

6. The share and shareholders of Zavarovalnica Triglav

- Zavarovalnica Triglav's share recorded a total return of 7.8%.
- For the eighth time in a row, the Triglav Group has been assigned an "A" credit rating with a stable medium-term outlook.
- There were no significant changes in Zavarovalnica Triglav's shareholder structure.
- In challenging business conditions, extra emphasis was placed on delivering pertinent information and keeping lines of communication open with investors, shareholders and analysts.

Key figures relating to the ZVTG share (EUR)

Items	2023	2022
Maximum closing price	40.30	41.40
Minimum closing price	29.20	31.40
Closing price as at 31 December	34.70	34.50
Book value per share (parent company)*	29.44	28.98
Book value per share (consolidated data)*	39.19	39.45
Net earnings per share (consolidated data)*	0.71	-0.30
Market capitalisation as at 31 December	788,909,636	784,362,606
Average daily turnover (excluding block trades)	102,764	113,291
Dividend per share	2.50	3.70
Number of shares	22,735,148	22,735,148
Percentage of free float	30.73%	30.73%
Traded on	Ljubljana Stock Exchange – LJSE	
ISIN	SI0021111651	
Ticker symbol	ZVTG	
Bloomberg	ZVTG SV	
Reuters	ZVTG.LJ	
Credit rating (S&P Global Ratings, AM Best)	"A", stable medium-term outlook	"A", stable medium-term outlook

* Notes on the effects of the transition to IFRS 17 and IFRS 9 are provided in [Section 2.6 of the Accounting report](#).



“We believe in our narrative. We are dedicated to enhancing the attractiveness of our share through a number of

activities, while ensuring the market remains well-informed and keeping lines of communication open with investors, shareholders and analysts.”

Helena Ulaga Kitek, Director of Investor Relations Department, Zavarovalnica Triglav

6.1 Share of Zavarovalnica Triglav

Zavarovalnica Triglav's share (ZVTG), which is listed on the Ljubljana Stock Exchange Prime Market, has been traded since the end of 2008. In terms of market capitalisation, the Company was **the fourth largest Slovenian listed company** in 2023. Its market capitalisation of EUR 788.9 million (index 101) accounted for 17% of the stock market of the Ljubljana Stock Exchange.

In challenging business conditions that impacted the ZVTG share price, its **total annual return** was 7.8% and the dividend yield was 7.2%. The price-to-book ratio was 0.9.

The trading volume on the Ljubljana Stock Exchange in 2023 fell by 26% compared to the previous year. The ZVTG share trading volume excluding block trades amounted to EUR 25.4 million, down by 9%, making ZVTG the **third most liquid share on the Ljubljana Stock Exchange**. Over a quarter of ZVTG share turnover was carried out by **the liquidity provider**, which has rendered its services for the Company since 2019.

Movement in the ZVTG share price in 2023 compared to the Ljubljana Stock Exchange SBITOP index and the sectoral index of European insurance companies STOXX Europe 600 Insurance (the baseline date: 31 December 2022 = 100)



Movement in the ZVTG share price in the last five years compared to the Ljubljana Stock Exchange SBITOP index and the BEINSUR sectoral index (31 December 2018 = 100)



The published annual results of the previous year positively influenced the ZVTG share price at the beginning of the year. However, two one-off events had a negative effect later on in the year. The Triglav Group's operations and, consequently, the share price were affected by changes to Slovenia's supplemental health insurance system implemented at the end of April and extreme natural disasters at the beginning of the third quarter. The Company paid dividends to the eligible shareholders on the cut-off date of 20 June 2023 (see sections [5.3.1 General Meeting of Shareholders](#) and [6.4 Dividends and the dividend policy](#) for more information). As shown in the figure above, the ZVTG price share in 2023 remained at the same level as at the end of the preceding year. The Ljubljana Stock Exchange SBITOP index, in which the ZVTG share holds a 10.2% share, rose by 20% and the STOXX Europe 600 Insurance sectoral index of 35 shares of European insurance companies grew by 9%.

6.2 Equity

As at 31 December 2023, Zavarovalnica Triglav's **share capital** remained unchanged and amounted to EUR 73,701,391.79. It is divided into 22,735,148 ordinary registered no-par value shares constituting one class. The shares are issued in dematerialised form and are freely transferable. Each share represents the same stake and corresponding amount in share capital, and all have been fully paid up. Each share gives its holder the right to one vote at the general meeting of shareholders and a proportionate share of profit allocated for dividend payment. In the event of bankruptcy or liquidation, the shareholders are entitled to a proportionate share of residual bankruptcy or liquidation estate after the payoff of preference shareholders.

In acquiring shares, Zavarovalnica Triglav's existing and potential shareholders are required to comply with the Insurance Act (ZZavar-1). An authorisation of the Slovenian Insurance Supervision Agency is a prerequisite for:

- the acquisition of shares of an insurance undertaking by which a person acquires or exceeds a qualifying holding (i.e. a direct or indirect holding of shares or other rights that gives the holder a minimum 10% share of voting rights or capital, or that gives the holder a share of voting rights or capital lower than 10%, but nevertheless allows the holder to significantly influence the management of the company). In its decision on issuing an authorisation to acquire a qualifying holding, the Insurance Supervision Agency determines the level of the share in the voting rights or capital of the insurance undertaking for which the authorisation is issued as one of the following ranges:
 - the share of the voting rights or capital of the insurance undertaking that is equal to or greater than a qualifying holding and less than 20%;
 - the share of the voting rights or capital of the insurance undertaking that is equal to or greater than 20% and less than one third;
 - the share of the voting rights or capital of the insurance undertaking that is equal to or greater than one third and less than 50%;
 - the share of the voting rights or capital of the insurance undertaking that is equal to or greater than 50%;
 - the share on the basis of which the future qualifying holder becomes the parent company of the insurance undertaking;
- before any subsequent acquisition of shares by the qualifying holder that would result in the qualifying holding exceeding the range subject to the already issued authorisation for acquisition of a qualifying holding;
- for the entities that agree to a concerted acquisition of the shares of the insurance undertaking or a concerted exercising of management rights arising from the shares (joint qualifying holders) and intend to acquire a holding by which they would jointly reach or exceed a qualifying holding of the undertaking;
- before any subsequent acquisition of shares by the joint qualifying holders that would result in their joint qualifying holding exceeding the range subject to the already issued authorisation for acquisition of a qualifying holding.

The holder of shares of an insurance undertaking that were acquired or are being held in contravention of the ZZavar-1 has no voting rights with respect to those shares. See the ZZavar-1 for further information.

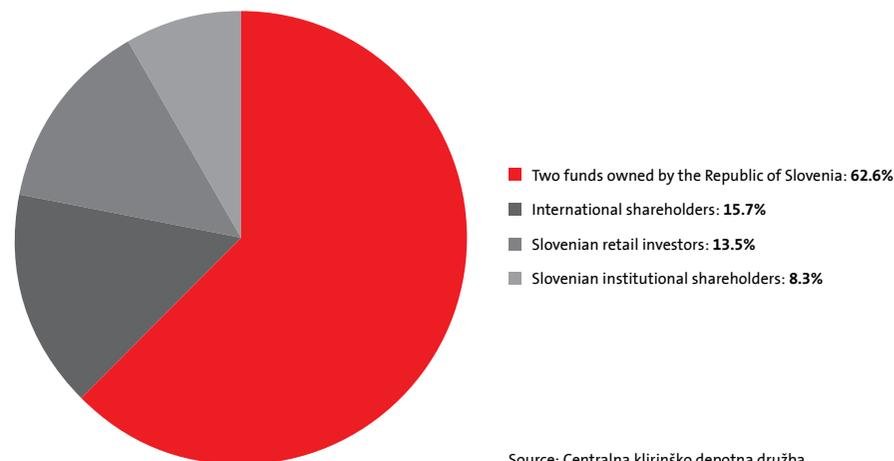
6.3 Shareholder structure¹⁴

There were no significant changes to Zavarovalnica Triglav's shareholder structure in 2023. The stakes of the top three shareholders remained unchanged. The two funds owned by the Republic of Slovenia (ZPIZ Slovenije and SDH d.d.) together held together a 62.6% stake and the Croatian pension fund, which appears in the Company's share register on the fiduciary account of its custodian bank, held a 6.7% stake.

The Company's **free float**, representing shares held by shareholders with less than a 5% participating interest, stood at 30.7%, remaining stable. As at 31 December 2023 it was dispersed among 8,453 shareholders from 30 countries, among them **around 40 international banks with fiduciary accounts held by their clients and international institutional investors**, mostly from Europe and the USA. They held a 15.7% stake (0.5 percentage point less than a year earlier), while the share of **Slovenian institutional shareholders** stood at 8.3% (0.2 percentage point less).

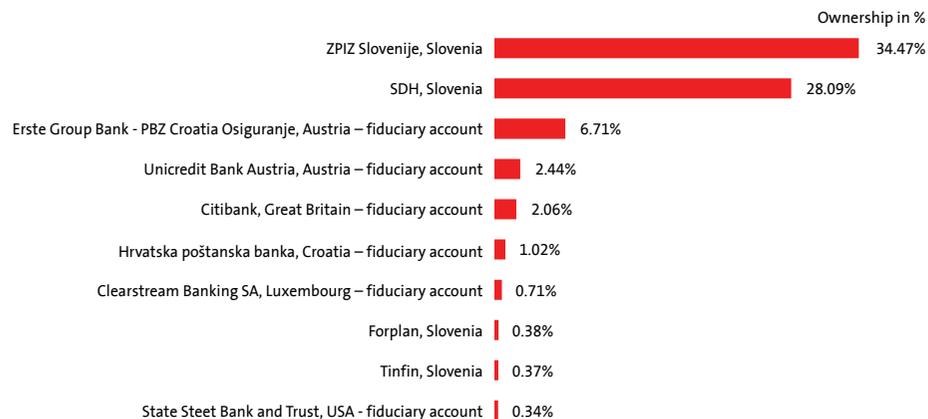
The gradual increase in the ownership by **natural persons** continued in 2023, with their share increasing by 0.7 percentage point to 13.5%. Along with the increased ownership stake, natural persons have been more actively trading in ZVTG shares, which the Company encourages with a targeted programme of activities as part of its investor relations.

Zavarovalnica Triglav's shareholder structure as at 31 December 2023



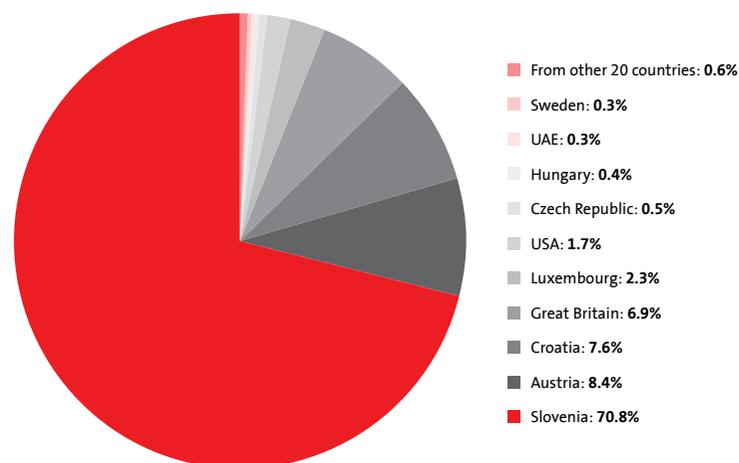
Source: Centralna klirinško depotna družba

Zavarovalnica Triglav's top ten shareholders as at 31 December 2023



Source: Centralna klirinško depotna družba

The minority shareholder structure of Zavarovalnica Triglav by the country of origin as at 31 December 2023 (the share of the free float in %)



Source: Centralna klirinško depotna družba

In 2023, ZVTG shares were bought by President of the Management Board Andrej Slapar and Management Board members Uroš Ivanc and Tadej Čoroli.

The number of shares held by the members of the Management and Supervisory Boards as at 31 December 2023

First and last name	Function	Number of shares	Participating interest
Management Board		5,589	0.02%
Andrej Slapar	President	1,350	0.01%
Uroš Ivanc	Member	775	0.00%
Tadej Čoroli	Member	450	0.00%
Marica Makoter	Member	150	0.00%
Blaž Jakič	Member	2,864	0.01%
Supervisory Board		280	0.00%
Andrej Andoljšek	Chairman	0	0.00%
Igor Stebernak	Vice Chairman	0	0.00%
Tomaž Benčina	Member	0	0.00%
Jure Valjavec	Member	280	0.00%
Monica Cramer Manhem	Member	0	0.00%
Tim Umberger	Member	0	0.00%
Aleš Košiček	Member	0	0.00%
Janja Strmljan Čevnja	Member	0	0.00%
Total Management Board and Supervisory Board		5,869	0.03%

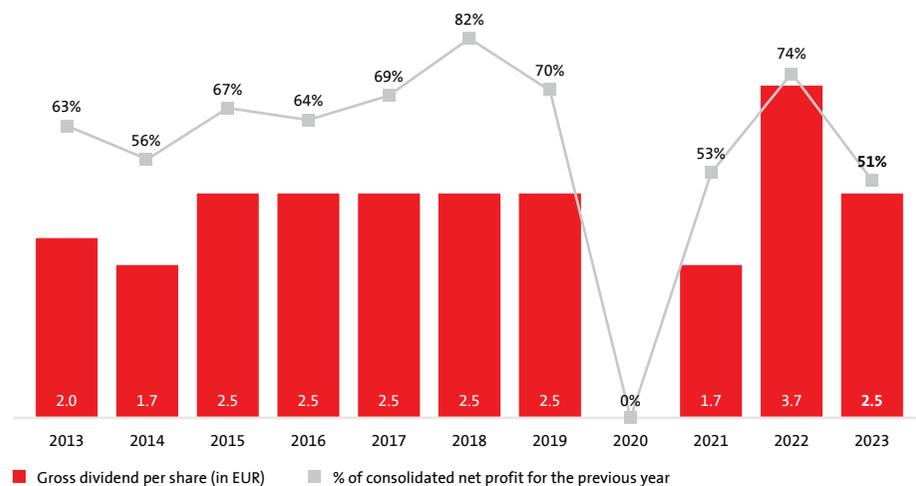
6.4 Dividends and dividend policy

The **dividend policy** is the Company's steadfast commitment to its shareholders. In recent years, the implementation of the dividend policy has been affected by the COVID-19 pandemic, which the Management Board and the Supervisory Board had to take into account in their proposal for the distribution of the Company's accumulated profit. The General Meeting of Shareholders supported their proposals every year. On 6 June 2023, the General Meeting of Shareholders adopted the proposal to distribute 51% of the consolidated net profit for 2022 for dividends or EUR 2.50 gross per share, i.e. EUR 56.8 million in total. As at the dividend payout date, the dividend yield was 7% (see [Section 5.3.1 General Meeting of Shareholders](#) for more information).

Zavarovalnica Triglav's dividend policy provides as follows: *"The Company pursues an attractive and sustainable dividend policy. The part of consolidated net profit of the preceding year which is to be allocated to dividend payment accounts for at least 50%. The Company will strive to pay out a dividend no lower than the dividend paid out in the preceding year. As thus far, the future implementation of the dividend policy will be subordinated to achieving the medium-term sustainable target capital adequacy of the Triglav Group. The proposal of the Management Board and the Supervisory Board as regards the annual distribution of accumulated profit of the Company will therefore take into account the following three objectives in a balanced manner: to ensure prudent capital management of the Triglav Group and its financial stability, to reinvest net profit in the implementation of the strategy of growth and development of the Triglav Group and to pay out attractive dividends to its shareholders."*

The strategic objectives of capital management in conjunction with the dividend policy are described in [Section 9.2 Capital position](#).

Gross dividend per share by year (EUR) and its share of consolidated net profit for the preceding year for the dividend payment in 2013–2023



6.5 Investor relations management¹⁵

Through the **active management of relations with investors**, shareholders and analysts, the Company promotes the attractiveness of its financial instruments. In doing so, it follows best international practices and, as a company listed on the Ljubljana Stock Exchange Prime Market, helps to shape the standards of this market.

The Company aims to provide **clear and consistent information to the market**. All key information about the Company's operations, position and outlook is regularly published both in Slovenian and English on the SEOnet information system of the Ljubljana Stock Exchange and on the Company's website (www.triglav.eu).

The Company also actively fosters open and constructive relationships with its shareholders, investors and analysts. Furthermore, it aims to achieve the highest possible **participation in the general meetings of shareholders**. In 2023, 77% of all shares with voting rights were represented at the General Meeting of Shareholders (see [Section 5.3.1 General Meeting of Shareholders](#) for more information).

In the reporting period, the Company mainly communicated with **institutional investors and shareholders**, predominantly via videoconferencing meetings, conference calls and email. **The calendar of all 11 investor events attended by the Company**, along with related presentations, is available on the Company's website. Among them are also four presentations of business results for international and Slovenian institutional investors, which were held by the Company every quarter following the announcement of business results.

The attention dedicated to **retail investors** led to a subsequent growth in their stake in the Company. Last year, the Company presented the ZVTG share at two events held by the Ljubljana Stock Exchange aimed at raising financial literacy of retail investors and jointly promoting Ljubljana Stock Exchange Prime Market shares.

For inquiries from shareholders, investors and analysts, please use the contact information provided below.

Information for shareholders:

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6.6 Credit rating of the Triglav Group and Zavarovalnica Triglav

The credit ratings of the Triglav Group – and thus its parent company Zavarovalnica Triglav and its subsidiary Pozavarovalnica Triglav Re – are assigned by two renowned credit rating agencies: S&P Global Ratings (hereinafter: S&P) and AM Best. In 2023, the Group was again assigned an **“A” stand-alone credit rating with a stable medium-term outlook** by both agencies. All individual elements of the overall credit rating were rated **as high as the year before** and substantiated in a similar way.

Credit ratings of Zavarovalnica Triglav since 2008

Year	Credit rating	Medium-term outlook	Rating agency
2023	A	Stable	AM Best
			S&P Global Ratings
2022	A	Stable	AM Best
			S&P Global Ratings
2021	A	Stable	AM Best
			S&P Global Ratings
2020	A	Stable	AM Best
			S&P Global Ratings
2019	A	Stable	AM Best
			S&P Global Ratings
2018	A	Stable	AM Best
			S&P Global Ratings
2017	A	Stable	AM Best
			S&P Global Ratings
2016	A	Stable	AM Best
			S&P Global Ratings
2015	A-	Positive	AM Best
			S&P Global Ratings
2014	A-	Positive	AM Best
		Stable	S&P Global Ratings
		Stable	S&P Global Ratings
2013	A-	Stable	AM Best
		Positive	S&P Global Ratings
2012	A-	Negative	S&P Global Ratings
2011	A	Negative	S&P Global Ratings
2010	A	Stable	S&P Global Ratings
2009	A	Stable	S&P Global Ratings
2008	A	Stable	S&P Global Ratings

The **“A” credit rating assigned by S&P** exclusively reflects the Triglav Group’s standalone credit profile. Its business risk profile was assessed again as strong and its financial risk profile as very strong. The medium-term outlook reflects S&P’s expectations that at least over the next two years the Group will continue to effectively implement its business strategy of profitable growth by further diversifying premiums and realised income streams. Despite increased natural catastrophe claims, the discontinuation of supplemental health insurance in Slovenia and macroeconomic conditions, the Group is expected to maintain capitalisation at least at the “AA” range (of S&P’s capital model), while effectively improving its performance results.

The latest credit rating reports, i.e. the announcements of both credit rating agencies from 2023, are available on the website www.triglav.eu under the Investor Relations tab.

6.7 Bonds of Zavarovalnica Triglav

As part of the Group’s regular capital management to ensure its optimal composition and cost efficiency, the Company issued a subordinated bond in 2019, which is taken into account in its capital adequacy. It replaced the bond that matured on 21 March 2020. See the table below for more information.

Bond of Zavarovalnica Triglav

ISIN	XS1980276858
Bond type	Subordinated bond (Tier 2) issued in line with the Solvency II regulation
Issue size in EUR	50,000,000
Currency	EUR
Coupon rate and payment	Fixed at 4.375% p.a. until first call date, payable annually Thereafter variable at 3-month Euribor + 4.845% (equal to the original credit spread + 1 percentage point), payable quarterly
First call date	22 October 2029
Maturity date	22 October 2049
Maturity in years	30,5
Regulated market	Luxembourg Stock Exchange
Rating	BBB+ (S&P)