58	2,390.95	1.74	1,530.65	1,452.35	5.39	12.13	13.18
Unit-linked	942.95	893.25	5.56	1,356.13	1,441.18	-5.90	4.70	4.92
Accident and sickness	2,089.82	1,906.93	9.59	895.68	786.39	13.90	10.42	10.51
Other life insurance (reinsurance accepted included)	58.07	63.64	-8.76	48.71	52.67	-7.51	0.29	0.35
TOTAL NON-LIFE	14,527.21	12,888.97	12.71	7,934.23	6,442.07	23.16	72.45	71.04
Accident	418.56	401.35	4.29	95.25	86.25	10.43	2.09	2.21
Sickness	368.58	313.30	17.64	161.51	127.10	27.07	1.84	1.73
Overall property insurance	3,057.75	2,634.85	16.05	1,448.01	957.78	51.18	15.25	14.52
Fire and allied perils	1,552.18	1,320.83	17.52	865.14	518.25	66.93	7.74	7.28
Damages to property	1,505.58	1,314.01	14.58	582.88	439.53	32.61	7.51	7.24
Overall motor insurance	7,345.15	6,495.96	13.07	4,812.18	4,115.96	16.92	36.63	35.80
Motor Hull	3,238.28	2,886.79	12.18	2,002.88	1,664.86	20.30	16.15	15.91
MTPL	4,106.88	3,609.18	13.79	2,809.30	2,451.10	14.61	20.48	19.89
GTPL	935.27	819.69	14.10	356.79	306.37	16.46	4.66	4.52
Credit	146.48	162.52	-9.87	71.04	55.49	28.01	0.73	0.90
Shuretyship	177.21	144.77	22.41	10.74	30.36	-64.64	0.88	0.80
Financial loss	292.64	294.45	-0.61	156.51	55.29	183.06	1.46	1.62
Travel	624.15	508.13	22.83	311.16	251.62	23.66	3.11	2.80
Other non-life insurance (reinsurance accepted included)	1,161.41	1,113.96	4.26	511.05	455.84	12.11	5.79	6.14

1 EUR = 4.3480 Zlots - PLN (December 31st, 2023)
1 EUR = 4.2730 Zlots - PLN (December 31st, 2024)

Jan Grzegorz PRĄDZYŃSK
President of the PIU Management Board

force, with 11.1 million individual and 11.8 million group contracts. PIU highlights the need for incentives for long-term savings and a regulatory level playing field to accelerate growth.

The motor insurance market collected PLN 31.4 billion (EUR 7.34 billion) in premiums, reflecting an 11.1% increase. The biggest challenge remains rising claim costs, driven by higher medical expenses, spare parts prices, and repair costs. Claims paid for MTPL insurance reached PLN12 billion, increasing y-o-y by +12.6%. On the MoD side, paid claims reached PLN 8.6 billion, more by 18.2% y-o-y.

At the end of 2024, 29.7 million MTPL policies and 7.7 million MoD policies were active, with MoD coverage penetration rising to 26.1% compared to 25.7% in 2023.

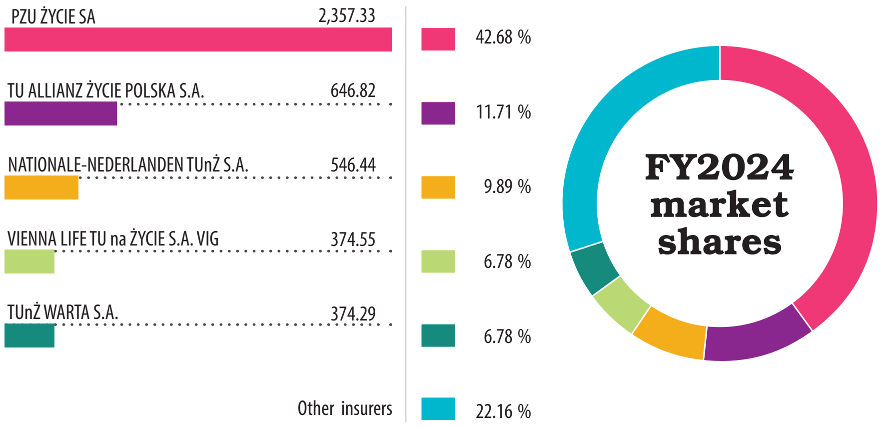
It is worth noting that, according to the Polish Chamber of Insurance (PIU) calculations, the average MTPL premium increased by 5.1% to PLN 538, while the average claim value rose by 9.8% to nearly PLN 11,000. According to PIU, insurers are adjusting premiums to keep up with rising claims while ensuring long-term financial stability.

Property insurance saw brisk growth, with gross written premiums reaching PLN 13.1 billion (EUR 3.05 billion), a 14% y-o-y increase. Moreover, 2024 was also a challenging year for agriculture, with frosts, hailstorms, and floods causing severe damage. According to PIU, compensations paid for property insurance reached: PLN 3.7 billion for weather-related damages (+64.1% y-o-y), PLN 800 million in agricultural insurance claims and PLN 6.2 billion in total property insurance claims (+48.6% y-o-y).

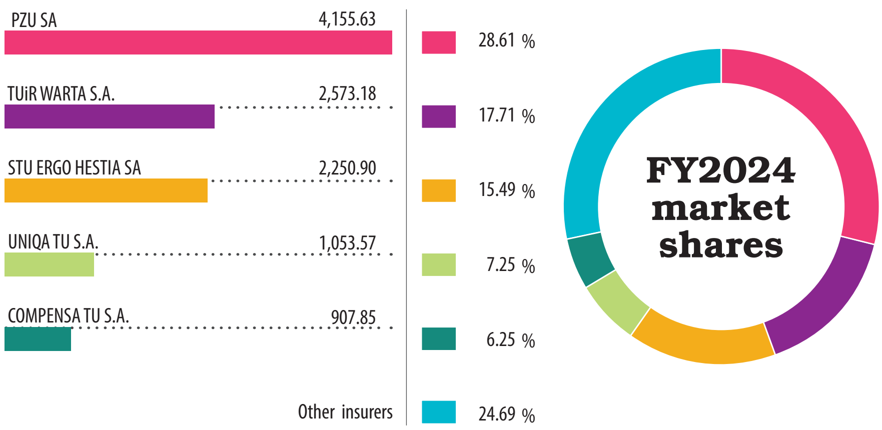
Polish insurers generated PLN 10 billion in net profit in 2024. This is primarily due to increased income from insurers' investments, related to relatively high interest rates, among other things. Insurers paid almost PLN 1.7 billion in income tax to the state budget. (D.G.)

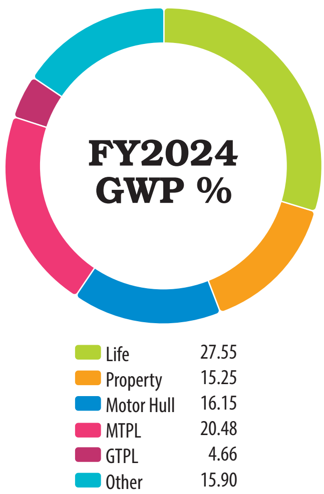
Poland

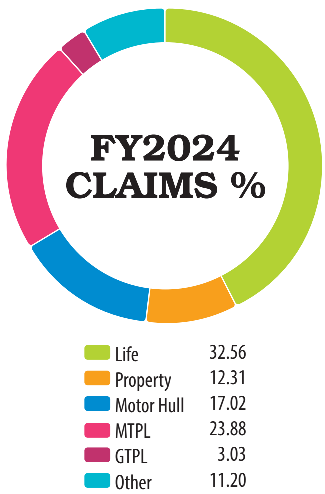
TOP 5 Life insurance (GWP, EUR million)



Top 5 Non-life insurance (GWP, EUR m)







Romania

S&P Rating
BBB-, NR

Moody's rating
A2, STABLE

Fitch Rating
BBB-, NEGATIVE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] The National Bank of Romania
[3] Financial Supervision Authority (FSA)
[4] XPRIMM calculations

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	RON billion [1]	1,066.78	1,189.09	1,401.35	1,605.59	1,745.19
	EUR billion [4]	219.08	240.31	283.25	322.76	350.86
GDP per capita, current prices	RON [1]	55,191	61,926	73,591	84,263	92,124
	EUR [4]	11,334	12,515	14,875	16,939	18,521
Unemployment rate	% of total labor force [1]	6.08	5.61	5.63	5.57	5.60
Population	Millions [1]	19.33	19.20	19.04	19.06	18.94
RON/EUR exchange rate	Annual average [2]	4.8694	4.9481	4.9474	4.9746	4.9741
Gross written premiums	RON million [3]	11,495.60	14,241.12	16,506.98	21,116.00	23,423.00
	EUR million [4]	2,360.78	2,878.10	3,336.50	4,244.76	4,708.99
Paid claims	RON million [3]	6,949.63	7,632.39	7,797.02	8,596.00	10,612.00
	EUR million [4]	1,427.20	1,542.49	1,575.98	1,727.98	2,133.45
Insurance penetration degree	% in GDP [4]	1.08%	1.20%	1.18%	1.32%	1.34%
Insurance density	EUR/capita [4]	122.14	149.89	175.22	222.76	248.57

Romania's insurance market (domestic companies and foreign branches together) ended 2024 with total gross written premiums (GWP) worth RON 23.4 billion (EUR 4.7 billion), marking an 11% increase compared to the previous year. This growth was driven by both non-life and life insurance segments. Non-life insurance premiums increased by 10%, while life insurance recorded an even stronger rise of 16% year-over-year. Most significant growth was achieved for the motor insurance classes (both MTPL and MoD insurance), fire and natural disaster insurance and traditional life insurance.

Insurance companies domiciled in Romania (authorized and supervised by ASF) accounted for RON 19.8 billion (EUR 3.97 billion), representing 84% of the total GWP. Meanwhile, insurance branches operating in Romania under FoE generated RON 3.6 billion (EUR 723 million) in premiums.

In 2024, Romanian insurers paid out a record EUR 11.26 million in compensation for storm-related damage to homes under voluntary insurance policies, a

Romanian insurers (local and foreign branches together) report GWP worth EUR 4.7 billion in 2024, 11% up y-o-y

Claims paid for storm-related damage to homes under voluntary insurance policies reached a record EUR 11.26 million, up by 120% y-o-y

Total claims paid for MTPL claims increased by 38% last year, reaching EUR 944 million

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	4,709	4,245	10.94	2,133	1,728	23.47	100.00	100.00
TOTAL LIFE	871	751	15.96	377	332	13.65	18.50	17.70
Annuities and supplementary ins.	515	446	15.53	NA	NA	-	10.93	10.50
Unit-linked	249	211	17.99	NA	NA	-	5.29	4.98
Other life insurance	107	94	13.42	NA	NA	-	2.28	2.23
TOTAL NON-LIFE	3,838	3,493	9.86	1,756	1,396	25.80	81.50	82.30
Fire and allied perils	464	390	19.08	NA	NA	-	9.86	9.19
Overall motor insurance	2,821	2,617	7.77	NA	NA	-	59.90	61.66
Motor Hull	818	738	10.91	NA	NA	-	17.38	17.38
MTPL	2,002	1,880	6.53	NA	NA	-	42.52	44.28
Other non-life insurance	553	486	13.70	NA	NA	-	11.74	11.45
By local insurers, of which:	3,979	3,653	8.93	1,850	1,548	19.49	84.49	86.05
Life	718	597	20.21	322	281	14.30	15.24	14.07
Non-life	3,261	3,056	6.72	1,528	1,266	20.65	69.25	71.98
By branches of EU insurers	730	592	23.33	284	180	57.61	15.51	13.95
Life	154	154	-0.51	55	50	10.01	3.26	3.64
Non-life	577	438	31.74	229	130	76.02	12.25	10.31

1 EUR = 4.9746 Lei - RON (December 31th, 2023)
1 EUR = 4.9741 Lei - RON (December 31th, 2024)

Alexandru CIUNCAN
President and
General Director
UNSAR

Romania

120% y-o-y increase, according to UNSAR – the National Union of Insurance and Reinsurance Companies of Romania. The number of storm-related claims also surged by 63%, reaching 7,537 settled cases.

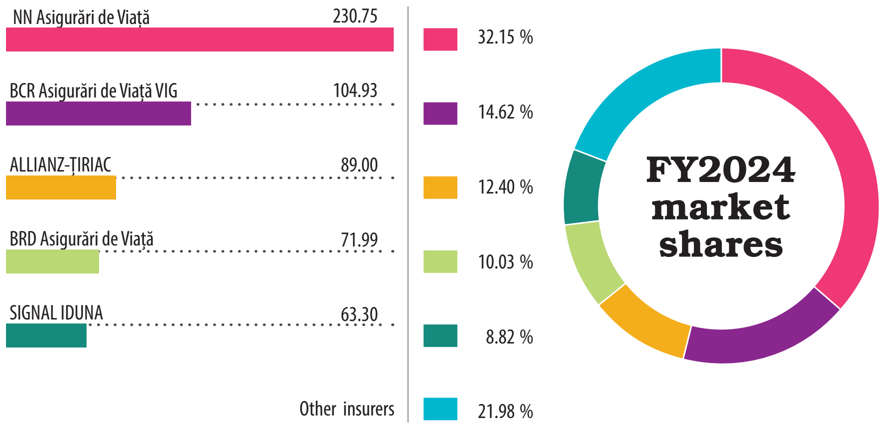
Storms typically cause significant damage to roofs, installations, facades, and windows, with the average claim payout amounting to 7,500 lei. The highest payout for a single storm damage claim reached RON 400,000. *Extreme weather, especially violent storms, has become more common in Romania, and this is clearly reflected in the volume and value of claims. Fortunately, there are solutions – voluntary home insurance is a crucial protection tool in today's climate reality,* said Alexandru Ciuncan, President and CEO of UNSAR.

Motor insurance, in particular the MTPL insurance line, remained a sensitive issue in the market. Total claims paid for MTPL claims increased by 38% last year, reaching EUR 944 million. Moreover, payouts from the Policyholders Guarantee Fund (FGA) rose by ~ 48%, alongside insurers' technical reserves. In total, the MTPL insurance sector's financial obligations rose to about EUR 1.59 billion.

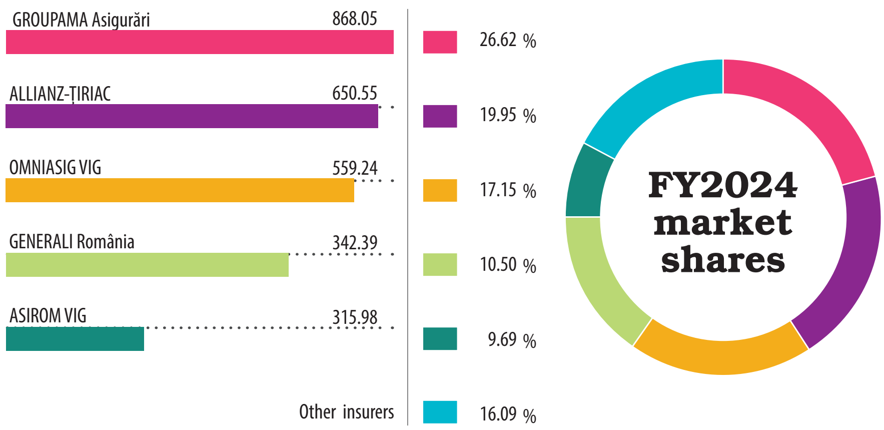
The frequency of road accidents continues to increase, exacerbating the financial strain on insurers. Last year alone, the number of MTPL claim files increased by 30%, exceeding 426,190 cases - a stark reminder of the high incidence of road accidents in Romania.

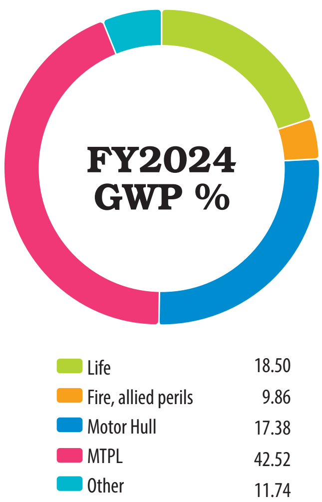
Another key measure under discussion is the revision of Law 132/2017 on MTPL insurance, aimed at protecting accident victims and vehicle owners while ensuring greater market stability. Given that MTPL policy prices are heavily influenced by rising compensation costs, stakeholders argue that legislative adjustments are necessary to balance affordability for drivers with the sustainability of the insurance sector. (D.G.)

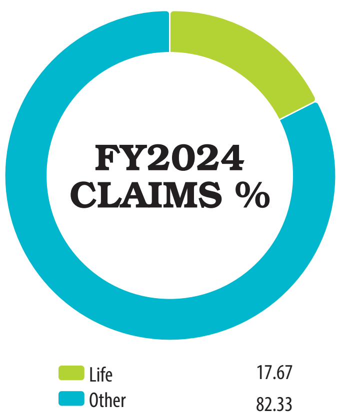
TOP 5 Life insurance (GWP, EUR million)



Top 5 Non-life insurance (GWP, EUR m)







Serbia

S&P Rating
BBB-, STABLE

Moody's rating
Ba2, POSITIVE

Fitch Rating
BB+, POSITIVE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] National Bank of Serbia

[3] XPRIMM calculations

* estimates for 2023 using 3Q growth rate in local crry.

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	RSD billion [1]	5,504.43	6,271.99	7,097.63	8,150.49	8,955.16
	EUR billion [3]	46.81	53.34	60.50	69.56	76.53
GDP per capita, current prices	RSD [1]	797,845	917,719	1,064,999	1,230,600	1,357,524
	EUR [3]	6,786	7,805	9,078	10,502	11,601
Unemployment rate	% of total labor force [1]	9.73	11.11	9.51	9.43	9.08
Population	Millions [1]	6.90	6.83	6.66	6.62	6.60
RSD/EUR exchange rate	End of period [2]	117.5802	117.5821	117.3224	117.1737	117.0149
Gross written premiums*	RSD million [2]	109,916.74	119,408.67	133,925.04	155,254.73	177,382.87
	EUR million [3]	934.82	1,015.53	1,141.51	1,325.00	1,515.90
Paid claims	RSD million [2]	50,216.91	53,721.01	65,355.26	77,956.95	86,566.17
	EUR million [3]	427.09	456.88	557.06	665.31	739.79
Insurance penetration degree	% in GDP [3]	2.00%	1.90%	1.89%	1.90%	1.98%
Insurance density	EUR/capita [3]	135.50	148.60	171.30	200.06	229.79

The insurance market of Serbia ended 2024 with aggregate GWP worth EUR 1.51 billion, up by 14.41% y-o-y), of which non-life insurance amounted to EUR 1.23 billion (+16.08%), while the life insurance segment totaled EUR 280 million, up by 7.56% y-o-y.

The value of paid claims expanded by 11.19% y-o-y to EUR 739.79 million, of which EUR 186.81 million - life indemnities (up by 3.65%) and EUR 552.97 million (+14% y-o-y) related to non-life classes.

According to the governor of the National Bank of Serbia, Jorgovanka Tabaković, "the key indicators of the insurance sector's operations in the past 10 years have recorded a positive trend and more than doubled". Total assets, technical reserves, capital and premiums have more than doubled since 2014. This also led to an increase in the insurance premium per inhabitant from EUR 83 to EUR 200, and the total premium has increased since 2014 from RSD 69.4 billion to RSD 155.3 billion in the previous year. Also, paid claims amount has more than doubled in the previous 10 years - from RSD 29.8 billion to RSD 82.1 billion, said the governor of the NBS.

Insurance sector's results in the previous decade make it a significant institutional investor and partner, according to the

The key indicators of the insurance sector's operations in the past 10 years have recorded a positive trend and more than doubled

Dunav osiguranje was awarded "My Choice" in the "Insurance Companies" category

The Association of Serbian Insurers signed an Agreement on Protection of Visitors with Romania, effective from February 1, 2025

Market porfolio as of December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,515.90	1,325.00	14.41	739.79	665.31	11.19	100.00	100.00
TOTAL LIFE	280.07	260.38	7.56	186.81	180.23	3.65	18.48	19.65
TOTAL NON-LIFE	1,235.83	1,064.61	16.08	552.97	485.08	14.00	81.52	80.35
Accidents insurance	36.95	32.49	13.74	12.55	11.56	8.53	2.44	2.45
Health insurance	150.13	124.49	20.60	90.57	72.13	25.56	9.90	9.40
Goods in transit	11.22	9.84	14.05	2.42	1.76	37.77	0.74	0.74
Overall property insurance	296.61	251.01	18.17	129.06	134.90	-4.33	19.57	18.94
Fire and allied insurance	89.80	79.56	12.88	52.11	44.45	17.25	5.92	6.00
Damages to property	206.80	171.45	20.62	76.95	90.46	-14.93	13.64	12.94
Overall motor insurance	602.83	536.95	12.27	284.25	237.92	19.47	39.77	40.52
Motor Hull	169.16	142.37	18.81	105.74	90.12	17.34	11.16	10.75
MTPL	433.67	394.57	9.91	178.50	147.80	20.78	28.61	29.78
GTPL	36.86	29.16	26.42	7.70	5.63	36.86	2.43	2.20
Credit	22.62	15.42	46.73	5.39	5.03	7.07	1.49	1.16
Financial loss	24.01	15.02	59.79	4.29	3.12	37.50	1.58	1.13
Travel	39.34	34.93	12.62	11.56	8.92	29.48	2.60	2.64
Other non-life insurance	15.26	15.31	-0.32	5.20	4.11	26.42	1.01	1.16

1 EUR = 117.1996 Dinars - RSD (September 30th 2023)
1 EUR = 117.0840 Dinars - RSD (September 30th 2024)

Serbia

Jorgovanka TABAKOVIĆ
Governor, National Bank of Serbia

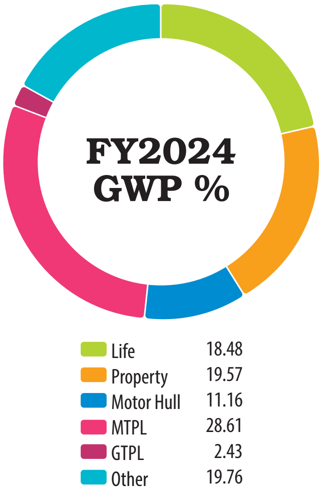
Ivana SOKOVIĆ
President of the Board, UOS

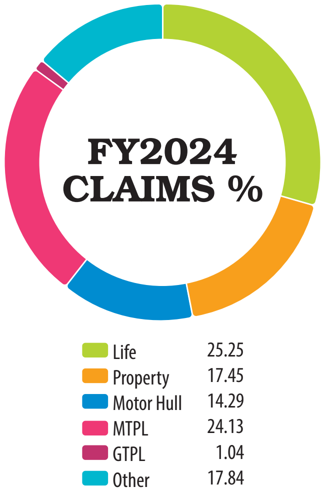
President of the Board of the Association of Serbian Insurers (UOS), Ivana Soković stated at the recent conference.

In March 2024, according to the votes of Serbian consumers, among 1,000 domestic products and brands, Dunav osiguranje, the leader in the insurance market in Serbia, was awarded "My Choice" in the "Insurance Companies" category. The "My Choice" award is given to the most trusted brands from Serbia. The award was organized by the Consumer Association "My Serbia" as part of the "Best in Serbia" campaign for the 14th time.

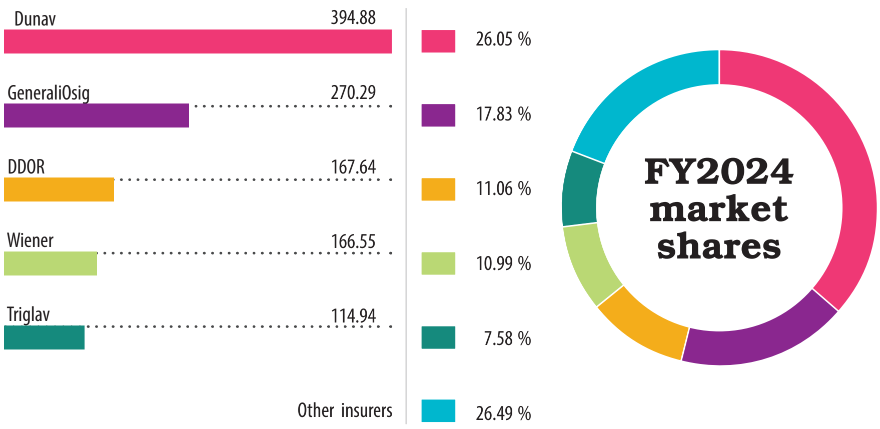
For us at Dunav osiguranje, recognition from consumers is the most valuable confirmation of everything we stand for, commented Milos Milanovic, a member of the Executive Board of Dunav osiguranje. *We try to stand out with the quality, favorable prices, and also to achieve maximum promptness when it comes to payment of incurred damages. The company has almost no unpaid settled damages, i.e. less than 0.3%,* added Milos Milanovic.

This year, in line with the strategic commitment to constantly improve existing and introduce new services for citizens, the Association of Serbian Insurers signed an Agreement on Protection of Visitors with Romania, effective from February 1, 2025. By signing this Agreement, the Association has covered all countries to which Serbian citizens most often travel by car. The Association's goal is to gradually cover all countries of the Green Card System in the coming period and thus provide the highest quality support and assistance to citizens of the Republic of Serbia who experience traffic accidents abroad while traveling, caused by vehicles registered in the visited country. The total number of countries with which the Association of Serbian Insurers has signed Visitor Protection Agreements is fourteen. Agreements have been signed with: Greece, Türkiye, Montenegro, Bosnia and Herzegovina, North Macedonia, Croatia, Slovenia, Switzerland, Luxembourg, Bulgaria, Romania, Hungary, Austria and Germany. (M.M.)





Top 5 Total market (GWP, EUR m)



Slovak Republic

S&P Rating
A+, STABLE

Moody's rating
A3, STABLE

Fitch Rating
A-, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] National Bank of Slovakia
[3] XPRIMM calculations

Insurers domiciled in Slovakia reported GWP worth EUR 2.08 billion in 2024, 7% up y-o-y

Including also the foreign branches' results, the market reached EUR 2.97 billion

The September flooding had a significant impact on property insurance claims, which increased by nearly 69% y-o-y

The outlook for 2025 is cautious, as tax policy changes are expected to impact the industry

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	93.45	100.25	109.76	122.81	130.88
GDP per capita, current prices	EUR [1]	17,122	18,361	20,196	22,622	24,127
Unemployment rate	%of total labor force [1]	6.64	6.83	6.17	5.82	5.58
Population	Millions [1]	5.46	5.46	5.44	5.43	5.43
Gross written premiums	EUR million [2]	2,223.61	1,839.10	1,925.48	1,946.87	2,083.82
Paid claims	EUR million [2]	1,262.68	1,019.58	1,178.16	1,086.13	1,214.04
Insurance penetration degree	% in GDP [3]	2.38%	1.83%	1.75%	1.59%	1.59%
Insurance density	EUR/capita [3]	407.40	336.83	354.27	358.60	384.11

At the end of 2024, the Slovak insurance market reached EUR 2.08 billion in gross written premiums (GWP), marking a 7% y-o-y increase, according to the National Bank of Slovakia (NBS). Life insurance grew by 3.6% y-o-y to EUR 781 million, accounting for 37.5% of the total market, while non-life insurance rose by 9.2% to EUR 1.3 billion.

Paid claims by local insurers increased by 11.7% y-o-y to EUR 1.2 billion. Of this, EUR 553 million came from life insurance, EUR 469 million from motor insurance, and approximately EUR 74 million from property claims.

The Slovak Insurance Association (SLASPO) reported higher overall premiums. According to its year-end data, GWP from its members—including domestic insurers and EU branches—totaled EUR 2.97 billion, up by 9% y-o-y. Life premiums rose 5.2% y-o-y to EUR 1.12 billion, while non-life premiums climbed 10% to EUR 1.85 billion.

The discrepancy between NBS and SLASPO data is largely due to differences in scope. NBS includes only insurers licensed in Slovakia, excluding branches operating under the freedom of services (FOS) or freedom of establishment (FOE). SLASPO, by contrast, includes both domestic companies and EU branches.

A major event that affected 2024 results was the September flooding, which had a significant impact on claims.

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	2,083.82	1,946.87	7.03	1,214.04	1,086.13	11.78	100.00	100.00
TOTAL LIFE	781.73	754.61	3.59	533.28	553.43	-3.64	37.51	38.76
Insurance with profit participation	330.71	333.87	-0.94	304.30	336.35	-9.53	15.87	17.15
Index-linked and unit-linked insurance	169.96	168.10	1.11	139.20	130.53	6.64	8.16	8.63
Other (including reinsurance)	281.05	252.65	11.24	89.79	86.54	3.75	13.49	12.98
TOTAL NON-LIFE	1,302.09	1,192.26	9.21	680.76	532.71	27.79	62.49	61.24
Medical expense insurance	10.59	21.64	-51.06	5.82	4.19	39.04	0.51	1.11
Income protection insurance	128.72	122.09	5.43	48.87	37.35	30.83	6.18	6.27
Fire and other damages to property	281.82	256.47	9.89	124.93	73.98	68.88	13.52	13.17
Overall motor insurance	750.03	669.68	12.00	469.62	391.10	20.08	35.99	34.40
Motor Hull	403.56	357.59	12.86	241.63	215.43	12.16	19.37	18.37
MTPL	346.47	312.10	11.01	227.99	175.68	29.78	16.63	16.03
GTPL	66.50	64.79	2.63	16.84	14.99	12.36	3.19	3.33
Marine, aviation and transport insurance	6.79	6.80	-0.13	1.46	0.84	73.99	0.33	0.35
Credit and suretyship insurance	2.15	1.86	15.48	0.95	-0.53	-279.80	0.10	0.10
Miscellaneous financial loss	2.07	2.08	-0.30	-0.01	-0.03	-75.40	0.10	0.11
Legal expenses insurance	24.43	19.59	24.69	2.22	2.06	7.85	1.17	1.01
Assistance	28.99	27.25	6.38	10.05	8.76	14.75	1.39	1.40

Slovak currency: EURO

Property insurance claims rose nearly 69% y-o-y to EUR 125 million. Notably, the approximately EUR 50 million increase in property claims was mirrored by a similar rise in MTPL (motor third-party liability) claims caused by increasing prices of spare parts and labor costs.

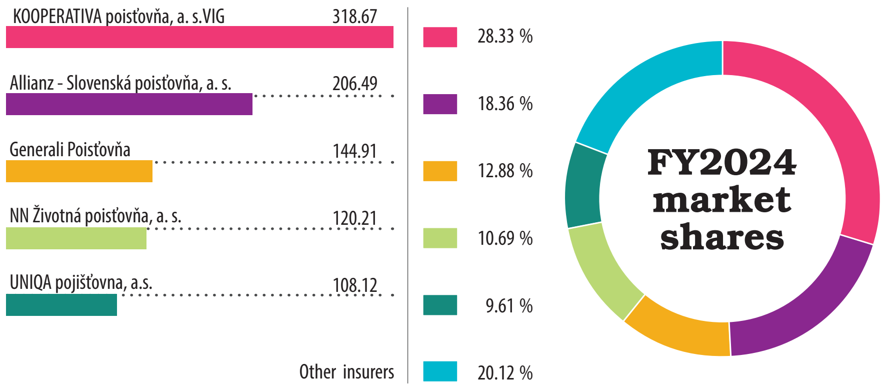
Another issue drawing attention in 2024 was the persistently high number of uninsured vehicles. Despite legal obligations and severe penalties, around 9% of vehicles—roughly 320,000—remained uninsured. Insurers point to poor enforcement, outdated tracking systems, and weak coordination between agencies as key reasons for the problem.

Looking ahead, the outlook for 2025 is cautious, as upcoming tax policy changes are expected to impact the industry. According to FinReport, a professional financial magazine, the consolidation of public finances will introduce measures that could drive insurance prices up. These include a 24% corporate income tax on profits exceeding EUR 5 million, a new transaction tax, and a likely increase in the basic VAT rate.

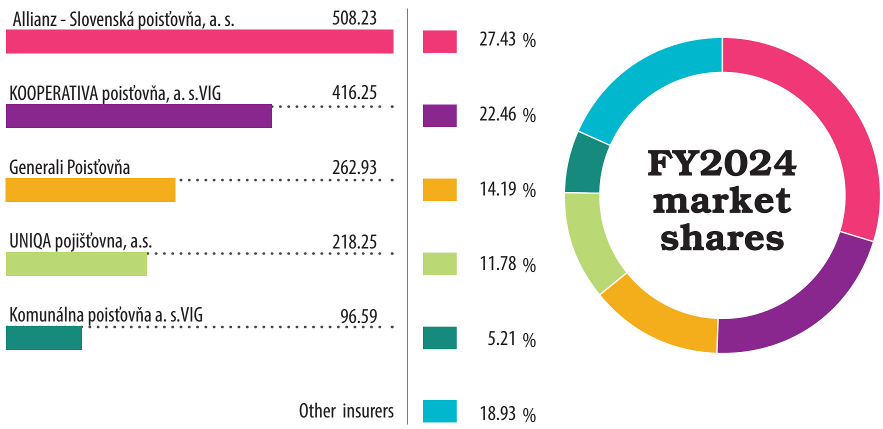
These tax changes come on top of the existing 8% levy on non-life insurance and a special tax on companies in regulated industries. While the 8% tax is typically passed on to clients, it still increases the cost of insurance, which could reduce demand from both individuals and businesses. Additionally, although insurance services are legally exempt from VAT, a higher VAT rate may still raise insurers' operating costs - especially for claims-related expenses. Consequently, this may be another reason for increasing the insurance costs and discouraging the uptake. (D.G.)

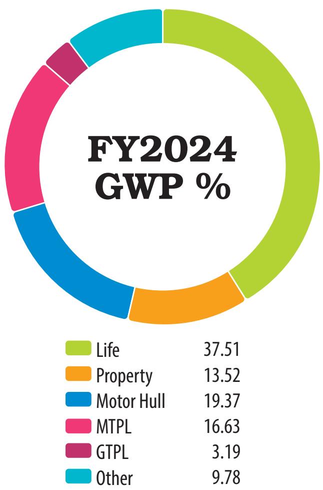
Slovak Republic

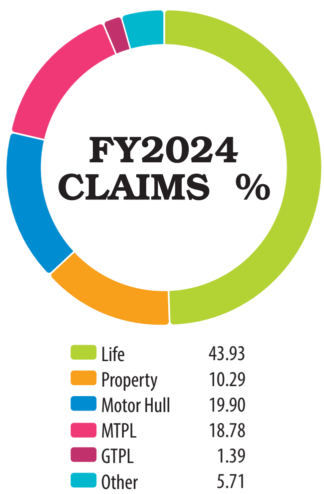
TOP 5 Life insurance (GWP, EUR million)



Top 5 Non-life insurance (GWP, EUR m)







Slovenia

Moody's rating
A3, POSITIVE

Fitch Rating
A, POSITIVE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] Slovenian Insurance Association

[3] XPRIMM calculations

The governmental decision to abolish, starting with January 1st 2024 the voluntary supplementary health insurance was a strong shock for the Slovenian health insurance providers; the health insurance business fell by almost 90% y-o-y

The insurance gap, is case of the flood risk, reaches over 60% among households

Gross claims paid by Slovenian insurers dropped significantly in 2024, largely due to the elimination of supplementary health insurance and a lower incidence of natural catastrophes

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	46.74	52.02	56.91	63.95	67.18
GDP per capita, current prices	EUR [1]	22,300	24,667	27,007	30,209	31,702
Unemployment rate	% of total labor force [1]	5.00	4.73	4.00	3.68	3.49
Population	Millions [1]	2.10	2.11	2.11	2.12	2.12
Gross written premiums	EUR million [2]	2,569.57	2,615.73	2,801.34	3,060.42	2,727.49
Paid claims	EUR million [2]	1,617.23	1,633.71	1,813.69	2,226.86	n/a
Insurance penetration degree	% in GDP [3]	5.50%	5.03%	4.92%	4.79%	4.06%
Insurance density	EUR/capita [3]	1,225.94	1,240.27	1,329.54	1,445.64	1,287.16

According to data provided by the Slovenian Insurance Association (SIA), the local insurance market declined by nearly 11% year-on-year in 2024, with consolidated gross written premiums (GWP) amounting to EUR 2.73 billion. Of this total, insurers headquartered in Slovenia and under the supervision of the Insurance Supervision Agency (AZN) collected EUR 2.43 billion in GWP—EUR 356 million or 12.8% less than in 2023. It is important to note that the discrepancy between the figures reported by the two institutions stems from differing scopes: the AZN focuses solely on locally domiciled insurers, while the SIA data also includes foreign branches that are association members. Nonetheless, both sets of data reflect the same underlying trends.

According to AZN, Slovenians spend, in average, EUR 300 per year for life insurance. In the non-life insurance group, the average is EUR 846. Part of the difference between the average gross written premium for life and non-life insurance also stems from the fact that non-life insurance premiums are also paid by legal entities, while life insurance premiums are not. Overall, the total premiums collected accounted in 2024 for about 3.7% of the national GDP.

According to SIA statistics, the life insurance segment grew by 5.7% to EUR

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			Weight in all GWP	
	2024	2023	Change	2024	2023
	EUR m	EUR m	%	%	%
TOTAL MARKET	2,727.49	3,060.42	-10.88	100.00	100.00
TOTAL LIFE	885.13	837.10	5.74	32.45	27.35
Life assurance	322.02	316.34	1.79	11.81	10.34
Unit-linked	349.95	322.03	8.67	12.83	10.52
Other life insurance	0.07	0.08	-11.37	0.00	0.00
Pension Funds	322.64	300.47	7.38	11.83	9.82
TOTAL NON-LIFE	1,842.36	2,223.32	-17.13	67.55	72.65
Accident insurance	120.44	114.62	5.07	4.42	3.75
Health insurance	67.62	655.29	-89.68	2.48	21.41
Overall property insurance	428.34	370.49	15.62	15.70	12.11
Fire and allied perils	191.88	162.54	18.05	7.03	5.31
Damages to property	236.47	207.95	13.71	8.67	6.79
Overall motor insurance	939.65	810.67	15.91	34.45	26.49
Motor Hull	519.96	453.04	14.77	19.06	14.80
MTPL	419.69	357.63	17.35	15.39	11.69
Goods in transit	9.50	9.69	-2.00	0.35	0.32
Railway, air & water transport	29.39	39.31	-25.24	1.08	1.28
GTPL	105.85	98.67	7.28	3.88	3.22
Carriers'liability	4.82	3.60	33.99	0.18	0.12
Credit insurance	30.81	29.81	3.33	1.13	0.97
Suretyship	6.45	6.23	3.44	0.24	0.20
Financial loss	11.68	10.49	11.42	0.43	0.34
Legal expenses	5.78	5.44	6.32	0.21	0.18
Travel insurance	82.03	69.00	18.88	3.01	2.25

Slovenian currency: EURO

Gorazd ČIBEJ
Director, Insurance Supervision Agency
Slovenia

Slovenia

885 million, while non-life GWP fell by 17% to EUR 1.84 billion. The primary driver of this decline was an almost 90% drop in health insurance business following the government's decision to abolish voluntary supplementary health insurance as of January 1, 2024. It was replaced by a mandatory health contribution managed by Slovenia's public Health Insurance Institute. As a result, all policies issued under the supplementary health insurance framework expired on December 31, 2023.

In 2023, the government accused Vzajemna, Triglav, and Generali of seeking excessive premium hikes for supplementary health insurance. A later decision, adopted in July 2024, approved EUR 33.5 million in compensation to these insurers for lost revenue due to the premium cap. These funds will be disbursed to offset the revenue losses from the now-defunct product.

Following the reform, insurers faced the challenge of redesigning health products and restructuring their business models. For example, Triglav began merging its health insurance subsidiary with the parent company. A Triglav representative noted during an event celebrating the 30th anniversary of the Slovenian Insurers Association that while discussions have focused on supplementary health insurance, the development of additional health insurance products has continued, with 450,000 policies currently in force in Slovenia.

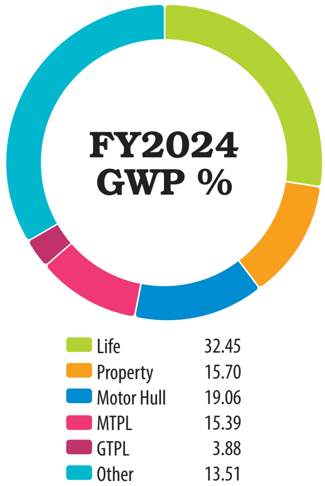
Although this reform created significant hurdles for specialized insurers, it temporarily boosted profitability by eliminating a large volume of health-related claims.

In terms of other business lines, land motor vehicle insurance (MoD) saw the largest absolute growth—up EUR 67 million (14.77%) to EUR 519.96 million. MTPL insurance also rose by 17.35% (EUR 62 million) to EUR 419.7 million. In life insurance, unit-linked products posted the highest increase, growing 8.67% (EUR 28 million), driven by strategic positioning from insurers. Property insurance GWP climbed 15.6% to EUR 428.3 million, with fire, allied perils, and property damage lines contributing equally. However, as stated by the Director of the Insurance Supervision Agency, Gorazd ČIBEJ, "an agency analysis showed that, in the case of flood insurance, this gap reaches over 60% among households."

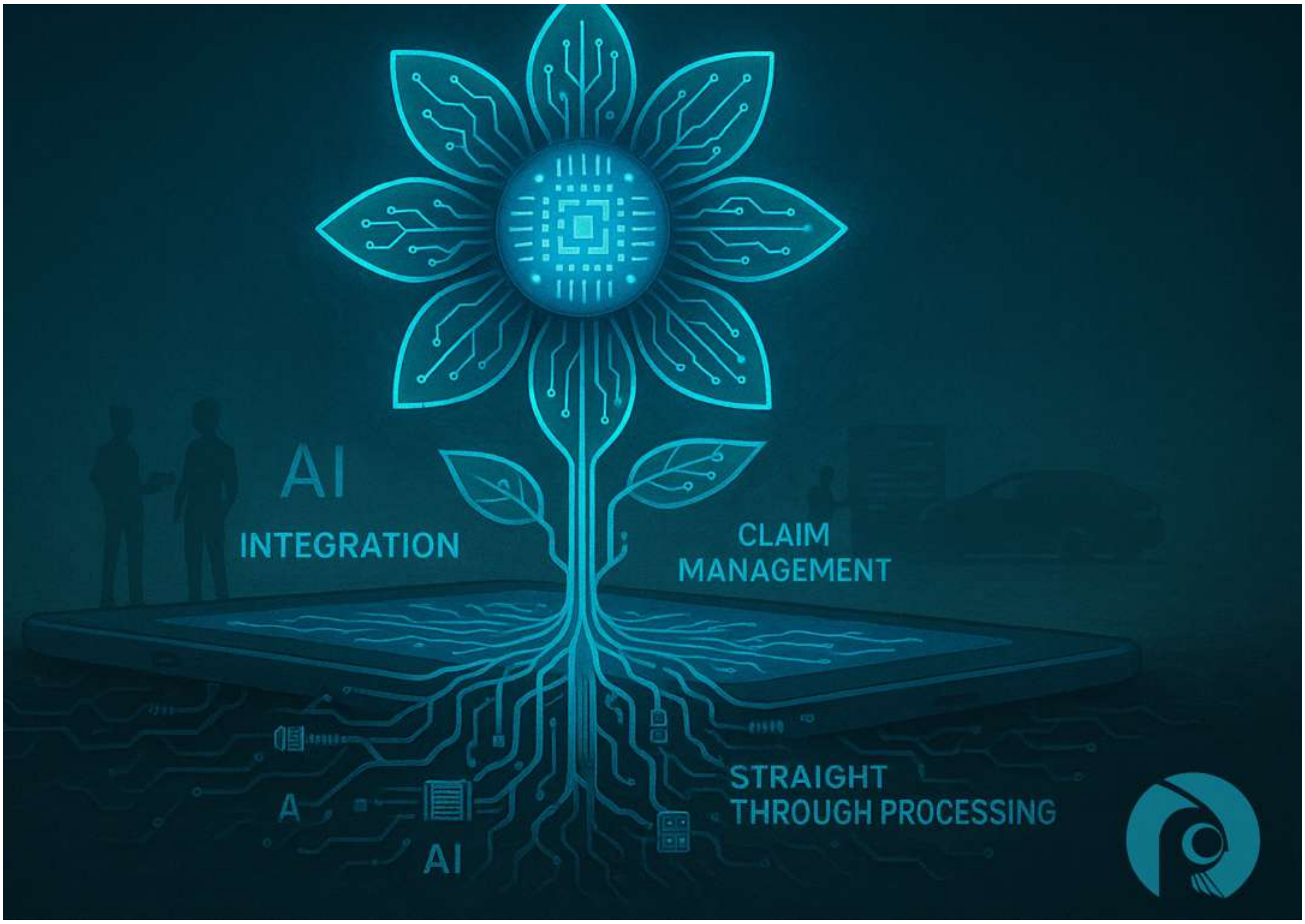
According to AZN, gross claims paid by Slovenian insurers dropped significantly in 2024, largely due to the elimination of supplementary health insurance (with a 95.9% drop in related claims) and a lower incidence of natural catastrophes (home insurance claims down 45.4%). Conversely, claims paid for MTPL increased by 17.5%, and unit-linked life insurance claims rose by 16.2%.

Slovenia is the home market for two of the largest insurance groups in the region: Triglav and Sava.

- In 2024, the Triglav Group's total business volume reached EUR 1.72 billion, exceeding the target of approximately EUR 1.6 billion. In addition to strong results in both insurance and asset management, operations benefited from favorable financial market conditions, relatively favorable claims development and one-off events, particularly in the Health segment. The Group's earnings before tax reached EUR 159 million, while net earnings stood at EUR 131 million. The combined ratio for the Non-Life and Health segments stood at a favorable 93.6%. The Group strengthened its leading position in the insurance market both in Slovenia and the Adria region. It was assigned a high "A" credit rating with an improved, positive medium-term outlook. The Group is well capitalized, with detailed information on the solvency and financial position of the Triglav Group and its parent company available in reports.
- The Sava Insurance Group again achieved double-digit growth (13.7%) in its business volume in 2024, breaking the billion-euro business volume mark and surpassing the targeted growth by 11.9%. All business segments grew and outperformed the Group's plan, with the largest contribution coming from the non-life business, which grew by 16.9% domestically and 17.6% internationally. The Group's life insurance business also performed strongly, with domestic business up 8.9% and international business up 16.3%. Through this growth, the Group increased its share of the Slovenian market by 1.1 percentage points to 31.2%, while strong growth abroad further strengthened its presence in its foreign markets. The pensions and asset management segment also recorded remarkable revenue growth of 18.8% in a favorable financial market environment. In non-Group reinsurance, the Group continued to pursue its key strategic direction of appropriate portfolio diversification, achieving stable and secure growth of 3.2%. The Group passed another important milestone in 2024, achieving for the first time a pre-tax profit of more than EUR 100 million and an all-time record net profit of EUR 87.8 million, thereby exceeding the target by more than 20%. (D.G.)



From Roots to Bloom:
Growing Digital Excellence in Insurance



The dynamics of technological development in recent years have drastically changed the formats, volume, and direction of customers' requirements for services in all spheres of the economy and public life. Every day, the number of customers who expect a real digital experience through the entire service lifecycle, instant and consistent system performance, and reliable personal data protection is increasing. And although traditional communication channels, such as phone, email, or office visits, cannot be abandoned just yet, service providers increasingly must reckon with the fact that many users are already annoyed and seeking to avoid these channels at all costs. That is exactly the reason why the digitalization of processes and customer experience in insurance companies is no longer just a tool for better management of internal processes and saving on operational costs. It is also vital for the existence and survival of the company in the dynamics of the competitive market.

The good news is that technological advances provide not only incredible new opportunities for the users but also an endless ocean of powerful tools through which real and reliable digitalization of the services can be achieved. With the help of modern tools for developing user interfaces in all kinds of digital communication channels, such as web portals, chats, call centers, mobile applications, social networks, interactive screens, etc., software system providers are able to develop and implement user interfaces that are convenient for end users and reliable for the company in extremely short terms. Projects whose duration was measured in years are long gone. In the modern world, the new vision of digital services emerges within months, and sometimes in just a few weeks. The development of artificial intelligence will probably soon reduce this time to hours or minutes.

The beautiful flower of digitalization looks extremely attractive to both service users and the companies that provide them. Sometimes it may seem easy to emerge and flourish, but such a perception would be too naïve a view of reality. Because for the beautiful flower of digital services and processes to appear, a powerful root system must first develop beneath the surface and ensure its continuous supply with the life-giving juices of data.

The customers of the insurance companies expect, when they happen to suffer a loss due to an insurance event, to receive a service that is adequate to modern technological advances:

- » Contact the insurance company through the channel that is most convenient for them – call center, chat, mobile app or even direct connection of their own vehicle with the relevant service desk of the insurer.
- » Receive immediate, adequate and comprehensive instructions on what to do in this unusual situation.
- » Be able to describe in detail what happened to them – write it down or dictate it to a system that will understand them and will retain everything they said or wrote.
- » Take photos of the scene of the accident and the damage to the vehicle, making sure that the photos are of sufficient quality and adequate to be processed further.
- » Understand what documents they need to submit and be able to scan and send them immediately after they are available.
- » Receive feedback from the insurance company on the status of their claim.
- » Receive instructions on the next steps they need to take.
- » For minor damages – receive an immediate estimate of the repair and, if they agree with it, confirm their consent so that they can receive compensation immediately.
- » For more severe damages – receive a recommendation for repair shops where the vehicle can be repaired, to be able to choose a specific repair shop, immediately receive a repair order, and make an appointment to check in the vehicle for repair.
- » Be able to track the progress of the claim as well as the repair.
- » Receive an offer for reinsurance after the repair and be able to pay for it immediately.
- » Have the opportunity to give feedback on the services provided by both the insurance company and the repair shop.

If an insurance company can fully or at least partially provide the entire customer experience described above, it can be confident that, at least for now, it meets the challenges of the modern digital world, and the market will not penalize it in this regard.

To make all this possible and for the digital flower to blossom, the insurance company needs serious and reliable specialized software systems for claims handling, on which to build both the customer experience and digital internal processes.

REVAUXY SmartClaiMS management platform provides comprehensive digitalization of processes in the insurance company, thus turning the claims from a heavy burden into a competitive advantage. Customers are now modern and demanding and increasingly often choose their insurer not so much based on the price of the policy, but on how claims are handled.

Insurance Europe urges a smarter, simpler sustainability reporting framework

In a formal letter to the European Financial Reporting Advisory Group (EFRAG), Insurance Europe, the federation representing European insurers and reinsurers, has reiterated its strong support for EFRAG's central role in shaping the EU's sustainability reporting framework under the Corporate Sustainability Reporting Directive (CSRD).

Published on 8 May 2025

SERBIA: the Association of Serbian Insurers urges farmers to insure themselves as the climate is changing rapidly

Before the coronavirus, barely 10% of arable land was insured in Serbia, and now it is around 15%, said the Secretary General of the Association of Serbian Insurers (UOS), Duško Jovanović, osiguranje.hr writes.

Published on 5 May 2025

ROMANIA: fire insurance payouts increased threefold in the last three years; fire remains a major threat to homes

Romanian insurers, members of UNSAR, paid compensation worth RON 67 million (EUR 13.47 million) in 2024 for fire damage to homes insured through facultative policies. The figure is almost 3 times higher than in 2021, showing that fire remain among the main threats to homes in Romania.

Published on 30 April 2025

VIG Re, FY 2024: strong results both in technical result and GWP terms

VIG Re announces its final, audited financial results for 2024. It marks a successful year in terms of underwriting result and gross written premium, despite continued above-average catastrophe losses across the insurance industry. Gross written premiums grew by 9.2% to EUR 983.3 million, driven by growth in both third-party reinsurance and VIG business segments. The company delivered excellent financial results despite above-average catastrophe losses, including the European floods in VIG Re's core territory, demonstrating its underwriting discipline and resilience.

Published on 9 April 2025

Hungarian farmers paid nearly HUF 25 billion in crop insurance premiums in 2024

In 2024, Hungarian farmers paid over HUF 24.9 billion (~EUR 60.7 million) in crop insurance premiums, 15.7% less y-o-y. According to Trade Magazine, approximately HUF 23.9 billion -or 96% of the total premiums - were associated with the state's ex-post premium subsidy scheme.

Published on 17 April 2025

Call for EU-wide catastrophe insurance grows as climate risks escalate

The growing financial burden of natural disasters is exposing the limitations of national insurance systems across Europe, fueling calls for a coordinated EU-wide catastrophe coverage scheme. As climate-related risks intensify, experts warn that existing national institutions are struggling to keep pace, leaving vast economic losses uninsured.

Published on 26 February 2025

Global Risks Report 2025: increasingly grim expectations

Misinformation and disinformation, extreme weather events, state-based armed conflicts, societal polarization and cyber espionage and warfare are the Top 5 short-term (2 years) risks according to the World Economic Forum Global Risks Perception Survey 2024-2025. Expanding the timeframe to a decade, the survey's results show that 4 out of the Top 5 identified risks are nature related: extreme weather events, biodiversity loss and ecosystem collapse, critical change to Earth systems and natural resource shortages. They are followed, ranking 5th, by misinformation and disinformation.

Published on 13 February 2025

BULGARIA: ABZ: Positive dynamics and sustainable growth on the insurance market

The insurance market in Bulgaria can be characterized by positive dynamics and sustainable growth, as over the past 10 years, premium income has increased more than 2.5 times, reaching BGN 4.4 billion (EUR 5.49 billion) in 2023, with annual growth of 21%, according to Veselin Angelov, member of the Board of Directors of ABZ and executive director of Allianz Bulgaria, the Association wrote. The positive trend is an indicator of the growing confidence of consumers and improvement of the insurance culture.

Published on 9 October 2024

Slovene market ended Q1 "in red" due to huge decrease in health

TThe Slovenian insurance market totaled EUR 746.2 million at the end of March 2024, an 9.6% decrease y-o-y, according to the Slovenian Insurance Association's quarterly figures. Life insurance GWP posted a positive double-digit rate of +10.1% y-o-y to EUR 217.4 million, while the general insurance segment decreased by -15.8% y-o-y to EUR 529 million (or 70.8% of total GWP) due to the over 90% decrease in health insurance, from EUR 175 million in Q1 2023 to ~EUR 15 million at the end of March 2024.

Published on 8 July 2024

CROATIA: Rulebook on the procedure for resolving compensation claims of injured persons in traffic

The Croatian Financial Services Supervisory Agency (Hanfa) has adopted a new Rulebook on the procedure for resolving compensation claims of persons injured in traffic, thus providing clear guidelines for insurers on the obligation arising from the new Law on Compulsory Traffic Insurance adopted in the beginning of the year. Based on the, this rulebook provides clear guidelines for insurance companies, with the aim of effective treatment of citizens when paying out claims based on automobile liability insurance.

Published on 4 July 2024

BUSINESS NEWS

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VIENNA INSURANCE GROUP

Cyprus

S&P Rating
BBB+, POSITIVE

Moody's rating
A3, STABLE

Fitch Rating
A-, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] Insurance Association of Cyprus Annual Reports
[3] XPRIMM calculations

Cypriot insurers reported FY2024 aggregate GWP of EUR 1.31 billion, up by 8.23% y-o-y

The Cypriot insurance market is set for a major transformation in 2025, driven by strategic mergers within the island's two leading banking groups—Bank of Cyprus and Hellenic Bank. These operations are expected to significantly reshape the insurance sector

With market shares of approximately 30% in the life sector and 23% in the non-life sector, the Hellenic Bank is expected to become a leader of the Cyprus insurance market

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	22.09	24.93	27.78	29.81	31.93
GDP per capita, current prices	EUR [1]	24,872	27,821	30,703	32,374	34,659
Unemployment rate	% of total labor force [1]	7.58	7.48	6.78	6.10	5.26
Population	Millions [1]	0.89	0.90	0.91	0.92	0.92
Gross written premiums	EUR million [2]	917.14	961.92	1,156.81	1,204.50	1,303.64
Paid claims	EUR million [2]	477.35	428.26	466.65	508.47	556.55
Insurance penetration degree	% in GDP [3]	4.15%	3.86%	4.16%	4.04%	4.08%
Insurance density	EUR/capita [3]	1,032.82	1,073.57	1,278.24	1,307.82	1,415.46

Cypriot insurers reported FY2024 aggregate GWP of EUR 1.31 billion, up by 8.23% y-o-y, according to the year-end market figures report published by the Insurance Association of Cyprus - IAC. One should note that statistical information for 2023 were reconsidered, since the moment we published the FY2023 analysis.

The GWP from non-life insurance lines totaled EUR 614.18 million (up by 5.64% y-o-y), while the life insurance segment generated premiums of EUR 689.45 million, or 10% more y-o-y.

During the period, the value of gross claims incurred was EUR 556.55 million (up by 9.46% y-o-y), of which EUR 286.7 million related to life insurance, and EUR 269.8 million to non-life insurance. Whitin the non-life insurance scope, the segments with the largest claim expenses were motor - EUR 144.62 million, accidents & health - EUR 58.9 million and fire insurance – EUR 387 million.

Speaking at the 46th Annual General Meeting of the Association of Insurance Companies of Cyprus (SAEK) in November 2024, Assistant Deputy Commissioner of Insurance Constantinos Kalopsidiotis emphasized the sector's resilience and its vital role in the economy, particularly in times of uncertainty. Highlighting the sector's performance, he noted that total assets reached EUR 5.3 billion by the third quarter of 2024 - an 8.8% increase compared to 2023. He also commented on the trend of mergers in the Cypriot insurance market, underlining the importance of strategic consolidation in a relatively small market: *As a supervisory authority, we support mergers that strengthen the sector.*

In fact, the Cypriot insurance market is set for a major transformation in 2025, driven by strategic mergers within the island's two leading banking groups—Bank of Cyprus and Hellenic Bank. These developments

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			INCURRED CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,303.64	1,204.50	8.23	556.55	508.47	9.46	100.00	100.00
TOTAL LIFE**	689.45	623.12	10.65	286.76	258.03	11.13	52.89	51.73
TOTAL NON-LIFE	614.18	581.38	5.64	269.80	250.44	7.73	47.11	48.27
Accident & health*	144.07	140.10	2.83	58.91	69.57	-15.32	11.05	11.63
Motor	238.85	219.24	8.95	144.62	133.24	8.54	18.32	18.20
MAT	4.40	4.37	0.71	9.19	6.51	41.18	0.34	0.36
Fire	144.74	139.36	3.86	38.08	22.76	67.36	11.10	11.57
Liability	73.22	69.60	5.20	18.62	16.39	13.60	5.62	5.78
Credit	0.18	0.17	7.95	0.00	-0.03	-106.04	0.01	0.01
Miscellaneous	8.71	8.54	2.05	0.36	2.00	-81.76	0.67	0.71

* Including A&H premiums by Life Companies
** In case of life claims, the figures include Death Claims, Maturitites, Surrenders & Other insured events
Cyprus currency: EURO

are expected to significantly reshape the sector's competitive dynamics and accelerate consolidation.

Within the Bank of Cyprus Group, preparations are underway to merge Eurolife and Ethniki Insurance Cyprus, following the bank's acquisition of the latter in 2023. This internal consolidation aims to create a single, stronger insurance entity with enhanced operational efficiency and broader market reach.

Meanwhile, the Hellenic Bank Group is finalizing the merger of its insurance subsidiaries—CNP Cyprialife and Hellenic Life—after acquiring CNP Cyprus Insurance Holdings from France's CNP Assurances. The deal, which includes both life and non-life operations, was approved by the Competition Protection Commission and the Bank of Greece in late 2024.

These two parallel mergers will concentrate a significant share of life and non-life premiums under the direct control of Cyprus's top banking institutions. Once completed, the new insurance structures under Bank of Cyprus and Hellenic Bank will control an estimated 50%–60% of the local life market, reshaping the competitive map and raising the barrier to entry for smaller players.

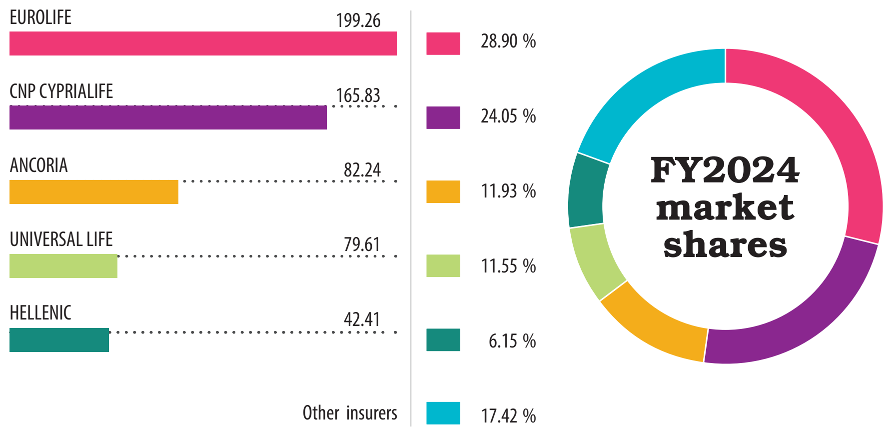
Regulators have welcomed the mergers as part of a wider trend of market rationalization, stressing the importance of scale and solvency in a small but complex financial environment. The moves are also aligned with broader European trends of bancassurance integration, allowing banks to offer end-to-end financial solutions under one umbrella.

The largest life insurers in the country in terms of GWP were EUROLIFE, CNP CYPRIALIFE and ANCORIA, who took over the third position from UNIVERSAL Life - which accounted together for 65% of life premiums, while in the non-life insurance segment, the Top 3 insurers (CNP Asfalistiki, General Insurance of Cyprus and Trust) accounted for about 31.67% of non-life GWP.

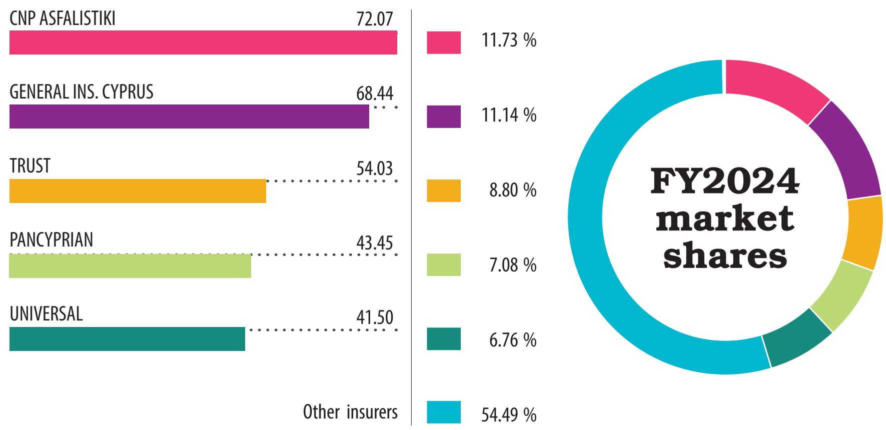
The largest life insurers in the country in terms of GWP were EUROLIFE, CNP CYPRIALIFE and ANCORIA, who took over the third position from UNIVERSAL Life - which accounted together for 65% of life premiums, while in the non-life insurance segment, the Top 3 insurers (CNP Asfalistiki, General Insurance of Cyprus and Trust) accounted for about 31.67% of non-life GWP. (M.M.)

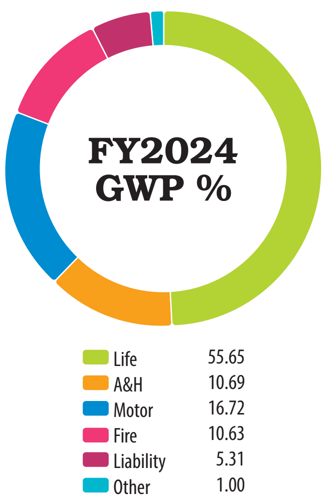
Cyprus

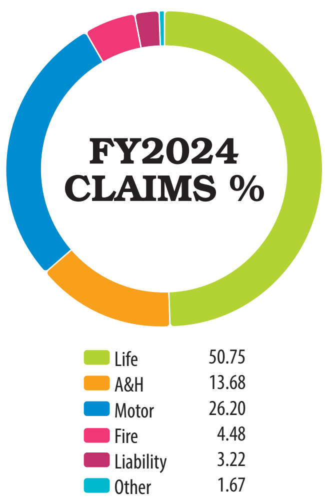
TOP 5 Life insurance (GWP, EUR million)



TOP 5 Non-Life insurance (GWP, EUR million)







Greece

S&P Rating
BBB-, STABLE

Moody's rating
Baa3, STABLE

Fitch Rating
BBB-, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, Ocotber 2024

[2] Hellenic Association of Insurance Companies

[3] XPRIMM calculations

In 2024, total GWP in Greece rose 8.7% y-o-y to EUR 5.68 billion, outpacing inflation.

Since 2014, 17 heavy rainfall events led to EUR 509 million in claims for 13,344 damages.

From 1 June 2025, insurance for floods, earthquakes, and wildfires becomes mandatory for businesses with revenues over EUR 500,000 and for all vehicles.

A property tax discount system was also introduced to promote home insurance against natural hazards.

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	EUR billion [1]	165.02	181.50	206.62	220.30	231.93
GDP per capita, current prices	EUR [1]	15,395	16,997	19,754	21,155	22,338
Unemployment rate	% of total labor force [1]	16.33	14.78	12.43	11.08	10.52
Population	Millions [1]	10.72	10.68	10.46	10.41	10.38
Gross written premiums	EUR million [2]	3,959.12	4,640.40	4835.7795	5,235.34	5,689.32
Insurance penetration degree	% in GDP [3]	2.40%	2.56%	2.34%	2.38%	2.45%
Insurance density	EUR/capita [3]	369.36	434.54	462.31	502.72	547.95

According to the survey conducted by the Association of Insurance Companies of Greece (AAEE) among its member Insurance Companies, the total premium production in 2024 increased by 8.7% compared to the previous year, amounting to EUR 5.68 billion.

In more detail:

- » Non-life Insurance increased by 9.4%, reaching EUR 2.95 billion.
- » Life Insurance increased by 7.9%, reaching EUR 2.73 billion.
- » Motor insurance amounted to almost half of the non-life business, reaching EUR 1.13 billion, 7.6% up y-o-y
- » Property insurance lines totaled EUR 651.37 million, 14.8% more y-o-y.

Paid claims by Greek insurers in 2024 amounted to EUR 2.17 billion.

Alexandros Sarrigeorgiou, President of the Hellenic Insurance Association, commenting on the results of the survey, said: "In 2024, the upward trend of the insurance market continued in terms of premium production, both in non-life insurance and life insurance. There was demand for insurance in many sectors, with particular emphasis on property insurance, civil liability, health and investment-linked life plans. It is worth noting that the increase in premium production was significantly higher than inflation, confirming the strong growth of the sector. This development shows that more and more citizens understand the value of insurance as a substantial investment for the future and are turning to it for their protection."

In February 2025, the EAEE survey provided the first estimate of the Greek insurance

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			Weight in all GWP	
	2024	2023*	Change	2024	2023*
	EUR m	EUR m	%	%	%
TOTAL MARKET	5,689.32	5,235.34	8.7	100.00	100.00
TOTAL LIFE	2,734.51	2,534.30	7.9	48.06	48.41
Life insurance	1,182.95	1,126.62	5.0	20.79	21.52
Life insurance linked to investment funds	1,218.21	1,002.64	21.5	21.41	19.15
Other	333.34	405.52	-17.8	5.86	7.75
TOTAL NON-LIFE	2,954.81	2,701.04	9.4	51.94	51.59
Accident	51.11	44.69	14.4	0.90	0.85
Sickness	517.00	473.67	9.1	9.09	9.05
Overall motor insurance	1,135.33	1,055.38	7.6	19.96	20.16
MTPL	799.44	763.94	4.6	14.05	14.59
Motor hull	335.89	291.44	15.3	5.90	5.57
Overall property insurance	651.37	567.54	14.8	11.45	10.84
Fire and natural forces	442.87	392.61	12.8	7.78	7.50
Other damage to property	208.51	174.93	19.2	3.66	3.34
GTPL	173.82	156.96	10.7	3.06	3.00
Assistance	170.00	146.16	16.3	2.99	2.79
Other	256.20	256.65	-0.2	4.50	4.90

*estimates, based on growth rates published by HAIC

Greek currency: EURO

Alexandros SARRIGEORGIOU
President, EAEE

market's payments for property and motor insurance losses from the extreme weather events (Bora storm) that hit Greece during the period 30 November - 2 December 2024.

According to the data of the insurance companies that participated in the EAEE survey, a total of 1,832 losses were reported. Total amount of payments is estimated at EUR 18.7 million. Of these, 1,368 losses are related to property insurance (estimated payments of EUR 17.5 million), 462 losses are related to motor insurance (estimated – EUR 1.2 million) and 2 losses are related to boat insurance (estimated – EUR 11 thousand).

Based on the data we collect on natural disasters, in recent years the consequences of catastrophic events have been particularly severe, both in terms of frequency and severity. Specifically, regarding incidents of heavy rainfall, we have recorded 17 incidents from 2014 to 2024 with a total compensation amount of EUR 509 million for 13,344 damages. The Greek insurance market is responding quickly and consistently to its policyholders who suffered losses from the Bora storm that swept the country at the end of 2024, causing serious damage, commented the Chairman of the Property, Transport & Reinsurance Committee, Errikos Moatsos.

However, according to a recent statement of Alexandros Sarrigeorgiou, Greece remains dangerously underinsured, leaving citizens with a disproportionate financial burden. "The insurance market can support citizens and the economy in the event of natural disasters, in health and supplementary pensions", he said. "It is time, however, for the government to decide whether to give private insurance the role it deserves in Greece", President of the EAEE added.

The Governor of the Bank of Greece, Yiannis Stournaras also commented on this issue, emphasizing that the Greek insurance market is very well capitalized and has the potential to take on a broader role in managing natural disasters, both in covering losses and through its role as a long-term investor. "Homes and businesses need to be insured so that they cope with difficulties. Comparing the percentage of insured homes in Greece, which is 18%, with the corresponding figure in Spain, which is 76%, clearly shows that there is still a long way to go", the Governor noted.

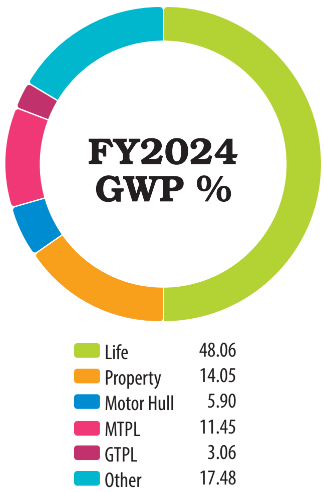
The growing threat of natural disasters, exacerbated by climate change, has prompted strong legislative activity in Greece throughout 2024. Following a 2023 initiative linking insurance coverage with a property tax (ENFIA) discount, the Greek state advanced new mandatory insurance measures for businesses and promoted the insurance sector's role in disaster preparedness.

A key development was the passage of Law 5162/2024, which made insurance against floods, earthquakes, and wildfires compulsory from June 1, 2025, for all businesses with gross revenues over EUR 500,000. Businesses without coverage will face fines and will be excluded from state aid in the event of disasters. The requirement is to insure at least 70% of asset value. Businesses will need to contact their insurance company or intermediary to select an appropriate insurance plan. If they already have a contract, confirm that the coverage meets the requirements of the law. They will also need to examine whether the 70% coverage meets the real needs of the business, in order to avoid the risk of underinsurance.

In addition, the government enacted a key tax incentive for homeowners: from 2025 onward, those with insured homes (against floods, fires, earthquakes) valued under EUR 500,000 will receive a 20% ENFIA discount—double the original rate. Homes valued above EUR 500,000 will retain the 10% discount but will no longer be eligible for state financial support for rebuilding or repairs after disasters, effective June 1, 2025.

Moreover, the Law 5162/2024 also establishes mandatory insurance for vehicles against natural disasters—specifically floods and wildfires—effective June 1, 2025. All vehicle owners in Greece are required to maintain insurance coverage for flood and wildfire risks, regardless of whether the vehicle is actively used. The requirement applies to all vehicles with Greek registration, including those under administrative immobilization. Only vehicles owned by the State or public-sector entities (excluding municipalities) are exempt. Insurance must reflect the vehicle's current market value. Non-compliance results in exclusion from any future state aid or compensation for damage caused by natural disasters.

On the Greek insurance market there are operating 30 local insurance companies, 17 branches of foreign insurance enterprises and 3 Panhellenic mutual societies. (D.G.; M.M.)



Türkiye

S&P Rating
B, STABLE

Moody's rating
B3, POZITIVE

Fitch Rating
BB-, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2023
[2] Central Bank of the Republic of Türkiye
[3] Insurance Association of Türkiye
[4] XPRIMM calculations

The market expanded significantly in 2024, with total GWP surging by 72.5% to TRY 838.5 billion

The industry's technical profit rose by 69% in 2024, reaching TRY 103.6 billion

Technical losses in MTPL reached TRY 34.9 billion (USD 922 million) in 2024, more than double y-o-y.

Only 26% of homes in the Marmara Region have optional earthquake coverage beyond the mandatory TCIP policy

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	TRY billion [1]	5,048.57	7,256.14	15,011.78	26,545.72	43,757.82
	EUR billion [4]	552.79	480.10	751.69	813.47	1,188.99
GDP per capita, current prices	TRY [1]	60,379	85,689	176,029	310,942	509,930
	EUR [4]	6,611	5,670	8,814	9,529	13,856
Unemployment rate	% of total labor force [1]	13.10	12.00	10.40	9.40	9.26
Population	Millions [1]	83.61	84.68	85.28	85.37	85.81
TRY/EUR exchange rate	End of period [2]	9.1329	15.1139	19.9708	32.6326	36.8024
Gross written premiums	TRY million [3]	82,575.66	105,307.01	235,164.98	486,024.03	838,496.12
	EUR million [4]	9,041.56	6,967.56	11,775.44	14,893.82	22,783.73
Paid claims	TRY million [3]	33,024.41	47,183.38	87,578.22	211,503.68	n/a
	EUR million [4]	3,615.98	3,121.85	4,385.31	6,481.36	n/a
Insurance penetration degree	% in GDP [4]	1.64%	1.45%	1.57%	1.83%	1.92%
Insurance density	EUR/capita [4]	108.13	82.28	138.08	174.46	265.51

Türkiye's insurance market expanded significantly in 2024, with total premium production surging by 72.5% to TRY 838.5 billion (approx. EUR 22.78 billion), according to data from the Insurance Association of Türkiye (TSB). Due to currency fluctuations, the growth in euro terms was approximately 53% y-o-y.

The life insurance sector saw a 76.2% increase in premiums, reaching TRY 99.9 billion, while the non-life segment grew by 72.5% to TRY 738.6 billion. Health insurance, nearly doubling in volume, gained a 1.5-point larger share in the portfolio. Apart from that, the portfolio structure remained relatively stable.

Overall, the industry's technical profit rose by 69% in 2024, reaching TRY 103.6 billion (EUR 2.83 billion).

MTPL segment under pressure

Compulsory MTPL insurance continues to challenge the market. In 2024, technical losses in MTPL reached TRY 34.9 billion (USD 922 million), more than double y-o-y. While the motor loss ratio slightly improved to 137% from 141%, profitability remains under pressure due to the mandatory tariff regime.

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			Weight in all GWP	
	2024	2023	Change	2024	2023
	EUR m	EUR m	%	%	%
TOTAL MARKET	22,783.73	14,893.82	52.97	100.00	100.00
TOTAL LIFE	2,714.60	1,737.29	56.26	11.91	11.66
TOTAL NON-LIFE	20,069.13	13,156.53	52.54	88.09	88.34
Accident	492.39	335.15	46.92	2.16	2.25
Health	3,711.32	2,168.44	71.15	16.29	14.56
Railway, aircraft and ships	237.18	152.72	55.31	1.04	1.03
Goods in transit	280.45	202.64	38.40	1.23	1.36
Overall property insurance	5,352.56	3,379.60	58.38	23.49	22.69
Fire and allied perils	3,321.44	2,006.50	65.53	14.58	13.47
Damages to property	2,031.12	1,373.09	47.92	8.91	9.22
Overall motor insurance	9,018.14	6,202.04	45.41	39.58	41.64
Motor Hull	3,059.34	2,580.61	18.55	13.43	17.33
MTPL	5,958.80	3,621.43	64.54	26.15	24.31
Aviation & marine liability	66.54	38.05	74.87	0.29	0.26
GTPL	429.92	343.43	25.19	1.89	2.31
Other non-life insurance	480.63	334.48	43.69	2.11	2.25

1 EUR = 32.6326 Turkish lira - TRY (December 31st, 2023)
1 EUR = 36.8024 Turkish lira - TRY (December 31st, 2024)

Uğur GÜLEN
President TSB

Despite being compulsory, MTPL coverage dropped to 70% among Türkiye's 31 million registered vehicles, never having exceeded 85%. Market experts attribute this decline largely to rising premiums.

As of December 5, 2024, buyers of used cars in Türkiye must obtain compulsory traffic insurance before the sale is finalized. The previous 15-day grace period has been abolished. Notaries will not process any sale without valid insurance, a move designed to curb uninsured driving, reduce seller costs, and streamline operations for agents.

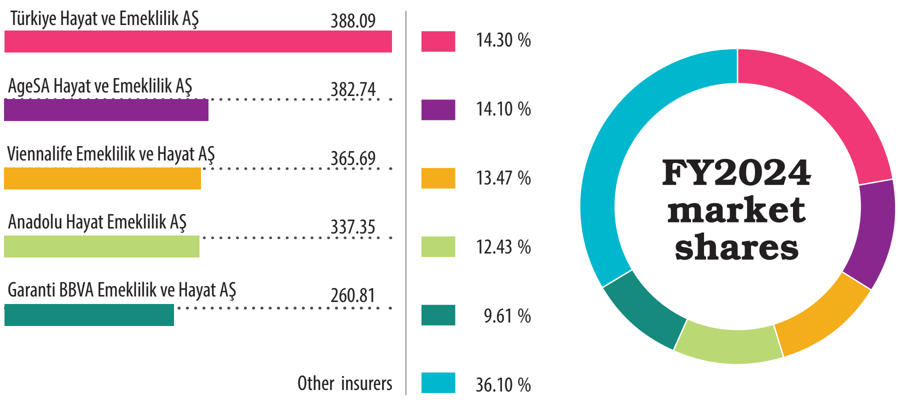
Earthquake Readiness and Reinsurance Demand

Looking ahead to 2025, the TSB estimates that the Turkish market will require an additional USD 2–3 billion in catastrophe (CAT) reinsurance capacity, primarily to address rising earthquake risk. Ongoing urban transformation projects, particularly in Istanbul and the Marmara Region, underline the urgency of these preparations.

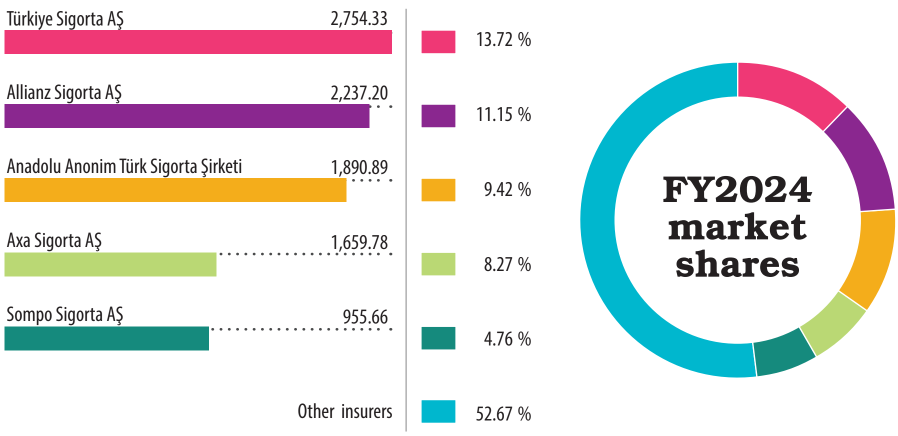
The need for greater readiness was underscored by a 6.2 magnitude earthquake that struck Istanbul and the Marmara Region on April 23, 2025. While no major damage was reported, the event served as a stark reminder of the country's seismic vulnerability. TSB President Uğur Gülen reassured the public: *As the insurance sector, we are ready for an earthquake - and we will not let it be forgotten.*

Gülen highlighted the need for improved building standards, wider insurance coverage, and continued investment in earthquake resilience. Today, only 26% of homes in the Marmara Region have optional earthquake coverage beyond the mandatory TCIP policy.

TOP 5 Life insurance (GWP, EUR million)



TOP 5 Non-Life insurance (GWP, EUR million)



Market Landscape and Key Players

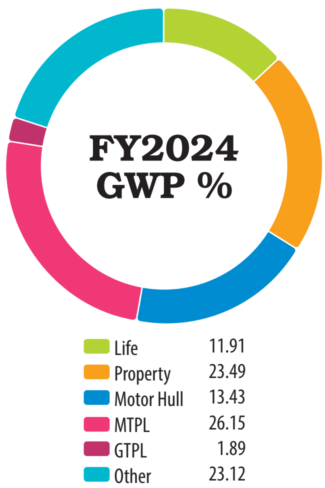
Among the 70 active insurers in Türkiye, Türkiye Sigorta led the market with a 12.09% share, followed by Allianz Sigorta (9.82%) and Anadolu Anonim Türk Sigorta (8.3%).

Significant market shifts also occurred:

» In September 2024, Generali sold its Turkish unit to a consortium led by Kiler Holding, as part of its strategy to focus on core markets.

» In February 2025, Dutch NN Group finalized the sale of its Turkish operations to Zurich Türkiye, following regulatory approvals.

(D.G.)



Interview with

Gayane GASPARYAN

Head of Insurance System Regulation Division, CBA

XPRIMM: How would you describe the evolution of Armenia's insurance market over the past decade, and what have been the most significant regulatory milestones during this period?

Gayane GASPARYAN: Over the past decade, Armenia's insurance market has experienced significant transformation, building upon foundational reforms initiated in 2006 when the Central Bank of Armenia (CBA) became a mega regulator. This shift laid the groundwork for a more integrated, stable, and market-oriented insurance sector.

A major catalyst during this period was the implementation of Compulsory Motor Third Party Liability (CMTPL) insurance in 2011, which not only expanded coverage but also reshaped public perception of insurance as a modern tool of risk management, rather than additional "tax". This was further supported by the 2014 launch of the three-pillar pension system, fostering long-term saving and encouraging broader investment in insurance-linked financial products.

Since then, continued regulatory alignment with EU standards has been a priority over the past decade, with particular emphasize of prudential oversight, consumer protection, and financial inclusion. Key achievements include:

- Establishing a nationwide intermediary network to expand access, especially in underserved areas.
- Advancing digitalization, promoting digital tools like mobile applications, enabling more convenient and transparent service delivery.
- Sustaining financial literacy campaigns and integrating them into education, empowering consumers.
- Promoting cross-sectoral insurance products, such as bank-linked coverage for mortgages and employment.

XPRIMM: What strategic role does the Central Bank of Armenia play in shaping the long-term development and stability of the insurance sector?

G.G.: The Central Bank of Armenia (CBA) plays a strategic role in ensuring both the long-term development and stability of the insurance sector. As the integrated financial regulator, on one hand, the CBA runs its traditional role of setting the regulatory framework, supervising market conduct, and supporting sectoral growth through a proactive and risk-based approach. To that end, the CBA regularly reviews and updates regulatory standards in line with international best practices, particularly those outlined by the International Association of Insurance Supervisors (IAIS). This includes capital adequacy, solvency, risk management, IFRS-aligned financial reporting and governance requirements.

However, our role extends beyond day-to-day supervision. CBA also plays a crucial role in development of the market by identifying long-term priorities and addressing structural barriers to insurance growth. We do intervene when and where market fails to mobilize resources. Currently, for example, as the pension system approaches the pay-out phase and more people reach retirement age, we are working to attract a reputable life insurance company in order to ensure a smooth and seamless transition into this phase.

XPRIMM: Are there plans to expand mandatory insurance schemes beyond MTPL, such as in health, natural disaster coverage, or professional liability? If so, what timelines or frameworks are being considered?

G.G.: The Central Bank of Armenia (CBA) acknowledges the important role that mandatory insurance plays in the development of the insurance market, particularly in areas of systemic or public interest risk. In collaboration with the government, we are actively involved in exploring future mandatory schemes, including in health, natural disaster coverage, and professional liability.

At the same time, we place strong emphasis on enabling the growth of voluntary insurance, recognizing it as essential for long-term market sustainability. Our strategy focuses on creating the right conditions and incentives for voluntary uptake, rather than relying solely on mandates.

To this end, the CBA invests in building critical market infrastructure, advancing financial literacy, ensuring consumer protection, and strengthening regulatory frameworks. We promote competition, trust, and professional development to support a robust and innovative insurance ecosystem.

This balanced approach ensures that insurance becomes not just a requirement, but a trusted and accessible financial tool for all Armenians.

XPRIMM: Given Armenia's exposure to natural disasters, is there a regulatory push toward developing catastrophe insurance frameworks, pooling mechanisms, or public-private risk-sharing models?

G.G.: The Central Bank of Armenia (CBA) acknowledges the critical need for robust catastrophe risk management frameworks. In collaboration with the Government of Armenia, the CBA has initiated several measures to enhance the country's resilience to such risks.

A notable example is the agricultural insurance scheme that was launched as a pilot in 2019 with government support. Due to structural and operational challenges, including issues related to risk assessment, loss adjustment, data quality, and institutional readiness, the scheme faced considerable setbacks.

Currently, Central Bank of Armenia, in collaboration with the Government and key stakeholders, is re-evaluating the entire framework of agricultural insurance. Discussions are underway on how to rebuild trust and functionality in the system. The goal is to create a more sustainable and effective insurance solution that can offer meaningful protection to Armenia's agricultural sector.

XPRIMM: How is the Armenian insurance market embracing innovation and digital transformation, and what is the regulator's approach to encouraging InsurTech or digital distribution channels?

G.G.: The Armenian insurance market is undergoing a significant digital transformation, with the Central Bank of Armenia (CBA) actively promoting innovation and the adoption of digital technologies to enhance efficiency, transparency, and better consumer experience.

A notable advancement in this area is the implementation of the Armenian Single Window for Automotive (ASWA) platform. ASWA was launched in 2017 and serves as a centralized digital system for managing compulsory motor third-party liability (MTPL) insurance processes. It facilitates the electronic issuance of policies, real-time data exchange among insurers, law enforcement, and regulatory bodies, and streamlines claims processing. The platform's mobile application empowers drivers to self-report accidents digitally, expediting claim settlements and reducing administrative burdens.

In 2024 the CBA actively participated in the 4th Inclusive Insurance Innovation Lab, a global initiative facilitated by the Access to Insurance Initiative (A2ii) and GIZ. This initiative brought together multi-stakeholder teams from Armenia, Nepal, and Senegal to co-create innovative insurance solutions that enhance climate resilience. The Armenian team, led by the CBA, developed the ArmAgro platform, which was officially unveiled at the Inclusive Insurance Innovation Lab Ecosystem Event held at the CBA. This initiative use technology to improve access and awareness, particularly in rural and climate-exposed areas.

XPRIMM: Is the Central Bank of Armenia aligning its regulatory approach with regional or EU standards, and are there opportunities for cross-border insurance cooperation or harmonization in the South Caucasus?

G.G.: The Central Bank of Armenia is continuously aligning its regulatory framework with international and regional standards, including those of the European Union. This alignment is part of a broader commitment to enhance financial sector resilience, improve consumer protection, and foster a stable and competitive insurance market.

Our regulatory approach is guided by the principles of the International Association of Insurance Supervisors (IAIS), and we actively monitor developments in the EU Solvency II framework to identify best practices that are appropriate for Armenia's market context. Over the past years, we have introduced several reforms aimed at strengthening governance, capital adequacy, risk-based supervision, and financial reporting.

In terms of regional cooperation, the CBA sees value in greater cross-border dialogue, particularly within our region. While formal harmonization efforts are still at an early stage, we recognize the potential benefits of cooperation in areas such as data sharing, supervisory coordination, and capacity-building. We are open to exploring platforms for joint initiatives, especially on issues of common interest such as catastrophe risk management, digitalization, and consumer protection.

Interview conducted by Daniela GHETU

Armenia

S&P Rating
BB-, NR

Moody's rating
Ba3, STABLE

Fitch Rating
BB-, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] Central Bank of Armenia
[3] ArmInfo News Agency
[4] XPRIMM calculations

A reduction in contracts among market leaders was the reason for weak premium growth, which stood at less than 2% (in local currency)

At the end of 2024, the insurance sector's net profit amounted to AMD 1.98 billion

In 2024, MTPL loss ratio in Armenia increased from 71.7% to 81.8%

The number of vehicles with MTPL policies increased by only 1.1% in 2024, while a year ago the growth was 10%

Armenian government will assume the role of a reinsurer under the agricultural insurance program in 2025

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	AMD billion [1]	6,181.90	6,991.78	8,501.45	9,453.18	10,160.90
	EUR billion [4]	9.64	12.89	20.24	21.11	24.55
GDP per capita, current prices	AMD [1]	2,087,423	2,360,253	2,901,915	3,189,115	3,427,598
	EUR [4]	3,256	4,350	6,908	7,120	8,281
Unemployment rate	% of total labor force [1]	18.20	15.50	13.50	12.60	13.00
Population	Millions [1]	2.96	2.96	2.93	2.96	2.96
AMD/EUR exchange rate	End of period [2]	641.11	542.61	420.06	447.90	413.89
Gross written premiums	AMD million [3]	44,548.23	49,383.75	61,083.74	71,015.20	72,374.10
	EUR million [4]	69.49	91.01	145.42	158.55	174.86
Paid claims	AMD million [3]	23,192.41	28,508.65	29,429.90	38,126.79	43,861.75
	EUR million [4]	36.18	52.54	70.06	85.12	105.97
Insurance penetration degree	% in GDP [4]	0.72%	0.71%	0.72%	0.75%	0.71%
Insurance density	EUR/capita [4]	23.46	30.73	49.63	53.49	59.00

In 2024 the Armenian insurance market grew by less than 2% (in local currency), total GWP reaching AMD 72.37 billion (EUR 174.86 million), as shown by the data of the Financial Rating of Insurance Companies provided to ArmInfo news agency. The agency noted that a reduction in contracts among market leaders was the reason for weak premium growth. However, due to the appreciation of the Dram against Euro, the results denominated in European currency show a 10.3% y-o-y growth rate.

The net profit of the insurance sector in Armenia, after a 4.5-fold jump in 2022, began to decline in 2023, remaining in this trend in 2024 with a little slowdown in rate from 33% to 26%. This was the result of a deterioration in the GWP dynamics, from 16.2% in 2023 vs. 2022, to 2% and a slowdown in the paid claims growth to 15%, as shown by the data of the Financial Rating of Insurance Companies of Armenia as of 31.12.2024, prepared by ArmInfo based on published financial statements and data additionally requested from insurance companies.

At the end of 2024, the insurance sector's net profit amounted to AMD 1.98 billion (~EUR 4.78 million). In terms of net profit for 2024, Armenia Insurance is the leader (AMD 589.9 million), followed by LIGA Insurance (AMD 369.7 million), and REGO Insurance (AMD 341.2 million). It is noted that only three companies on the market were able to increase their profits in 2024.

In 2024, the MTPL loss ratio in Armenia

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	174.86	158.55	10.29	105.97	85.12	24.49	100.00	100.00
Accidents	5.46	4.71	15.78	0.68	0.31	120.55	3.12	2.97
Health	49.89	45.14	10.51	40.41	30.94	30.61	28.53	28.47
Overall property insurance	17.85	19.72	-9.46	5.26	7.89	-33.39	10.21	12.44
Fire and allied perils	17.22	17.85	-3.51	4.79	5.92	-19.13	9.85	11.26
Other damages to property	0.63	1.87	-66.43	0.47	1.97	-76.20	0.36	1.18
Overall motor insurace	85.51	70.19	21.84	57.36	43.46	31.97	48.90	44.27
Motor Hull	13.66	10.07	35.66	5.18	3.29	57.19	7.81	6.35
MTPL	71.86	60.12	19.52	52.18	40.17	29.90	41.09	37.92
CARGO	4.80	4.51	6.53	1.20	0.68	76.90	2.75	2.84
GTPL	2.40	2.36	1.76	0.13	0.13	-0.47	1.37	1.49
Travel	3.38	3.00	12.79	0.43	0.36	19.71	1.93	1.89
Other	5.58	8.93	-37.60	0.51	1.36	-62	3.19	5.63

1 EUR = 447.90 Dram - AMD (December 31st, 2023)
1 EUR = 413.89 Dram - AMD (December 31st, 2024)

Gevorg PAPOYAN
Minister of Economy
Armenia

increased from 71.7% to 81.8% driven by deterioration in the annual dynamics of the number of active contracts - from a 11.7% increase a year earlier to a 0.7% decline, moderate GWP growth and double-digit growth in paid claims, according to data from the Bureau of Motor Insurers of Armenia. The Bureau's data show that the number of vehicles with MTPL policies increased by only 1.1% in 2024, while a year ago the growth was 10%. At the end of 2024, GWP collected under effective MTPL contracts exceeded AMD 29.7 billion (EUR 71.8 million), while paid claims reached AMD 21.9 billion (EUR 52.18 million).

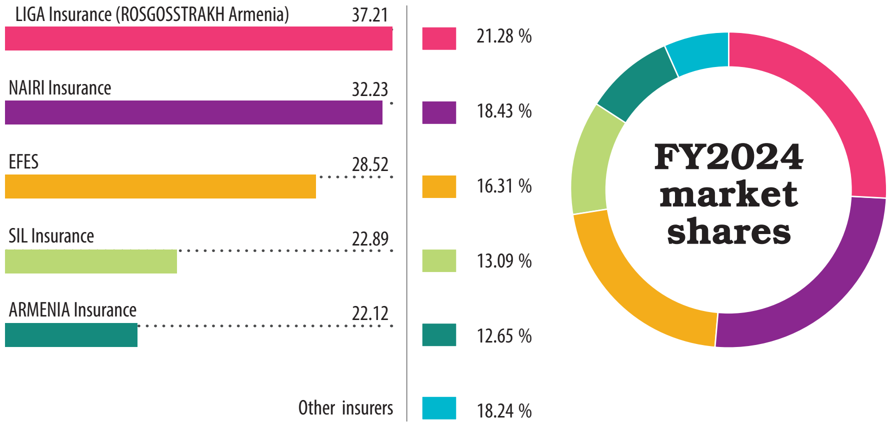
According to the Bureau of Motor Insurers of Armenia, from September 18, 2024, the maximum damage threshold for the European Accident Statement increased to AMD 400,000 (~EUR 940) from the previous AMD 200,000. The general MTPL rules, approved by the Council of the Bureau of Motor Insurers of Armenia, have undergone changes since the Bureau received several requests and complaints about traffic jams caused by road accidents, and this issue was raised by the government and repeatedly discussed in the National Assembly of Armenia in the previous year.

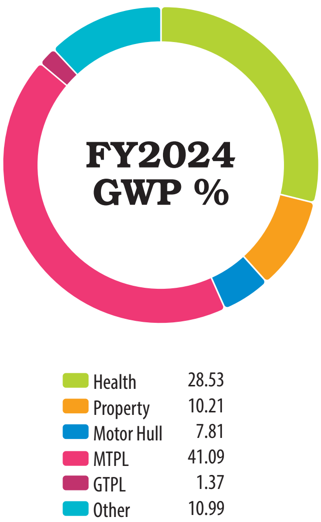
In 2024, Ingo insurance company introduced a completely new product for the Armenian financial market – income protection insurance. *We are confident that interest of the banking sector in the product will contribute to the formation of a new culture in the financial and insurance sectors and will help offering the best solutions for our clients,* the insurance company noted.

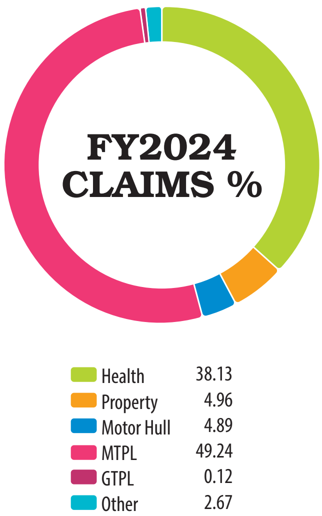
This year Armenian Minister of Economy Gevorg Papoyan stated that the Armenian government will assume the role of a reinsurer under the agricultural insurance program in 2025. According to the Minister, last year problems with the program implementation were caused by the fact that when Swiss Re Group was the reinsurer, there was no proper control, and not only the insurance sector is responsible. Gevorg Papoyan explained that farmers were compensated more than the actual amount of damage was.

Last year, we had Swiss Re and the German Development Bank KfW as partners. Now the government will become this partner, which, according to the draft law being considered by the government, will reimburse 70-80% of insurance premium to our citizens. And if damage exceeds 200%, we will also compensate this part to insurance companies, said the Minister of Economy. Gevorg Papoyan specified that in 2026, another reinsurance company will be selected as a partner of the program. (M.M.)

Top 5 Total market (GWP, EUR m)







Azerbaijan

S&P Rating
BB+, NEGATIVE

Moody's rating
BA1, POSITIVE

Fitch Rating
BBB-, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] Central Bank of Azerbaijan Republic

[3] Financial Markets Supervision Authority of the Republic of Azerbaijan (FIMSA)

[4] Ministry of Finance of Republic of Azerbaijan

[5] XPRIMM calculations

The insurance market of Azerbaijan grew by 10.69% in 2024, reaching AZN 1.35 billion (EUR 763.48 million), driven by life insurance, which increased by 16.65% and generated over 54% of all premiums.

The CBA signed a Memorandum of Understanding with the Islamic Corporation for the Insurance of Investment and Export Credit, to expand the use of Islamic insurance services in the country.

Since its inception, the Agricultural Insurance Fund has paid compensations totaling AZN 15 million.

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	AZN billion [1]	72.58	93.20	133.97	123.01	128.60
	EUR billion [4]	34.74	48.38	73.96	65.55	72.56
GDP per capita, current prices	AZN [1]	7,277	9,296	13,313	12,146	12,548
	EUR [4]	3,483	4,825	7,350	6,472	7,080
Unemployment rate	% of total labor force [1]	7.24	6.04	5.65	5.46	5.39
Population	Millions [1]	9.97	10.03	10.06	10.13	10.25
AZN/EUR exchange rate	End of period [2]	2.0890	1.9265	1.8114	1.8766	1.7724
Gross written premiums	AZN million [3]	728.63	843.90	970.82	1,222.54	1,353.19
	EUR million [4]	348.80	438.05	535.95	651.46	763.48
Paid claims	AZN million [3]	465.15	458.73	433.20	587.32	752.71
	EUR million [4]	222.67	238.11	239.15	312.97	424.69
Insurance penetration degree	% in GDP [4]	1.00%	0.91%	0.72%	0.99%	1.05%
Insurance density	EUR/capita [4]	34.97	43.69	53.26	64.33	74.49

The insurance market of Azerbaijan grew by 10.69% in 2024, reaching AZN 1.35 billion (EUR 763.48 million). The growth driver was life insurance, which increased by 16.65% and generated over 54% of all premiums, according to statistics published by the National Bank.

The two Pasha subsidiaries – Pasha Life Insurance and Pasha Insurance – remained the leading companies in the overall market ranking, controlling a market

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
TOTAL MARKET	763.48	651.46	17.19	424.69	312.97	35.69	100.00	100.00
TOTAL LIFE INSURANCE	414.14	335.31	23.51	272.65	159.19	71.28	54.24	51.47
Voluntary life insurance	363.26	290.53	25.03	269.39	157.09	71.49	47.58	44.60
Compulsory life insurance*	50.88	44.78	13.61	3.26	2.10	55.23	6.66	6.87
TOTAL NON-LIFE INSURANCE	349.34	316.15	10.50	152.03	153.78	-1.14	45.76	48.53
Accidents (V)	3.00	2.66	12.82	0.19	0.09	98.05	0.39	0.41
Medical insurance (V)	69.45	64.48	7.70	54.53	43.89	24.23	9.10	9.90
Travel insurance (V)	3.15	3.21	-1.91	0.37	0.29	26.69	0.41	0.49
Fire and other perils (V)	50.19	39.93	25.70	2.13	40.19	-95	6.57	6.13
Aircraft insurance (V)	12.31	11.81	4.22	0.45	0.24	87.30	1.61	1.81
Ships insurance (V)	3.66	4.03	-9.19	0.76	0.06	1,195.73	0.48	0.62
Cargo insurance (V)	3.96	3.19	23.97	0.99	0.11	785.14	0.52	0.49
Agricultural plants (V)	6.85	6.90	-0.75	2.96	1.86	59	0.90	1.06
Agricultural animals (V)	1.19	2.11	-43.62	0.75	0.58	30.48	0.16	0.32
Aircraft liability (V)	0.45	2.68	-83.25	0.00	0.01	-52.51	0.06	0.41
Ships liability (V)	0.01	0.05	-84.20	-	-	-	0.00	0.01
Professional liability (V)	1.15	0.69	66.16	0.00	-	-	0.15	0.11
Employer's liability (V)	0.45	0.48	-4.81	-	-	-	0.06	0.07
GTPL (V)	8.50	7.17	18.51	0.14	0.07	104.95	1.11	1.10
Credit insurance (V)	2.97	2.04	45.39	0.04	0.00	1,544.45	0.39	0.31
Overall motor insurance	131.88	120.32	9.60	86.49	63.06	37.15	17.27	18.47
Motor Hull (V)	37.26	29.24	27.41	13.14	10.89	20.71	4.88	4.49
Liability for owners of motor vehicles (M)	94.62	91.08	3.89	73.35	52.17	40.58	12.39	13.98
Immovable property (M)	46.66	41.67	11.97	1.87	3.05	-38.80	6.11	6.40
Other non-life insurance (V)+(M)	3.53	2.73	29.46	0.37	0.28	32.23	0.46	0.42
TOTAL VOLUNTARY INSURANCE	570.60	473.25	20.57	345.87	255.38	35.43	74.74	72.64
TOTAL MANDATORY INSURANCE	192.88	178.21	8.23	78.82	57.59	36.86	25.26	27.36

*compulsory insurance against industrial disability arising out of industrial accidents and occupational illnesses

(V) - Voluntary insunrace — 1 EUR = 1.8766 Manat - AZN (December 31st, 2023)

(M) - Mandatory insurance — 1 EUR = 1.7724 Manat - AZN (December 31st, 2024)

Ziya ALIYEV
General Manager, Insurance Supervision and Regulation, Central Bank of Azerbaijan

share by far superior to any of the other players (43.93% market share and 23.47% respectively).

However, Pasha Insurance was confronted with concerns regarding its worsening complaint index for mandatory MTPL in the period from March 2024 to February 2025. According to the Central Bank, Pasha Insurance had the highest complaint index among insurance companies, of 1.3, which places it in the "red zone". While the Top 5 companies were in a similar position, the other managed to improve their index value.

Several structural changes of the market occurred:

» Turkish BMS Group Sigorta ve Reasurans Brokerligi company entered the market, raising the number of foreign brokers operating in the insurance market of Azerbaijan to 93.

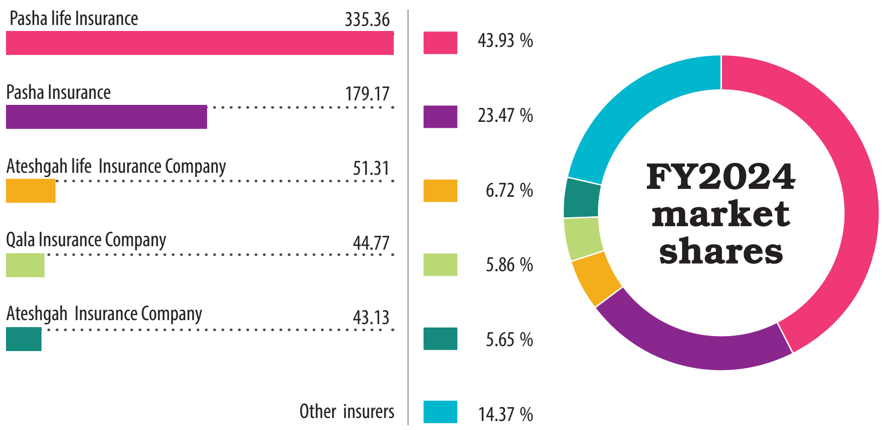
» Azerbaijan's Bakı Sığorta (Baku Insurance), ranking 17th by the end 3Q 2024, announced its liquidation.

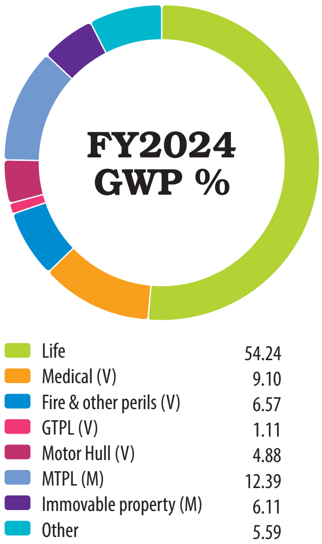
» The CBA signed a Memorandum of Understanding with the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), aimed at expanding the use of Islamic insurance services in the country. Cooperation in this area is set to roll out fresh financial tools in the country, which will speed up the flow of investments into Azerbaijan.

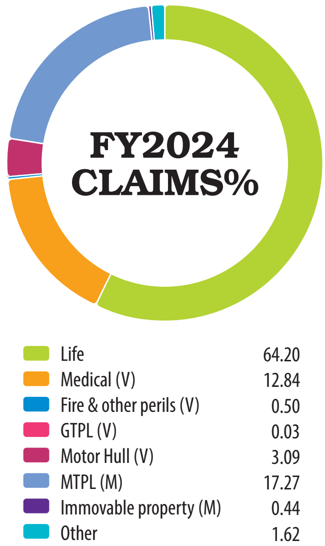
Azerbaijan's exposure and vulnerability to the earthquake risk, as well as the measures to cope with the financial impact of such events were the topics of the "A Resilient Financial System Against Catastrophic Risks" Conference, organized on 22-23 May, 2024, by the Central Bank of Azerbaijan and the Compulsory Insurance Bureau, with the participation of T-Rupt, a Türk Reasürans group company specializing in insurance and reinsurance technology solutions. Ziya Aliyev, General Manager responsible for the Insurance Supervision and Regulation Departments of the Central Bank of Azerbaijan (Director General of the CBA), stated: *Recent natural disasters in regions close to our country, especially the severe earthquake in our neighbor, Türkiye, which caused extensive damage, have made it imperative to strengthen damage prevention policies further. The intensive development of residential and industrial facilities in our country requires a reliable assessment of the earthquake hazard level for settlements and construction sites. This situation is crucial for strengthening the country's defense capacity against emergencies and the damage they may cause.*

According to data provided by the Ministry of Agriculture, the cultivated areas insured through the agrarian insurance mechanism in the country reached 446 thousand hectares, while AZN 6.4 million were paid to farmers and farms that suffered losses last year. The agricultural insurance mechanism provided with state support in Azerbaijan was created based on the Turkish TARSIM model. The main feature of the agricultural insurance mechanism is the provision of 50% state support for insurance premiums. (M.M.)

Top 5 Total market (GWP, EUR m)







Belarus

S&P Rating
CC, NEGATIVE WATCH

Moody's rating
C, STABLE

Fitch Rating
CCC, NR

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] National Bank of the Republic of Belarus

[3] Ministry of Finance of the Republic of Belarus

[4] The Belarusian Association of Insurers

[4] XPRIMM calculations

The insurance sector of Belarus amounted to BYN 2,616.99 million (EUR 722.01 million), which is 18.10% more y-o-y

Chinese businesses are gradually increasing their presence in Belarus, and as a result the demand for insurance services is growing

Belarus Confirms Stake in Eurasian Reinsurance Company

Sales of unified motor insurance policies in Belarus and Russia planned to finally begin on April 23, 2025

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	BYN billion [1]	149.72	173.15	191.37	216.10	235.40
	EUR billion [4]	47.26	60.07	65.64	61.11	64.95
GDP per capita, current prices	BYN [1]	15,962	18,613	20,738	23,545	25,776
	EUR [4]	5,038	6,457	7,113	6,658	7,111
Unemployment rate	% of total labor force [1]	4.08	3.89	3.58	3.46	3.04
Population	Millions [1]	9.38	9.30	9.23	9.18	9.13
BYN/EUR exchange rate	End of period [2]	3.1680	2.8826	2.9156	3.5363	3.6246
Gross written premiums	BYN million [3]	1,510.20	1,726.57	1,840.12	2,215.85	2,616.99
	EUR million [4]	476.70	598.96	631.13	626.60	722.01
Paid claims	BYN million [3]	814.71	1,065.09	1,235.12	1,303.85	1,511.04
	EUR million [4]	257.17	369.49	423.63	368.70	416.88
Insurance penetration degree	% in GDP [4]	1.01%	1.00%	0.96%	1.03%	1.11%
Insurance density	EUR/capita [4]	50.82	64.38	68.39	68.27	79.06

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	722.01	626.60	15.23	416.88	368.70	13.07	100.00	100.00
TOTAL LIFE (V)	77.68	65.87	17.91	64.68	55.69	16.16	10.76	10.51
Life insurance	43.15	42.61	1.25	44.92	37.26	20.58	5.98	6.80
Supplementary pension ins.	34.53	23.26	48.44	19.76	18.43	7.23	4.78	3.71
TOTAL NON-LIFE (V)+(M)	644.33	560.73	14.91	352.20	313.02	12.52	89.24	89.49
VOLUNTARY INS. (V), OF WHICH:	397.73	344.84	15.34	222.16	191.90	15.77	55.09	55.03
Medical expenses insurance	83.16	73.17	13.65	64.37	52.89	21.70	11.52	11.68
Accidents	28.00	33.55	-16.53	10.46	9.74	7.46	3.88	5.35
Property of legal entities	121.79	100.61	21.05	75.09	61.13	22.84	16.87	16.06
Property of individuals	67.53	55.50	21.66	31.16	27.63	12.77	9.35	8.86
Cargo	7.77	6.31	23.02	1.63	0.52	211.68	1.08	1.01
Business risks	38.92	33.56	15.98	26.08	28.27	-7.74	5.39	5.36
Construction risks	11.99	10.90	9.98	1.23	0.69	79.07	1.66	1.74
Liability insurance	18.97	17.04	11.34	5.47	5.26	3.96	2.63	2.72
Blanket insurance	19.60	14.20	38.05	6.67	5.77	-	2.72	2.27
MANDATORY INS. (M), OF WHICH:	246.61	215.88	14.23	130.04	121.11	7.37	34.16	34.45
Real estate property of individuals	5.90	5.29	11.52	3.65	2.69	35.70	0.82	0.84
Ins. with State support of agricultural crops, livestock and poultry	6.34	7.69	-17.53	6.46	11.85	-45.47	0.88	1.23
Medical ins. for foreign citizens	5.24	3.73	40.37	1.00	0.68	47.51	0.73	0.60
Accidents at work and occupational diseases	119.62	102.64	16.55	57.19	50.81	12.57	16.57	16.38
Compulsory state insurance	0.28	0.24	15.16	0.26	0.29	-9.12	0.04	0.04
MTPL	104.97	92.25	13.79	60.96	54.29	12.29	14.54	14.72
Carriers' liability	1.62	1.34	20.92	0.50	0.47	6.11	0.22	0.21
Commercial organizations engaged in real estate activities	0.13	0.12	8.22	0.00	0.00	103.25	0.02	0.02
Temporary managers in case of economic insolvency (bankruptcy)	0.05	0.06	-15.28	0.00	0.01	-52.27	0.01	0.01
Civil liability of legal persons and individual employers for demages caused by activities related to the operation of certain facilities	2.27	2.35	-3.37	0.01	0.03	-82.16	0.31	0.38
Civil liability of the carrier for the carriage of dangerous goods	0.19	0.18	7.33	0.00	0.00	325.20	0.03	0.03

1 EUR = 3.6246 New Belarusian Ruble - BYN (December 31st, 2024)
1 EUR = 3.5363 New Belarusian Ruble - BYN (December 31st, 2023)

Belarus

At the end of 2024, the insurance sector of Belarus amounted to BYN 2,616.99 million (EUR 722.01 million), which is 18.10% more y-o-y, according to data published by the Ministry of Finance of the Republic of Belarus.

The assets of insurance organizations in 2024 increased to BYN 7,574.2 million (+12.0%). As of December 31, 2024, the equity capital of the insurance sector amounted to BYN 2,186.1 million, having increased by BYN 126.9 million compared to 2023. Total charter capital was BYN 1,492.8 million, or 68.3% of the insurers' equity capital.

Belarusian insurers are making inroads into China, with the first concrete step marked by a business visit from the Belarusian Association of Insurers (BAS) to Dalian, China, on October 14–19, 2024.

According to Insurance in Belarus, the cooperation model with China balances advanced digital infrastructure with a strong emphasis on traditional face-to-face meetings and ceremonial protocols.

To formalize bilateral cooperation, BAS Director General Irina Merzlyakova signed the Dalian Initiative—a declaration of intent aimed at boosting ties between the insurance sectors of both countries. The agreement outlines plans for mutual assistance, joint working groups, training programs, and knowledge exchange.

Chinese partners are gradually increasing their presence in our country, and the demand for insurance services is growing, Merzlyakova noted. *The Dalian Initiative could become a starting point for deeper integration of our insurance markets.*

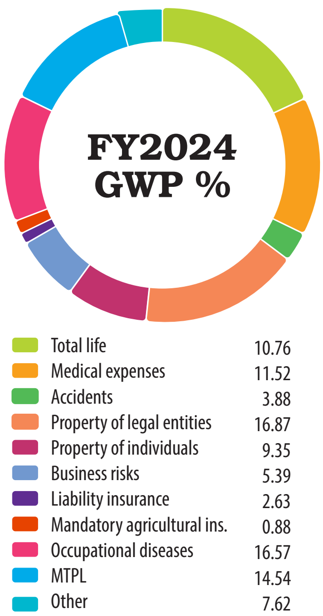
A government resolution dated August 20, 2024, designated the Belarusian organizations responsible for contributing to the charter capital of the newly established Eurasian Reinsurance Company, a project approved by EAEU heads of government in August 2022. Under the resolution, Beleximgarant will contribute RUB 675 million, while Belgosstrakh and Belarus Re will each pay RUB 506.25 million.

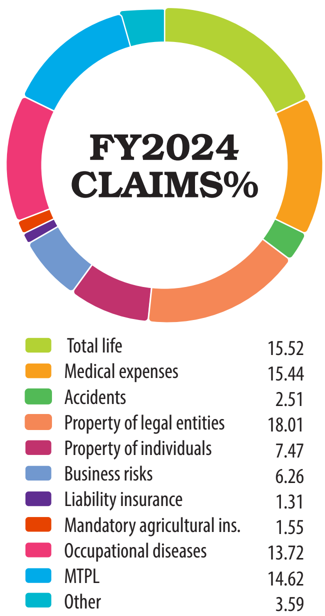
The company aims to boost mutual trade, deepen economic integration within the EAEU, and enhance ties with third countries through reinsurance activities.

Sales of unified motor insurance policies in Belarus and Russia planned to finally begin on April 23, 2025, according to the Ministry of Finance of Belarus.

A new type of mandatory civil liability insurance contract for vehicle owners has been introduced in the Union State - a unified insurance contract, valid on the territory of Belarus and Russia. This will allow Belarusian vehicle owners who have concluded such a contract not to purchase an additional international insurance contract when traveling to the Russian Federation.

Considering the agreements with Russia, unified insurance contracts will only be concluded in electronic form. It is noted that the unified insurance system should simplify life of drivers who often cross the border between the two countries. (M.M.)





Georgia

S&P Rating
BB, NEGATIVE

Moody's rating
BA2, NEGATIVE

Fitch Rating
BB, NEGATIVE

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	GEL billion [1]	49.79	60.72	72.86	80.25	89.80
	EUR billion [4]	12.38	17.33	25.26	26.97	30.64
GDP per capita, current prices	GEL [1]	13,395	16,286	19,753	21,477	24,033
	EUR [4]	3,329	4,648	6,848	7,218	8,201
Unemployment rate	% of total labor force [1]	18.50	20.60	17.30	16.40	14.50
Population	Millions [1]	3.72	3.73	3.69	3.74	3.74
GEL/EUR exchange rate	End of period [2]	4.0233	3.5040	2.8844	2.9753	2.9306
Gross written premiums	GEL million [3]	667.28	772.66	909.63	1,063.58	1,259.40
	EUR million [4]	165.85	220.51	315.36	357.47	429.74
Paid claims	GEL million [3]	385.48	435.73	495.06	614.29	759.69
	EUR million [4]	95.81	124.35	171.63	206.46	259.23
Insurance penetration degree	% in GDP [4]	1.34%	1.27%	1.25%	1.33%	1.40%
Insurance density	EUR/capita [4]	44.62	59.13	85.49	95.68	115.00

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] The National Bank of Georgia

[3] State Insurance Supervision Service of Georgia

[4] XPRIMM calculations

According to the Georgian Insurance Supervision Service, in 2024 the insurance market grew by 20.22%, amounting to GEL 1.26 billion (EUR 429.7 million).

Commenting on the market's year-end results, David ONOPRISHVILI, Chairman, Insurance State Supervision Service of Georgia explained that *the growth is due to the following factors: people have more faith in insurance products, health insurance has become more expensive. The health insurance sector is not very profitable for insurance companies, but prices themselves are increasing in the healthcare sector, so the price changes are reflected in healthcare insurance. There is a significant increase in healthcare, as well as property insurance and car insurance.*

Slightly less than half of the market GWP portfolio (42.4%) was generated by health insurance, where insurers collected GEL 533.8 million (EUR 182 million). The sector saw an almost 19.4% growth rate. Yet, health insurance remains a challenging business, as the rapidly growing state funding of social programs and constantly increasing costs of medical services and medicines apply significant pressure on insurance expenses.

In 2024 the insurance market grew by 20.22%, amounting to GEL 1.26 billion

Almost half of the market GWP portfolio (42.4%) was generated by health insurance, a line of business still in need of reform

In 2024 insurers' gross financial result amounted to GEL 127.55 million, while the technical result was GEL 45.87 million for life insurance and GEL 261.3 million for non-life

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	429.74	357.47	20.22	259.23	206.46	25.56	100.00	100.00
TOTAL LIFE	37.24	30.11	23.66	11.14	8.99	23.94	8.66	8.42
TOTAL NON-LIFE	392.50	327.36	19.90	248.08	197.47	25.63	91.34	91.58
Accidents	5.90	5.14	14.89	0.43	0.19	120.62	1.37	1.44
Health	182.16	150.19	21.28	122.41	105.54	15.98	42.39	42.02
Overall motor insurance	115.37	94.17	22.51	68.10	54.93	23.96	26.85	26.34
Motor Hull	87.44	68.93	26.86	56.96	45.83	24.29	20.35	19.28
MTPL	27.93	25.24	10.64	11.14	9.11	22.29	6.50	7.06
Property	45.13	42.45	6.33	12.06	13.83	-12.78	10.50	11.87
Railway, aircraft and ships	9.34	6.23	50.04	37.63	11.55	225.85	2.17	1.74
CARGO	5.70	4.95	15.27	1.44	0.50	187.47	1.33	1.38
GTPL	10.84	9.36	15.73	0.82	1.37	-39.77	2.52	2.62
Carriers' liability (air and sea)	5.46	3.89	40.32	-	-	-	1.27	1.09
Financial Risks	2.48	2.56	-3.09	0.13	0.26	-50.82	0.58	0.72
Credit	0.03	0.12	-78.21	0.03	0.00	1,090.86	0.01	0.03
Suretyship	4.93	4.54	8.58	4.52	8.88	-49.14	1.15	1.27
Travel	5.16	3.76	37.20	0.52	0.41	26.65	1.20	1.05

1 EUR = 2.9753 Lari - GEL (December 31st, 2023)
1 EUR = 2.9306 Lari - GEL (December 31st, 2024)

David ONOPRISHVILI
Chairman of Service, Insurance State Supervision Service of Georgia

Georgia

The motor insurance segment (Motor Hull and MTPL together) is the second largest in terms of GWP. For the time being, the main contribution is provided by the Motor Hull insurance class, which accounts for about 20.3% of the market GWP. However, should the mandatory MTPL insurance launch take place soon, this line may add to the annual turnover GWP of over GEL 250 million. For the time being, only about 7% of the vehicles registered in Georgia are insured.

The share of life insurance in the market portfolio has hardly changed and amounts to 8.66%, while its growth rate by the end of the half-year was at the level of 22%.

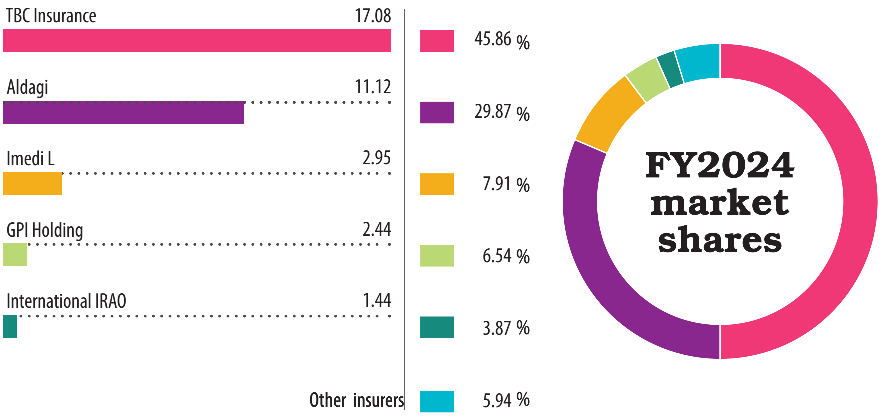
Insurers' paid claims grew quite significantly by the end of the year – by 23.67%, reaching GEL 759.7 million (EUR 259.23 million). Non-life paid claims increased by 23.7%, while paid claims in life insurance rose only by 22% in local currency.

According to ISSSG data, last year insurers' gross financial result amounted to GEL 127.55 million, while the technical result was of GEL 45.87 million for life insurance and GEL 261.3 million for non-life.

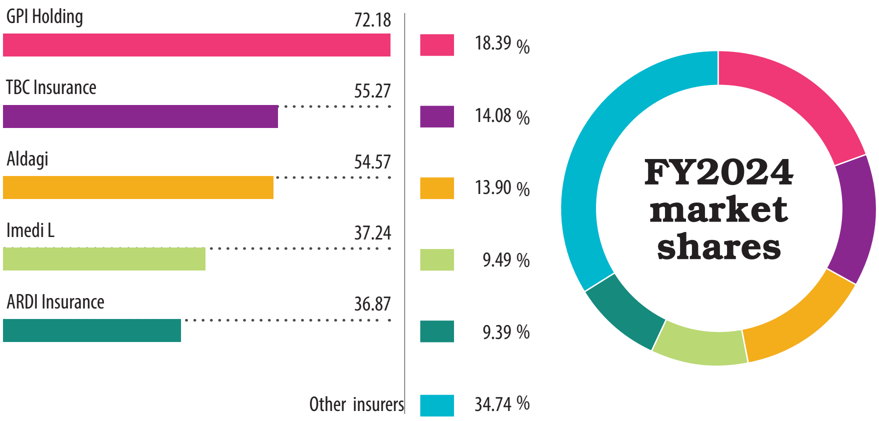
The enforcement of clause of the updated Law on Tourism adopted by the end of 2023, providing for compulsory insurance to be introduced for all foreign visitors of Georgia was postponed until January 1, 2026 because of is the impossibility of reaching consensus on several provisions of the Law.

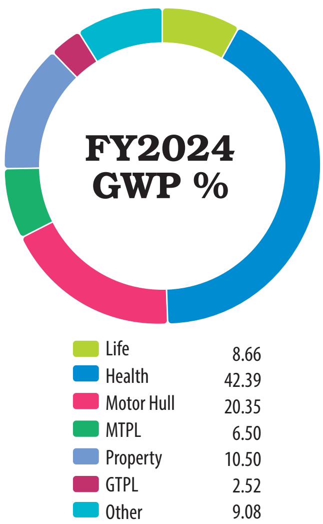
The market hierarchy remained unchanged as compared with the end of 2023: GPI Holding – part of the Austrian Vienna Insurance Group -, was the market leader, with GWP worth GEL 218.7 million and a market share of 17.36%. TBC Insurance ranked second, with GWP of GEL 212 million and a stable market share, of 16.8%. Aldagi completed Top 3, with GWP worth GEL 192.5 million and a 15.3% market share. Imedi L and Ardi Insurance rounded out the top five. (D.G.)

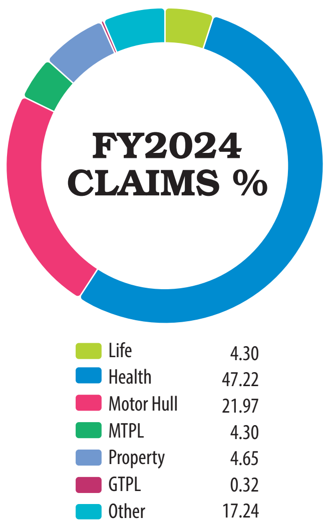
Top 5 Life insurance (GWP, EUR m)



TOP 5 Non-Life insurance (GWP, EUR million)







Kazakhstan

S&P Rating
BBB-, DEVELOPING

Moody's rating
BAA1, STABLE

Fitch Rating
BBB, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] The National Bank of Kazakhstan

[3] XPRIMM calculations

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	KZT billion [1]	70,649.03	83,951.59	103,765.52	120,561.10	132,520.21
	EUR billion [3]	136.88	172.11	210.54	240.05	242.50
GDP per capita, current prices	KZT [1]	3,766,810	4,418,275	5,284,727	6,070,309	6,599,857
	EUR [3]	7,298	9,058	10,723	12,086	12,077
Unemployment rate	% of total labor force [1]	4.93	4.90	4.88	4.78	4.78
Population	Millions [1]	18.76	19.00	19.64	19.86	20.08
KZT/EUR exchange rate	End of period [2]	516.13	487.79	492.86	502.24	546.47
Gross written premiums	KZT million [2]	568,134.50	814,816.36	899,597.78	1,187,889.08	1,679,487.02
	EUR million [3]	1,100.76	1,670.42	1,825.26	2,365.18	3,073.34
Paid claims	KZT million [2]	149,916.23	130,604.49	196,339.08	281,220.33	343,488.42
	EUR million [3]	290.46	267.75	398.37	559.93	628.56
Insurance penetration degree	% in GDP [3]	0.80%	0.97%	0.87%	0.99%	1.27%
Insurance density	EUR/capita [3]	58.69	87.91	92.96	119.09	153.06

According to the FY2024 results, the insurance sector of Kazakhstan grew by 41.38%, reaching KZT 1,679.48 billion (EUR 3.07 billion). More than 58% of all market premiums came from non-life insurance.

In 2024, the assets of the insurance sector increased by 25.3% to KZT 3.1 trillion (~EUR 5.67 billion). The increase in assets was mainly due to the growth of income from insurance activities, according to the International Information Agency DKnews.kz. As of January 1, 2025, securities had the largest share in the asset structure (76% or KZT 2.4 trillion), cash and deposits in second-tier banks accounted for 5.3% (KZT 166 billion), and insurance receivables - 4% (KZT 124 billion).

Total liabilities of the insurance sector for 2024 increased by 37% to KZT 2.2 trillion mainly due to the growth of insurance reserves. Insurers' equity capital increased by 4.5% to KZT 945 billion, thanks to the income from insurance activities.

In October 2024, Nomad Insurance, one of the top 10 insurance companies in Kazakhstan, announced a reinsurance agreement with Coca-Cola HBC, one of the largest beverage producers in the world. Based on the agreement, Nomad Insurance was to reinsure Coca-Cola HBC risks in key regions, including Nigeria, Poland, Italy, Greece and Hungary. "We are very proud that Coca-Cola has chosen us to reinsure their risks. This partnership is a confirmation

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	3,073.34	2,365.18	29.94	628.56	559.93	12.26	100.00	100.00
TOTAL LIFE	1,275.47	728.15	75.16	109.04	95.09	14.67	41.50	30.79
TOTAL NON-LIFE	1,797.87	1,637.03	9.83	519.52	464.84	11.76	58.50	69.21
Accidents (v)	265.16	118.97	122.88	10.73	10.79	-0.57	8.63	5.03
Sickness (v)	134.63	119.93	12.25	79.39	71.97	10.30	4.38	5.07
Property insurance (v)	437.81	418.19	4.69	121.62	136.75	-11.06	14.25	17.68
Overall motor insurance	407.45	469.95	-13.30	198.71	166.40	19.42	13.26	19.87
Motor Hull (v)	194.02	239.18	-18.88	52.29	44.84	16.60	6.31	10.11
MTPL (c)	213.42	230.77	-7.51	146.42	121.56	20.45	6.94	9.76
CARGO (v)	43.08	56.52	-23.78	4.16	2.00	108.57	1.40	2.39
GTPL (v)	120.02	111.59	7.55	4.51	15.77	-71.39	3.91	4.72
Financial losses (v)	51.50	28.06	83.53	2.69	8.35	-67.85	1.68	1.19
Worker against accidents (c)	252.07	173.34	45.42	82.69	29.70	178.44	8.20	7.33
Others (c)+(v)	86.17	140.48	-38.66	15.02	23.11	-35.00	2.80	5.94
TOTAL COMPULSORY INSURANCE	495.76	433.61	14.33	235.78	156.47	50.69	16.13	18.33
TOTAL VOLUNTARY INSURANCE	2,577.58	1,931.57	33.44	392.78	403.47	-2.65	83.87	81.67

(v) - voluntary insurance / (c) - compulsory insurance
1 EUR = 502.24 Tenge - KZT (December 31st, 2023)
1 EUR = 546.47 Tenge - KZT (December 31st, 2024)

The insurance sector of Kazakhstan grew by 41.38%, reaching EUR 3.07 billion.

The assets of the insurance sector increased by 25.3% to ~EUR 5.67 billion.

In October 2024 the decision of introducing a system of mandatory catastrophic risk insurance in the republic of Kazakhstan was taken.

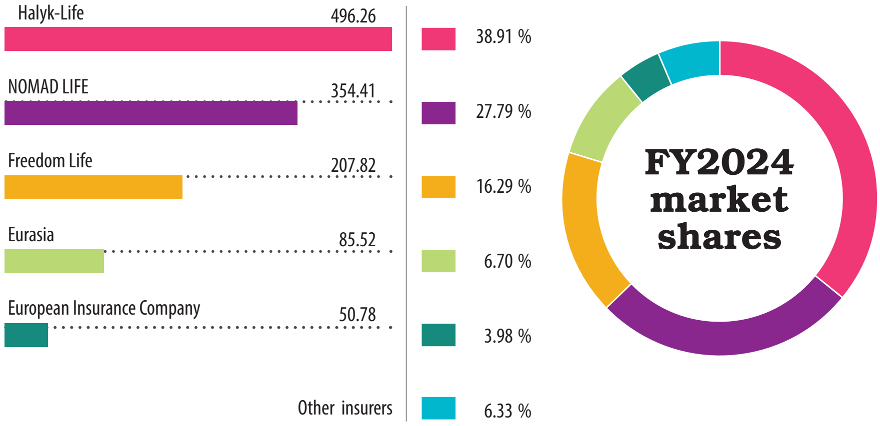
Kairat CHEGEBAEV
Chairman of the Management Board
Eurasia

of our growth and professionalism. We are confident that we will be able to provide the famous beverage company with reliable and effective insurance solutions that will help them successfully develop their business", said Shakir Iminov, PR Director of Nomad Insurance.

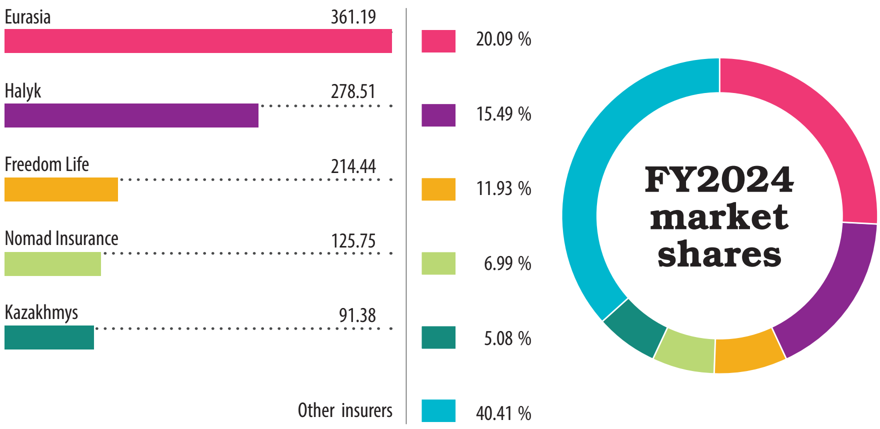
Also, last year AM Best agency confirmed Eurasia's financial strength rating at B++ and its long-term credit rating at bbb+ with a stable outlook. It was noted that the company has maintained the highest rating among all insurance companies in Kazakhstan from AM Best for many years. The ratings reflect the company's stability, as well as the operating performance. The company's stability is ensured by high risk-adjusted capitalization, which will remain at the highest level, measured by the capital adequacy ratio. The insurer has about 45% (or more than KZT 260 billion) of total equity capital on the insurance market of Kazakhstan. *Eurasia is harmoniously developing and growing both thanks to its domestic operations and international business. This allows us to maintain a leading position in the domestic insurance market in terms of key financial indicators, consistently demonstrating their growth and increasing financial stability*, commented Kairat Chegebaev, Chairman of the Management Board of Eurasia.

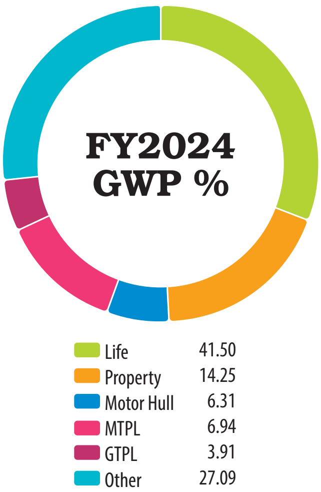
Based on the study of international experience and analysis of the insurance market of Kazakhstan, last year in October it was decided to introduce mandatory catastrophic risk insurance in the republic. The Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market was going to develop the corresponding draft law. According to Elena Filimonova, Deputy Director of the Insurance Market and Actuarial Calculations Department of the Agency, last year the Agency actively worked with experts from the Asian Development Bank to create a catastrophic insurance system. She noted that the important question today is to understand how to provide a profitable insurance product for citizens. (M.M.)

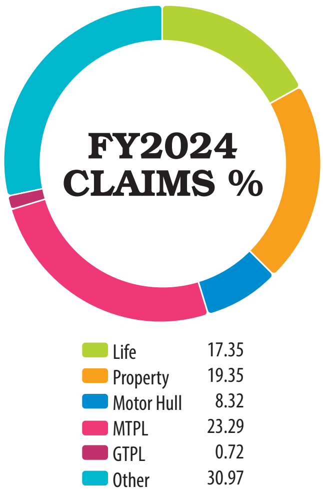
TOP 5 Life insurance (GWP, EUR million)



TOP 5 Non-Life insurance (GWP, EUR million)







Kyrgyzstan

S&P Rating
B+, STABLE

Moody's rating
B3, STABLE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, Ocotber 2024
[2] National Bank of the Kyrgyz Republic
[3] FSA - Gosfinnadzora
[4] The State Service for Financial Market Regulation and Supervision under the Government of the Kyrgyz Republic
[5] XPRIMM calculations

The insurance sector of Kyrgyzstan at the end of 2024 grew by 71.32%, reaching EUR 57.43 million.

Compulsory insurance recorded a three-digit growth in paid claims (+131.82%)

At the end of 2024, it was proposed to postpone introduction of fines for the absence of an MTPL policy in Kyrgyzstan for six months

Market's main indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	KGS billion [1]	639.69	782.85	1,020.75	1,228.90	1,389.70
	EUR billion [4]	6.31	8.17	11.16	12.47	15.34
GDP per capita, current prices	KGS [1]	98,158	117,644	150,222	177,300	196,356
	EUR [4]	969	1,228	1,643	1,799	2,168
Unemployment rate	% of total labor force [1]	8.66	9.01	9.01	9.01	9.01
Population	Millions [1]	6.52	6.65	6.80	6.93	7.08
KGS/EUR exchange rate	End of period [2]	101.3204	95.7857	91.4377	98.5328	90.5844
Gross written premiums	KGS million [3]	1,334.76	1,261.85	2,159.08	3,036.49	5,202.01
	EUR million [4]	13.17	13.17	23.61	30.82	57.43
Paid claims	KGS million [3]	184.21	263.92	340.02	735.15	852.33
	EUR million [4]	1.82	2.76	3.72	7.46	9.41
Insurance penetration degree	% in GDP [4]	0.21%	0.16%	0.21%	0.25%	0.37%
Insurance density	EUR/capita [4]	2.02	1.98	3.47	4.45	8.11

The insurance sector of Kyrgyzstan at the end of 2024 grew by 71.32%, reaching KGS 5,202.01 million (EUR 57.43 million), according to data published by the Service for regulation and supervision of the financial market of Kyrgyzstan.

Among the main insurance classes, personal insurance demonstrates the most impressive GWP growth (+141.95% y-o-y). Although property insurance occupies the largest share in the premium portfolio (51.47%).

Insurers' paid claims increased by 15.94%, amounting to KGS 852.33 million (EUR 9.41 million). Compulsory insurance recorded a three-digit growth in paid claims (+131.82%).

At the end of 2024, 15 insurers were operating on the market, among which GSO came out on top in terms of GWP, with its market share growing from 5.88% to 24.44%. NSK, the leader of the previous year, moved to third place, while ARSENAL Kyrgyzstan holds its second place.

On October 21, 2024, the Social Policy Committee of the Zhogorku Kenesh of the Kyrgyz Republic approved in the first reading the draft Law of the Kyrgyz Republic "On insurance and insurance activities" in a new edition. The draft Law was developed by the regulator (Finnadzor) to bring insurance into line with the requirements of the principles of the International Association of Insurance Supervision (IAIS). The Service for regulation and supervision of the financial market of Kyrgyzstan noted that formation of an automated information base will allow for the exchange of information between insurance entities. In addition, actuaries, insurance brokers will be required to register in the Unified State Register of Insurance Market Entities to carry out insurance activities. This will improve transparency and efficiency in the insurance market, which will lead to increased confidence of customers and investors, and further development of the insurance market, as well as

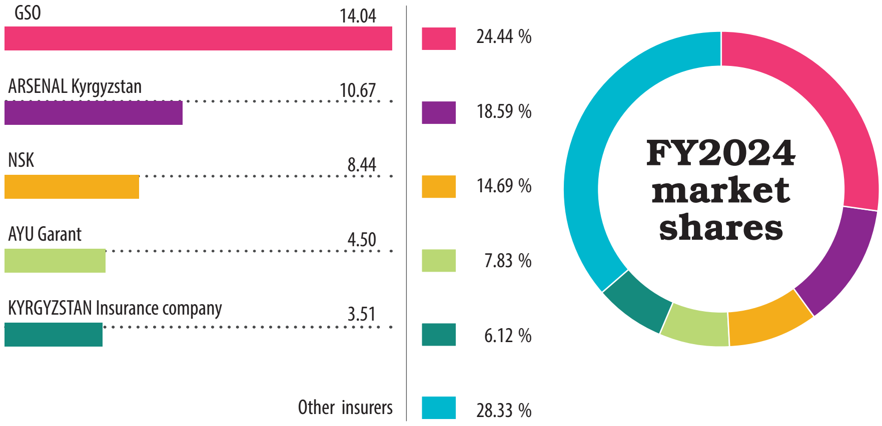
Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
Total market	57.43	30.82	86.35	9.41	7.46	26.11	100.00	100.00
Life	0.01	0.01	22.90	-	-	-	0.01	0.02
Personal	12.71	4.83	163.18	1.48	1.14	29.65	22.13	15.67
Property	29.56	17.55	68.41	6.76	5.77	17.12	51.47	56.95
Liability insurance	5.57	4.11	35.36	0.22	0.17	25.79	9.70	13.35
Compulsory insurance	9.58	4.32	121.99	0.96	0.38	152.16	16.69	14.01

1 EUR = 98.5328 Som - KGS (December 31st, 2023)
1 EUR = 90.5844 Som - KGS (December 31st, 2024)

Marat PIRNAZAROV
Chairman, Service for regulation and supervision of the financial market of Kyrgyzstan

Top 5 Total market (GWP, EUR m)

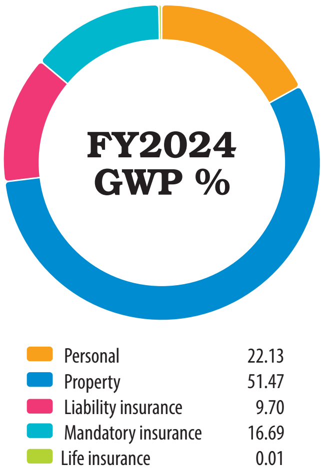


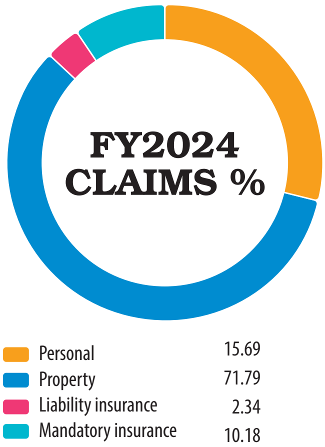
improved customer service and better competitiveness of the insurance market, according to the regulator.

Finally, on March 20, 2025, the draft Law of the Kyrgyz Republic "On Insurance and Insurance Activities" in a new version, developed by the Financial Supervision Authority to update and harmonize the insurance legislation, was adopted in the third reading, according to the website of the State Financial Supervision Authority.

At the end of last year, it was proposed to postpone introduction of fines for the absence of an MTPL policy in Kyrgyzstan for six months, according to the Chairman of the Service for regulation and supervision of the financial market of Kyrgyzstan Marat Pirnazarov. *We plan to make a grain of allowance for citizens and not fine drivers for the absence of MTPL policies for the first six months, limiting it to warnings. Since many drivers may not have time to get an MTPL policy*, the Chairman of the market regulator explained. According to him, now 1.6 million vehicles are registered in Kyrgyzstan. At the same time, only 108.6 thousand vehicle owners have purchased MTPL, of which 43.5 thousand - for foreign vehicles, 22.5 thousand - for legal entities and 41.8 thousand - for individuals.

About 9 years have passed since the adoption of the law on compulsory home insurance in Kyrgyzstan (adopted in 2015), but only a small part of citizens has insured their property.





In 2024 the market regulator (the State Service for regulation and supervision of the financial market) developed a few amendments to encourage owners of houses and apartments to insure their property. The state allocated KGS 600 million (~EUR 6.24 million) for compulsory insurance in 2024. Amendments to the laws involve inclusion of an insurance policy in the mandatory list of documents for state registration of real estate ownership and other forms of real estate transactions. This will also affect vehicles. The regulator proposed to oblige owners to maintain vehicles in technically sound condition and conclude insurance contracts. (M.M.)

Moldova

Moody's rating
B3, STABLE
Fitch Rating
B+, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, Ocotber 2024

[2] The National Bank of Moldova

[3] The National Comission of Financial Market (NCFM)

[4] XPRIMM calculations

Paid claims for property insurance more than doubles, most probably because of the repeated flooding episodes

The government approved a draft decision to allow digital issuance of Green Card policies

The National Bank of Moldova became a member of the International Association of Insurance Supervisors (IAIS)

The National Bank of Moldova approved new reference premiums for domestic and abroad compulsory MTPL insurance

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	MDL billion [1]	199.73	242.08	275.56	300.37	329.11
	EUR billion [4]	9.45	12.05	13.52	15.52	17.04
GDP per capita, current prices	MDL [1]	75,830	93,573	108,447	120,353	134,263
	EUR[4]	3,589	4,657	5,321	6,217	6,953
Unemployment rate	% of total labor force [1]	3.83	3.25	4.60	4.46	3.50
Population	Millions [1]	2.63	2.59	2.54	2.50	2.45
MDL/EUR exchange rate	End of period [2]	21.1266	20.0938	20.3792	19.3574	19.3106
Gross written premiums	MDL million [3]	1,452.91	1,926.35	2,471.51	2,936.03	3,251.61
	EUR million[4]	68.77	95.87	121.28	151.67	168.38
Paid claims	MDL million [3]	596.39	662.14	958.85	1,024.18	1,283.32
	EUR million [4]	28.23	32.95	47.05	52.91	66.46
Insurance penetration degree	% in GDP [4]	0.73%	0.80%	0.90%	0.98%	0.99%
Insurance density	EUR/capita [4]	26.11	37.06	47.73	60.77	68.70

According to the National Bureau of Statistics, the insurance sector of Moldova grew by 10.75% to MDL 3,251.61 million (EUR 168.38 million) at the end of 2024. At the same time, paid claims grew by 25.3% and reached MDL 1,283.32 million (EUR 66.46 million).

97% of total GWP is generated in non-life insurance, while the share of life insurance continued to decline and now is only a little above 3%. Motor insurance, as always, remains the leading segment in the market portfolio (70.97%). All insurance classes recorded a positive dynamic in 2024.

As for the paid claims' dynamics by insurance classes, it is worth noting their decrease by 3.4% in life insurance while all non-life insurance lines recorded a rather significant growth of the claim expenses. Property insurance recorded a more than double value of the paid claims, most probably because of the repeated flooding episodes.

As the Bureau notes in its report, in 2024, insurers' revenues and expenses increased by 15.3% and 18.7% respectively y-o-y. Profit before tax decreased by 19.6% compared to the previous year.

In September 2024 the government approved a draft decision to allow digital issuance of Green Card policies. According to the Ministry of Finance, from November 1, 2024, paper format of the document was to be canceled and replaced with its electronic format.

According to the provisions of the document, the National Bank of Moldova, the National Financial Market Commission and the National Bureau of Motor Insurers were going to develop the necessary mechanisms and solutions for digitalization and issuance of Green Card policies in electronic format.

Last year in November the Moldovan government approved amendments to the law on insurance and reinsurance activities,

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	168.38	151.67	11.02	66.46	52.91	25.61	100.00	100.00
TOTAL LIFE	5.58	5.56	0.29	2.88	2.98	-3.36	3.31	3.67
TOTAL NON-LIFE	162.81	146.11	11.43	63.57	49.93	27.34	96.69	96.33
Health insurance	8.05	7.05	14.11	4.39	3.67	19.47	4.78	4.65
Overall property insurance	19.82	15.82	25.30	8.89	3.65	143.77	11.77	10.43
Overall motor insurance	119.50	108.18	10.46	49.51	41.74	18.63	70.97	71.32
Motor Hull	32.48	28.75	12.99	16.78	15.43	8.71	19.29	18.95
MTPL + Green Card	87.02	79.43	9.55	32.74	26.31	24.45	51.68	52.37
Other non-life insurance	15.44	15.07	2.50	0.79	0.87	-9.63	9.17	9.93

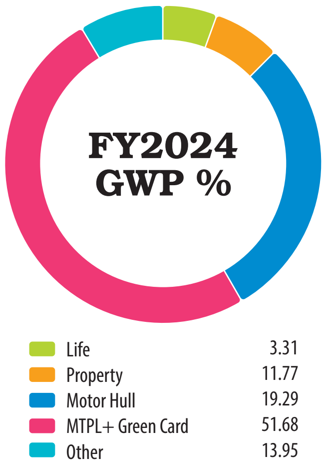
1 EUR = 19.3574 Lei - MDL (December 31st, 2023)
1 EUR = 19.3106 Lei - MDL (December 31st, 2024)

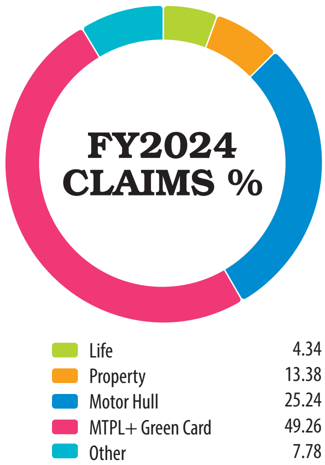
according to which insurance companies will be able to simultaneously hold licenses for life insurance and general insurance.

According to the authors of the amendments, these changes are intended to facilitate investors' access to the insurance market, helping to increase competition and diversify insurance products available to consumers. It is expected that more companies will be able to offer both life insurance and general insurance, thereby offering a more diverse range of products and personalized services.

Also, in May 2024 the National Bank of Moldova (NBM) became a member of the International Association of Insurance Supervisors (IAIS), which includes the International Monetary Fund, the World Bank, the European Commission, the Organization for Economic Cooperation and Development, as well as insurance supervisory authorities. By joining the Association, the NBM expressed its commitment to modernizing the financial sector's supervision system and ensuring favorable conditions for the insurance sector in the Republic of Moldova. IAIS, as a non-profit organization of insurance supervisors and regulators, covers more than 97% of the global insurance market.

In December 2024 the National Bank of Moldova (BNM) announced approval of new reference premiums for domestic and abroad compulsory motor third party liability insurance (MTPL), marking an essential step towards partial liberalization of the respective market segment. This measure represents a balance between regulating calculation and application of MTPL premiums and opening to market mechanisms, contributing to transparency and competitiveness. Partial liberalization of MTPL premiums is an important step that ensures gradual and efficient transition towards full liberalization of MTPL according to the directives and standards of the European Union. By applying the partial liberalization mechanism, insurance companies are to calculate and apply their own insurance premiums based on the specific risks of their MTPL insurance portfolios. The decision entered into force 40 days after its publication in the Official Gazette. (M.M.)





Russia

S&P Rating
CC, NEGATIVE WATCH

Moody's rating
Ca2, NEGATIVE

Fitch Rating
BBB-, NEGATIVE

Sources:
[1] International Monetary Fund, World Economic Outlook Database, October 2024
[2] The Central Bank of the Russian Federation
[3] Financial Markets Service of the Bank of Russia
[4] XPRIMM calculations

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	RUB billion [1]	107,658.13	135,773.77	155,188.88	172,148.31	196,069.71
	EUR billion [4]	1,187.20	1,615.02	2,051.26	1,735.51	1,847.92
GDP per capita, current prices	RUB [1]	728,858	922,263	1,057,765	1,176,688	1,342,211
	EUR [4]	8,037	10,970	13,981	11,863	12,650
Unemployment rate	% of total labor force [1]	5.77	4.83	3.95	3.17	2.60
Population	Millions [1]	147.71	147.22	146.71	146.30	146.08
RUB/EUR exchange rate	End of period [2]	90.6824	84.0695	75.6553	99.1919	106.1028
Gross written premiums	RUB million [3]	1,538,700.73	1,808,289.28	1,816,747.64	2,285,058.36	3,720,036.69
	EUR million [4]	16,968.02	21,509.46	24,013.49	23,036.74	35,060.68
Paid claims	RUB million [3]	658,485.52	796,973.85	893,218.78	1,044,382.85	2,148,809.87
	EUR million [4]	7,261.45	9,479.94	11,806.43	10,528.91	20,252.15
Insurance penetration degree	% in GDP [4]	1.43%	1.33%	1.17%	1.33%	1.90%
Insurance density	EUR/capita [4]	114.88	146.11	163.68	157.46	240.01

In 2024, Russia's insurance market surged by 62.8%, reaching RUB 3.7 trillion (EUR 35.06 billion, +52%), significantly outpacing economic growth. Insurance premiums rose to 1.9% of GDP, up 0.6 percentage points, according to a Central Bank review. Growth was largely driven by investment and accumulative life insurance. Other segments, including non-life lines, grew by 2.8% to RUB 1.8 trillion, with voluntary health, Motor Hull, and corporate insurance leading.

Credit life, accident, and illness insurance declined, mainly due to the shift to

The market growth was mostly supported by life insurance with an investment component and accumulative life insurance

The share of sales through intermediaries increased to 81.7% of total premiums

RNRC continues to play a key role in the reinsurance segment, with a dominant 70% market share

Concentration of the Russian insurance market slightly increased

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	35,060.68	23,036.74	52.19	20,252.15	10,528.91	92.35	100.00	100.00
LIFE INSURANCE*	19,161.91	7,813.75	145.23	13,308.40	4,729.53	181.39	54.65	33.92
OVERALL NON-LIFE INSURANCE	15,898.77	15,222.99	4.44	6,941.40	5,802.03	19.64	45.35	66.08
VOLUNTARY NON-LIFE INSURANCE	12,592.57	11,748.40	7.19	5,001.07	4,140.38	20.79	35.92	51.00
Personal insurance, of which:	4,677.92	4,572.50	2.31	2,150.24	2,026.41	6.11	13.34	19.85
Accidents and diseases	1,583.79	2,016.86	-21.47	341.75	321.26	6.38	4.52	8.75
Health	3,094.13	2,555.64	21.07	1,808.49	1,705.15	6.06	8.83	11.09
Property insurance, of which:	6,626.72	6,092.09	8.78	2,623.65	1,935.63	35.54	18.90	26.45
Motor Hull	3,045.70	2,728.43	11.63	1,558.57	1,305.58	19.38	8.69	11.84
Railway, aircraft and ships insurance	346.96	296.54	17.00	97.57	94.60	3.14	0.99	1.29
CARGO insurance	494.05	402.75	22.67	103.24	72.18	43.03	1.41	1.75
Real estate property insurance , of which:	2,611.68	2,533.51	3.09	781.62	412.78	89.36	7.45	11.00
Property of legal entities	1,421.81	1,350.35	5.29	612.70	303.27	102.03	4.06	5.86
Property of individuals	1,189.86	1,183.16	0.57	168.92	109.51	54.26	3.39	5.14
Agricultural insurance	128.32	130.85	-1.93	82.64	50.48	63.70	0.37	0.57
Civil liability insurance**	603.88	527.03	14.58	94.76	75.53	25.47	1.72	2.29
Business risks	196.38	168.56	16.50	87.05	61.58	41.35	0.56	0.73
Financial risks	487.67	388.22	25.62	45.37	41.22	10.06	1.39	1.69
MANDATORY INSURANCE	3,306.20	3,474.59	-4.85	1,940.33	1,661.65	16.77	9.43	15.08
Personal insurance***	122.98	160.94	-23.59	23.90	22.01	8.59	0.35	0.70
Compulsory MTPL	3,128.48	3,270.59	-4.35	1,904.77	1,629.09	16.92	8.92	14.20
Dangerous installations' owners TPL insurance	27.40	24.83	10.37	3.50	2.57	36.17	0.08	0.11
Other	27.33	18.23	49.91	8.16	7.99	2.15	0.08	0.08
Other****	-	-	-	2.35	-2.65	-188.68	-	-

*life and pension plans, summed
**carriers and other voluntary TPL insurances, summed
***mandatory life and health insurance for military personnel and other compulsory personal insurances provided by the federal laws
****Premiums with no reliable figures due to late receipt of the primary accounting documents and collection write-off under court decisions
1 EUR = 99.1919 RUB (December 31st, 2023) 1 EUR = 106.1028 RUB (December 31st, 2024)

collective schemes, fewer retail loans, and loan agreements increasingly incorporating insurance risks.

The structure of sales channels shifted in 2024. Intermediaries accounted for 81.7% of total premiums, with offline sales making up 69.6%. Digital intermediary sales remained low at 12.1%. The banking channel's share rose to 54.3%, while individual agents' share dropped to 12.4%. Intermediary commissions fell by 6.3% to RUB 371.4 billion, with nearly equal shares for traditional and digital channels (12.2% and 12.4%).

Reinsurance premiums (excluding MTPL) grew by 1.5% to RUB 125.4 billion. About half of this volume came from property insurance of legal entities. The Russian National Reinsurance Company (RNRC) retained a dominant 70% market share, slightly down from 72%, but still the key player in the segment.

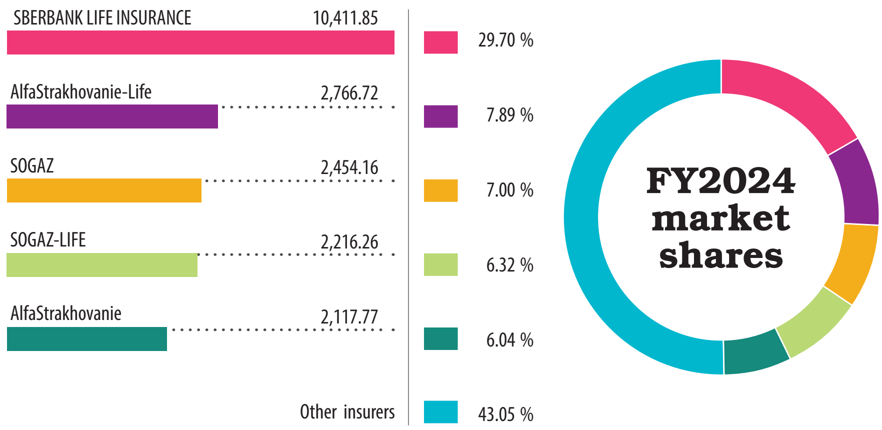
Paid claims more than doubled to RUB 2.1 trillion (EUR 20.25 billion, +92%). Life insurance claims rose due to accident and illness coverage, while non-life claims grew from motor and corporate property lines. The Central Bank noted a 30% drop in consumer complaints.

Net profit in the sector rose by nearly 1.5 times, bringing profitability back to pre-crisis 2019 levels. This was largely thanks to growing investment income, driven by rising interest rates. Non-life underwriting performance also improved modestly.

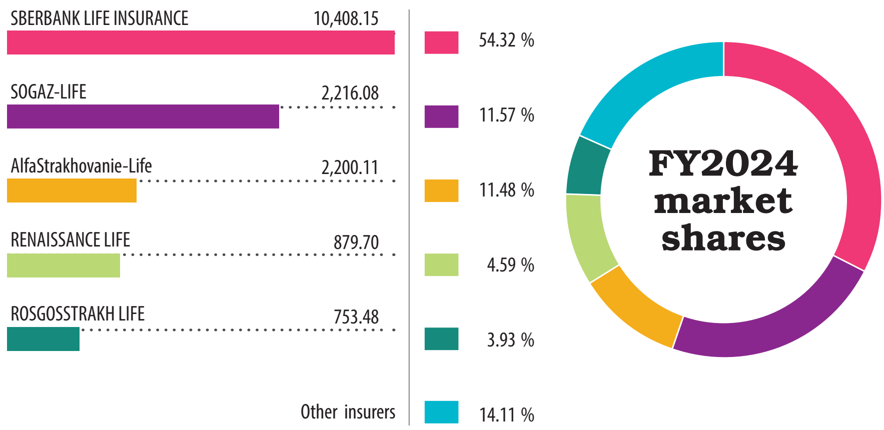
The number of insurers fell to 131, though market conditions remained attractive. Five new insurers entered, while one exited voluntarily. Market concentration increased slightly, with the top 20 companies holding 90% of gross written premiums. Sberbank Life Insurance led the market with RUB 1.10 trillion in premiums, followed by AlfaStrakhovanie-Life (RUB 293.6 billion) and SOGAZ (RUB 260.4 billion). (M.M.)

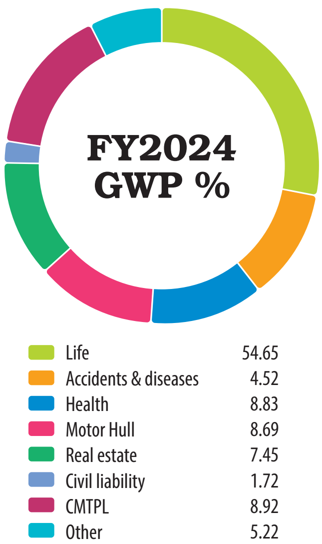
Russia

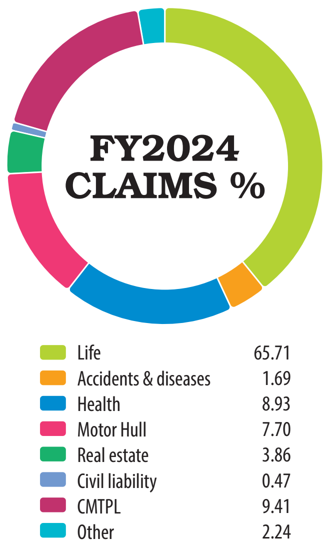
Top 5 Total Market (GWP, EUR m)



Top 5 Life insurance (GWP, EUR m)







Ukraine

S&P Rating
B-, NEGATIVE WATCH

Moody's rating
Ca, STABLE

Fitch Rating
RD, NR

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2023

[2] National Bank of Ukraine

[3] League of Insurance Organizations of Ukraine, Insurance Top Magazine

[4] XPRIMM calculations

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	UAH billion [1]	4,222.03	5,450.85	5,239.11	6,537.83	7,541.94
	EUR billion [4]	121.53	176.27	134.51	154.90	171.69
GDP per capita, current prices	UAH [1]	101,935	132,955	151,811	192,144	225,518
	EUR [4]	2,934	4,300	3,897	4,552	5,134
Unemployment rate	% of total labor force [1]	9.15	9.84	24.53	19.07	14.20
Population	Millions [1]	41.42	41.00	34.51	34.03	33.44
UAH/EUR exchange rate	End of period [2]	34.7396	30.9226	38.9510	42.2079	43.9266
Gross written premiums	UAH million [3]	45,185.20	48,892.53	39,615.70	47,014.98	54,317.15
	EUR million [4]	1,300.68	1,581.13	1,017.07	1,113.89	1,236.54
Paid claims	UAH million [3]	14,852.71	17,447.96	13,001.36	16,867.33	20,861.42
	EUR million [4]	427.54	564.25	333.79	399.62	474.92
Insurance penetration degree	% in GDP [4]	1.07%	0.90%	0.76%	0.72%	0.72%
Insurance density	EUR/capita [4]	31.40	38.57	29.47	32.74	36.97

Ukraine's insurance market grew by 15.53% to UAH 54.31 billion (EUR 1.23 billion) by the end of 2024, including UAH 5.72 billion in life insurance and UAH 48.59 billion in non-life insurance, according to data published by the National Bank (NBU).

Total net profit of non-life insurers in 2024 amounted to UAH 2.5 billion, which is 31% more y-o-y. ROE increased to 14%. While profit in the life insurance segment doubled - to UAH 1.4 billion, mainly supported by one large player (MetLife). The ROE level remained almost unchanged at 19%.

In 2024, 38.5% of road accidents in Ukraine were settled based on the European Accident Statement, which is 6.5% more y-o-y. This confirms growing popularity of the European Accident Statement among drivers, according to the MTIBU (Motor Transport Insurance Bureau of Ukraine) report.

Until 2025, the maximum payment was limited - no more than UAH 80 thousand. The new law on MTPL has abolished this limit: for contracts concluded in 2024, maximum payment has been increased to UAH 160 thousand, and for contracts concluded in 2025 - to UAH 250 thousand (~EUR 5,740). This means that drivers can use the European Accident Statement without restrictions on the amount of material damage when accidents meet the terms for its use.

Popularity of the electronic European Accident Statement is steadily growing. It has been in operation in Ukraine since 2017.

At the end of 2024, INGO Insurance Company became a new member of the League of Insurance Organizations of Ukraine (LIOU), which gives additional opportunities to the company for cooperation, development of industry initiatives and participation in the formation of common strategies to strengthen the country's insurance market. INGO has been operating on the Ukrainian market since 1994. The company has earned a reputation as a reliable partner, which is confirmed by stable financial indicators and high ratings. INGO demonstrates growth, increasing its GWP

The President of Ukraine signed the law "On mandatory insurance of civil liability of owners of land vehicles". It is planned to gradually increase insurance amounts to the levels established in the EU countries

In 2024, 38.5% of road accidents in Ukraine were settled based on the European Accident Statement

INGO Insurance Company became a new member of the League of Insurance Organizations of Ukraine (LIOU)

Market porfolio at December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,236.54	1,113.89	11.01	474.92	399.62	18.84	100.00	100.00
TOTAL LIFE	130.33	122.35	6.52	33.21	30.01	10.64	10.54	10.98
TOTAL NON-LIFE	1,106.21	991.54	11.56	441.71	369.61	19.51	89.46	89.02
Accident insurance	42.70	33.57	27.20	8.55	7.04	21.51	3.45	3.01
Health insurance	162.96	142.73	14.18	98.34	73.57	33.67	13.18	12.81
Motor Hull	316.60	270.22	17.16	143.82	114.00	26.15	25.60	24.26
MTPL & Green Card	372.55	325.51	14.45	156.46	134.75	16.11	30.13	29.22
Property risks	71.22	87.24	-18.36	14.66	8.91	64.50	5.76	7.83
Financial risks	24.00	26.38	-9.00	4.20	12.46	-66.27	1.94	2.37
Other	116.17	105.90	9.71	15.68	18.87	-16.93	9.40	9.51

1 EUR = 43.9266 Hryvnia - UAH (December 31st, 2024)
1 EUR = 42.2079 Hryvnia - UAH (December 31st, 2023)

Viktor BERLIN
President LIOU

in 2024 by 23.5% y-o-y.

LIOU President Viktor Berlin expressed confidence that cooperation with INGO will strengthen interaction between market participants. *The synergy of leading companies and the League will create effective conditions for the development of the Ukrainian insurance market and strengthening its position in the international arena,* he noted.

In June 2024, the President of Ukraine signed the law "On mandatory insurance of civil liability of owners of land vehicles", to ensure further development of this market and bring it closer to EU standards.

The main goal of the new Law is to introduce a qualitatively new model of market regulation in accordance with the European standards, considering interests of policyholders and victims of road accidents, increasing confidence in this type of insurance and ensuring further development of MTPL.

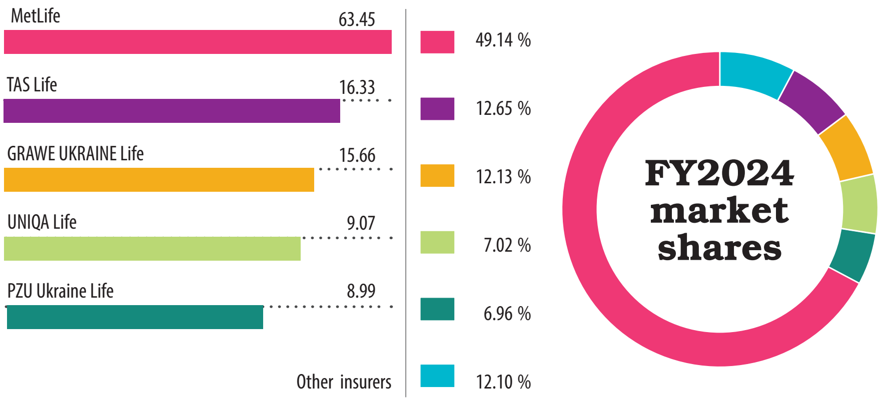
The law is aimed at solving problems such as imperfect procedures for calculating and making insurance payments for damages, low limits of insurers' liability, state regulation of pricing, as well as low efficiency of the MTIBU management system and limited role of the state in controlling the Bureau's activities. It is planned to gradually increase insurance amounts to the levels established in the EU countries.

At the beginning of 2025, the League of Insurance Organizations of Ukraine (LIOU) and the National Association of Insurers of Ukraine (NAIU) signed a Memorandum of Cooperation and Partnership to consolidate efforts to develop a solvent, sustainable, competitive insurance market in Ukraine and protect the rights of consumers of insurance services.

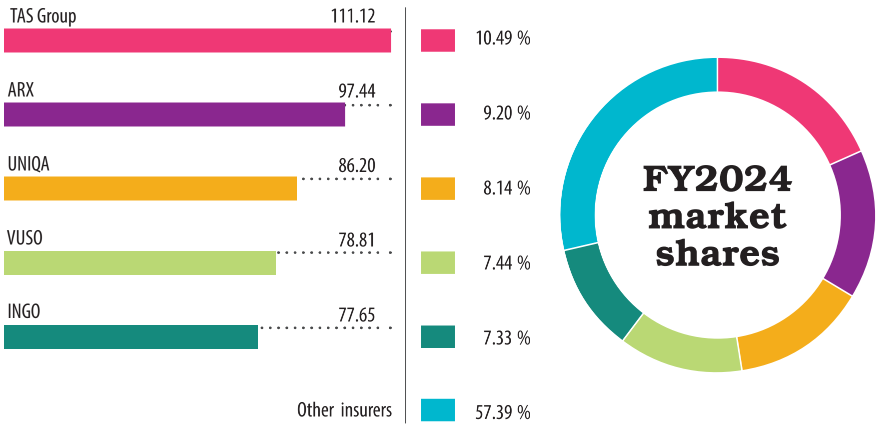
LIOU and NAIU, remaining independent and autonomous associations, in accordance with the terms of the Memorandum, agreed to create the Federation of Insurance Associations of Ukraine (FIAU), which will form a unified position of professional associations of insurers for the development of the market in synergy with the regulator. (M.M.)

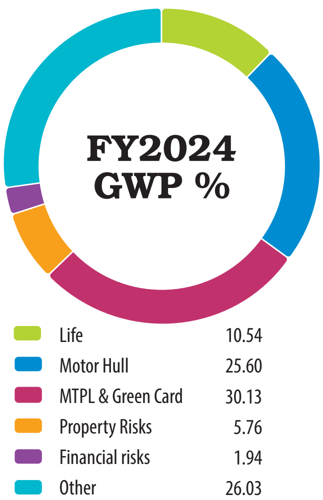
Ukraine

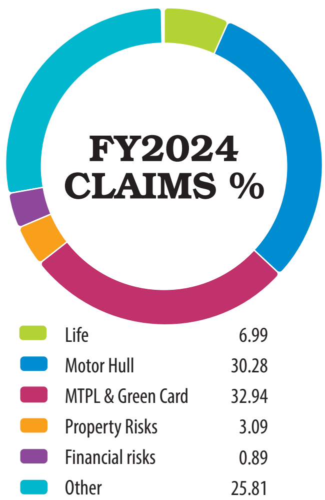
Top 5 Life insurance (GWP, EUR m)



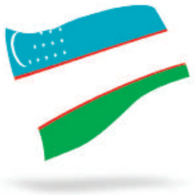
TOP 5 Non-Life insurance (GWP, EUR million)







Uzbekistan



S&P Rating
BB-, NEGATIVE

Moody's rating
Ba3, STABLE

Fitch Rating
BB-, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2024

[2] The Central Bank of the Repoublic of Uzbekistan

[3] The Insurance Market Development Agency under the Ministry of Finance

[4] XPRIMM calculations

Market's main indicators-timeline

		2020	2021	2022	2023	2024
GDP, current prices	UZS billion [1]	668,037.90	820,536.60	995,573.00	1,192,162.50	1,421,494.94
	EUR billion [4]	52.25	67.12	83.23	86.82	105.80
GDP per capita, current prices	UZS [1]	19,703,110	23,743,134	28,226,150	33,092,736	38,496,272
	EUR [4]	1,541	1,942	2,360	2,410	2,865
Unemployment rate	% of total labor force [1]	10.53	9.63	8.85	6.81	6.31
Population	Millions [1]	33.91	34.56	35.27	36.03	36.93
UZS/EUR exchange rate	End of period [2]	12,786.03	12,224.88	11,961.85	13,731.82	13,436.01
Gross written premiums	UZS million [3]	1,635,206.55	3,732,024.00	6,231,726.00	8,059,726.32	9,770,107.41
	EUR million [4]	127.89	305.28	520.97	586.94	727.16
Paid claims	UZS million [3]	735,110.36	1,235,061.05	2,596,926	2,022,054.31	2,204,537.02
	EUR million [4]	57.49	101.03	217.10	147.25	164.08
Insurance penetration degree	% in GDP [4]	0.24%	0.45%	0.63%	0.68%	0.69%
Insurance density	EUR/capita [4]	3.77	8.83	14.77	16.29	19.69

At the end of 2024, Uzbekistan's insurance sector grew by 21.2% year-on-year, reaching UZS 9.77 trillion (EUR 727.2 million), according to the National Agency of Prospective Projects (NAPP).

In recent years, financial risk and property insurance have become increasingly significant, supported by a growing volume of inward reinsurance. Meanwhile, the life insurance segment declined sharply after tax incentives were abolished in 2023—its market share dropped from 25% in 2022 to just 2% in 2024.

Premiums in financial risk insurance, which protects banks and non-banking institutions from borrower defaults, have tripled between 2021 and 2024—far outpacing general market growth. The payout ratio in this segment reached 44% in 2024 and, according to Fitch, could rise further in 2025 due to an anticipated peak in problem loans.

Inward reinsurance rose by 30% in 2024, reaching UZS 2.74 trillion (~EUR 0.20 billion), representing 28% of total premiums and 92% of the sector's total charter capital. However, Fitch warns that underwriting strategies in this area remain underdeveloped, posing risks to long-term stability.

Insurers in Uzbekistan face high investment risks due to limited diversification. Most assets are concentrated in fixed-income instruments, mainly deposits in local banks rated B to BB by Fitch. This exposure leaves insurers vulnerable to the financial health of the banking sector. Additionally, the

In recent years, financial risk insurance and property insurance have become increasingly important in the structure of the insurance market of Uzbekistan

In terms of investments and assets, Uzbek insurers face high risks due to limited diversification

The Ministry of Justice of the Republic of Uzbekistan approved the procedure for determining and maintaining the rating of insurers, developed by the National Agency for Prospective Projects

The President of Uzbekistan signed the Law "On agricultural risk insurance"

Market porfolio as of December 31st, 2024

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	2024	2023	Change	2024	2023	Change	2024	2023
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET of which:	727.16	586.94	23.89	164.08	147.25	11.42	100.00	100.00
Life insurance, including:	17.80	20.72	-14.09	8.21	32.08	-74.41	2.45	3.53
compulsory	3.58	2.60	38.09	1.09	0.92	18.56	0.49	0.44
voluntary	14.21	18.12	-21.57	7.12	31.16	-77.16	1.95	3.09
Non life, including:	709.36	566.22	25.28	155.87	115.17	35.33	97.55	96.47
compulsory of which:	49.47	46.06	7.42	26.69	17.24	54.85	6.80	7.85
employer's civil liability	18.50	16.07	15.12	9.72	5.31	83.18	2.54	2.74
civil liability of vehicle owners	23.17	21.28	8.91	16.63	11.35	46.47	3.19	3.63
voluntary of which:	659.89	520.17	26.86	129.17	97.93	31.90	90.75	88.62
accidents	6.88	3.75	83.53	0.78	0.63	22.88	0.95	0.64
illnesses	6.61	4.74	39.26	4.31	2.81	53.43	0.91	0.81
Motor Hull	105.93	87.99	20.39	12.52	6.70	86.98	14.57	14.99
cargo	10.66	8.97	18.76	0.10	0.21	-53.84	1.47	1.53
fire and natural disasters	0.06	0.12	-53.02	0.01	-	-	0.01	0.02
property damage	0.29	0.13	116.42	0.00	-	-	0.04	0.02
GTPL	15.67	14.59	7.40	1.62	1.47	10.19	2.15	2.49
credit insurance	156.15	94.73	64.84	76.78	63.81	20.32	21.47	16.14

1 EUR =13,436.01 Som - UZS (December 31st, 2024)
1 EUR =13,731.82 Som - UZS (December 31st, 2023)

Akhadbek KHAIDAROV
Deputy Minister of Economy and Finance

underdeveloped domestic bond market restricts investment options.

To improve sector stability, authorities are phasing in stricter capital requirements. By October 2025, insurers involved in reinsurance must hold a minimum capital of UZS 80 billion, rising to UZS 120 billion by October 2029.

In 2024, the Ministry of Justice approved a new rating system for insurance companies, developed by NAPP. It sets clear criteria for evaluating service quality and is tied to recent regulations on electronic insurance services. Ratings will range from 'AAA' to 'D' and be based on data collected through NAPP's information system.

Agricultural insurance also moved forward in 2024. A draft law "On agricultural risk insurance" was introduced in November and discussed as part of wider reforms aimed at improving food security and crop yields. Deputy Minister of Economy and Finance Akhadbek Khaidarov noted that traditional insurance models are ill-suited to agriculture due to high risks and emphasized the need for a dedicated legal framework. He said Uzbekistan had studied international experience, including that of Spain, Türkiye, Azerbaijan, the U.S., and Canada.

In April 2025, President Shavkat Mirziyoyev signed the new law into force. Published in the National Legislation Database, it will take effect on July 17, 2025.

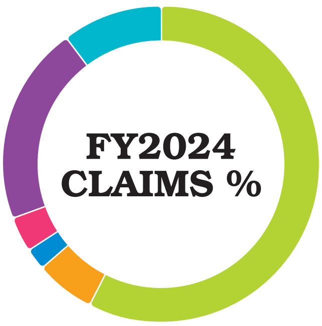
Uzbekistan

Top 5 Life insurance (GWP, EUR m)

APEX LIFE INSURANCE	16.61	77.95 %
ALFA LIFE INSURANCE	1.96	9.19 %
KAFOLAT HAYOT INSURANCE	1.28	6.00 %
AGROS HAYOT	0.76	3.55 %
O'ZBEKINVEST HAYOT SUG'URTA KOMPANIYASI	0.70	3.30 %
Other insurers		- %

Top 5 Non-life insurance (GWP, EUR m)

APEX INSURANCE	205.27	29.08 %
O'ZBEKINVEST	94.56	13.40 %
KAFOLAT SUG'URTA KOMPANIYASI	54.98	7.79 %
GROSS SUG'URTA KOMPANIYASI	46.40	6.57 %
MY-INSURANCE	32.03	4.54 %
Other insurers		38.62 %



Life	5.00
Civil liability of vehicle owners	10.13
Motor Hull	7.63
GTPL	0.99
Credit insurance	46.79
Other	29.45

Life	2.45
Civil liability of vehicle owners	3.19
Motor Hull	14.57
GTPL	2.15
Credit insurance	21.47
Other	56.17

Tajikistan

S&P Rating
B-, STABLE

Moody's rating
B3, POSITIVE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, October 2023

[2] The National Bank of Tajikistan

[3] XPRIMM calculations

The share of insurance sector's assets in the total assets of the country's financial system amounted to 1.7%, and 0.6% in GDP

Macroeconomic indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	TJS billion [1]	83.96	101.08	115.74	128.98	143.83
	EUR billion [4]	6.04	7.90	10.63	10.66	12.59
GDP per capita, current prices	TJS [1]	8,861	10,467	11,767	12,882	14,118
	EUR [4]	638	818	1,080	1,065	1,236
Unemployment rate	% of total labor force [1]	n/a	n/a	n/a	n/a	n/a
Population	Millions [1]	9.48	9.66	9.84	10.01	10.19
TJS/EUR exchange rate	End of period [2]	13.8934	12.7973	10.8911	12.0944	11.4223
Gross written premiums	TJS million [3]	n/a	n/a	305.90	430.50	n/a
	EUR million [4]	n/a	n/a	28.09	35.59	n/a
Paid claims	TJS million [3]	n/a	n/a	26.3	22.7	n/a
	EUR million [4]	n/a	n/a	2.41	1.88	n/a
Insurance penetration degree	% in GDP [4]	n/a	n/a	0.26%	0.33%	n/a
Insurance density	EUR/capita [4]	n/a	n/a	2.86	3.55	n/a

Assets of the Tajik insurance sector increased by 10.5% in 2024, while equity by 19.6%, charter capital by 45.1%, and insurance resources - by 2.5%, according to the head of the National Bank of the Republic, Firdavs Tolibzoda. Paid claims and GWP for the reporting period increased by 26.6%, investments increased by 32.7%, and deposits in credit institutions - by 37%. The taxes paid increased by 24.4%.

The share of insurance sector's assets in the total assets of the country's financial system amounted to 1.7%, and 0.6% in GDP. Return on assets and equity improved over the year: return on assets was 13.7%, and return on equity was 22.4%, which is 1.8 and 1.5 p.p. more y-o-y.

At the end of 2024, 16 organizations operated in the insurance market of Tajikistan, including 1 state and 15 non-state insurance companies with 66 branches throughout the country, as reported by Firdavs Tolibzoda.

The National Bank of Tajikistan made appropriate changes and adjustments to the Law of the Republic of Tajikistan "On Insurance Activities", which was signed on March 1, 2024, by the President of Tajikistan. The introduction of these changes is aimed at improving the insurance system, monitoring activities of the market participants, and regulating the licensing system for insurance services.

The Law "On Health Insurance", was adopted in Tajikistan 15 years ago, in 2008. Yet, the parliament postponed implementation of the law until 2010. By the end of 2022, deputies delayed it for the fifth time. Last year, a top official of the Minister of Health and Social Protection said that favorable conditions for a full transition to a health insurance system were still lacking. According to the Ministry of Finance, using the current social tax to fund insurance premiums could reduce revenues for the social insurance and pension system, risking the state's ability to meet its social obligations. (M.M.)

Turkmenistan

Fitch Rating
BB-, STABLE

Sources:

[1] International Monetary Fund, World Economic Outlook Database, April 2023

[2] Central Bank of Turkmenistan

[3] XPRIMM calculations

Macroeconomic indicators - timeline

		2020	2021	2022	2023	2024
GDP, current prices	TMT billion [1]	183.35	213.27	272.87	272.01	293.59
	EUR billion [4]	42.74	53.91	73.16	70.33	80.51
GDP per capita, current prices	TMT [1]	29,334	33,629	42,432	41,743	44,496
	EUR [4]	6,838	8,501	11,376	10,793	12,202
Unemployment rate	% of total labor force [1]	n/a	n/a	n/a	n/a	n/a
Population	Millions [1]	6.25	6.34	6.43	6.52	6.60
TMT/EUR exchange rate	End of period [2]	4.2900	3.9557	3.7300	3.8675	3.6467

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