

## 6. The share and shareholders of Zavarovalnica Triglav

- Zavarovalnica Triglav's share, which in December marked 10 years since its listing on the Ljubljana Stock Exchange Prime Market, achieved a total return of 27.3% and a dividend yield of 4.6% on an annual basis.
- The General Meeting of Shareholders approved the proposal of the Management Board and the Supervisory Board for the payment of a dividend of EUR 1.70 gross per share, which represented 53% of consolidated net profit for 2020.
- The Triglav Group was again assigned the high credit rating of "A" with a stable medium-term outlook.
- There were no significant changes in the shareholder structure of Zavarovalnica Triglav.

### 6.1 Share of Zavarovalnica Triglav

As at 31 December 2021, the **annual total return** on Zavarovalnica Triglav's share (ZVTG) was **27.3%**, with a 4.6% dividend yield. The price-to-book ratio was 0.90.

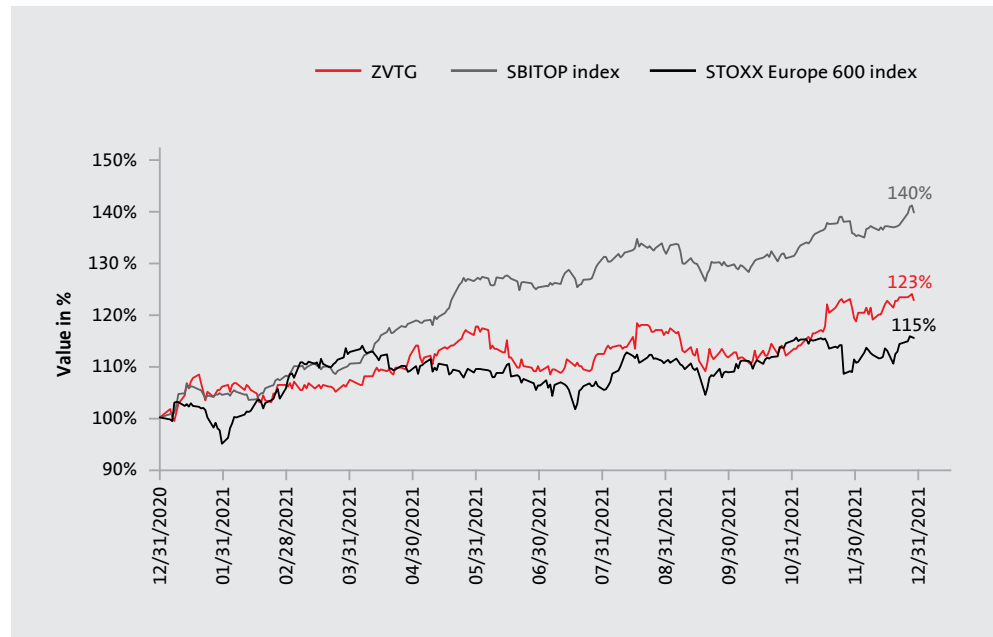
With EUR 836.6 million in market capitalisation (index 123), Zavarovalnica Triglav is **the fourth largest Slovenian listed company**. The ZVTG share generated a stock market turnover of EUR 24.2 million (of which EUR 3.9 million in block trades), which ranks it among the **five most liquid shares on the Ljubljana Stock Exchange**. A quarter of its stock market turnover (excluding block trades) was performed by **the liquidity provider**, which has been cooperating with the Company since 2019, when it started to provide its services on the Ljubljana Stock Exchange. According to the data available, the ZVTG share is included in indices of STOXX, S&P, Bloomberg and the Ljubljana, Vienna, Zagreb and Warsaw stock exchanges.

#### Key figures relating to the Zavarovalnica Triglav share

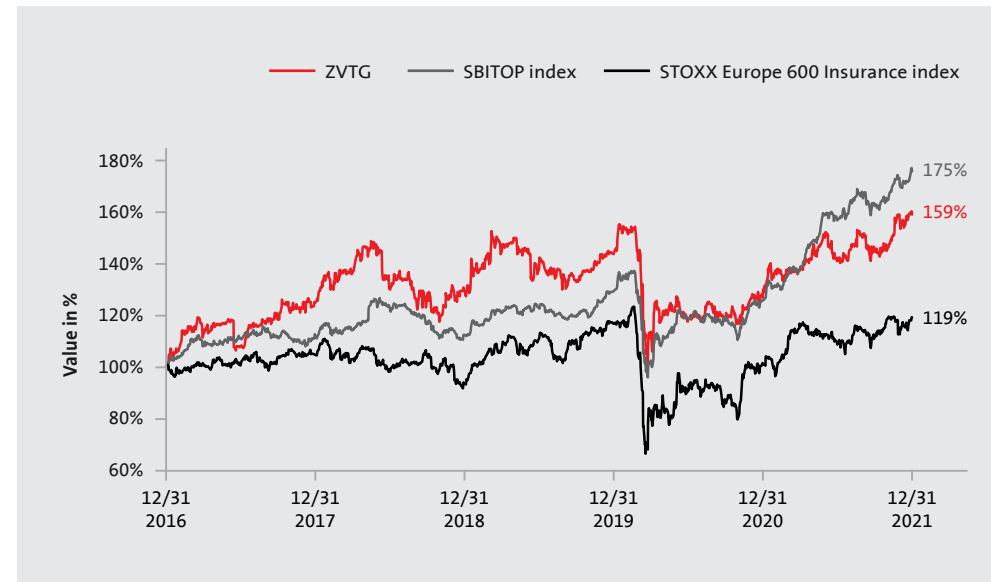
Items	31 December 2021	31 December 2020	31 December 2019
Maximum closing price	37.20	36.00	35.40
Minimum closing price	29.80	23.20	29.50
Closing price	36.80	30.00	33.30
Book value per share (parent company)	29.70	28.33	25.53
Book value per share (consolidated data)	40.93	38.16	34.73
Net earnings per share (consolidated data)	4.97	3.24	3.69
Market capitalisation	836,653,446	682,054,440	757,080,428
Average daily trading volume (excluding block trades)	80,554	131,945	135,518
Payed dividend per share for the previous business year	to be defined	1.70	0.00
No. of shares	22,735,148	22,735,148	22,735,148
The percentage of floating stock	30.73%	30.73%	30.87%
Traded on	Ljubljana Stock Exchange - LJSE		
ISIN code	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	»A«, stable medium term outlook

The trading volume and ZVTG share price movements were influenced by several factors in 2021. In addition to the good results of the Triglav Group, they were affected by the COVID-19 pandemic, the conditions of and restrictions on the implementation of Zavarovalnica Triglav’s dividend policy, and the impact of the performance of the insurance sector’s stocks in stock markets. In the first quarter, there was some uncertainty regarding the payment of Zavarovalnica Triglav’s dividend due to the sector-wide positions of the Slovenian insurance sector regulator. In the months that followed, the share price was influenced by the proposal of the Management Board and the Supervisory Board regarding the dividend payment and its adoption by the regular General Meeting of Shareholders held in May. The dividend payment cut-off date was 8 June 2021 (see Section [5.3.1 General Meeting of Shareholders](#) for more information). As seen in the figure, ZVTG share growth outperformed the STOXX Europe 600 Insurance sectoral index of 35 shares of European insurance companies by 7 percentage points on an annual basis. In the same period, the Ljubljana Stock Exchange SBITOP index, in which the ZVTG share holds an 11% share, grew by 40%.

**Movement in the ZVTG share price in 2021 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 2020 = 100)**



**Movement in the ZVTG share price in the last five years compared to the Ljubljana Stock Exchange SBITOP index and the sectoral index of European insurance companies STOXX Europe 600 Insurance (31 December 2016 = 100)**



## 6.2 Equity

As at 31 December 2021, Zavarovalnica Triglav's share capital amounted to EUR 73,701,391.79. It was divided into 22,735,148 ordinary registered no-par value shares of the same class. All shares are issued in a 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 addition, 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, the existing and potential shareholders of Zavarovalnica Triglav are required to comply with the Insurance Act (ZZavar-1). An authorisation of the 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 have no voting rights with respect to those shares. See the ZZavar-1 for further information.

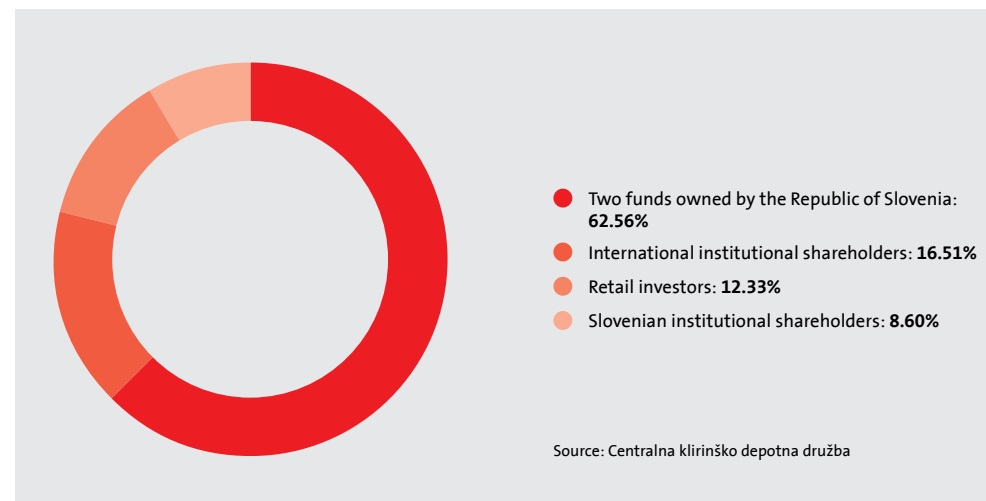
## 6.3 Shareholder structure<sup>19</sup>

**There were no significant changes in the shareholder structure of Zavarovalnica Triglav in 2021.**

The stakes of the two largest shareholders, owned by the Republic of Slovenia (ZPIZ Slovenije and SDH d.d.), and the third largest shareholder, the Croatian pension fund, which appears in the Company's share register on the fiduciary account of its custodian bank, remained unchanged.

The Company is pleased to note that in recent years natural persons have been actively trading in the ZVTG shares and gradually increasing their stake, which exceeded 12% as at the 2021 year-end. The stake of **international institutional shareholders**, which originate from more than 16 countries, mostly Europe and the United States, remained stable at around 16%.

*The shareholder structure of Zavarovalnica Triglav as at 31 December 2021*



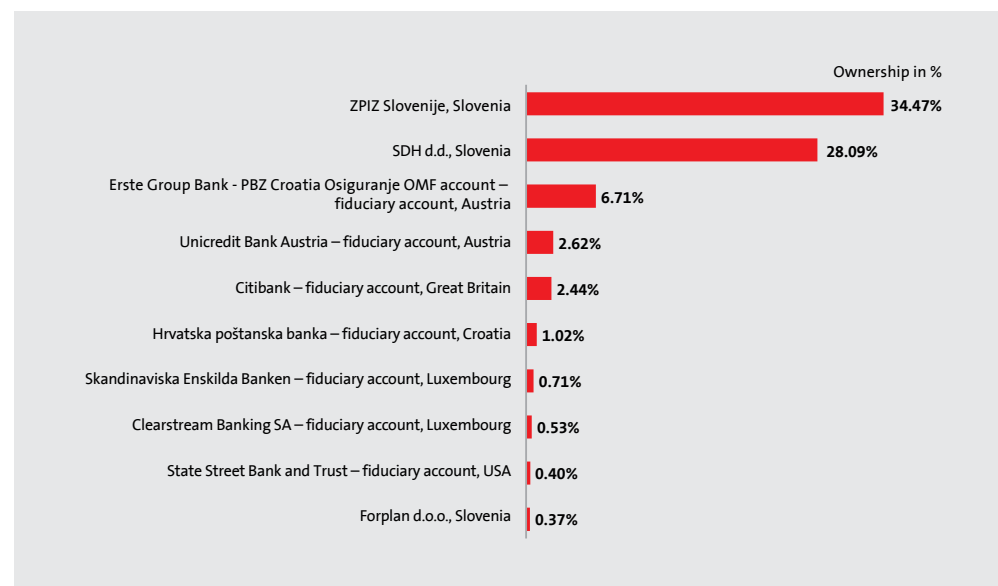
As at the reporting date, 12,000 shareholders and custodian bank accounts were entered in Zavarovalnica Triglav's share register. In early 2022, the number of subscribers declined by a third, which did not affect the Company's shareholder structure. The decrease was due to the activities of Centralna klirinško depotna družba (KDD) provided by law regarding shares from the time of the ownership transformation of Slovenian companies, which later were not transferred to the trading accounts of stock exchange members or KDD.

- Business Report
- The share and shareholders of Zavarovalnica Triglav**
- Risk Management
- Accounting Report



<sup>19</sup> GRI GS 102-5, 102-10

**The ten subscribers in Zavarovalnica Triglav's share register holding the largest number of shares as at 31 December 2021**



Source: Centralna klirinško depotna družba

In 2021, members of the Management Board and the Supervisory Board bought ZVTG shares on the Ljubljana Stock Exchange. The Company informed the public about these transactions in accordance with the law. The number of shares owned by the members of the Management Board and the Supervisory Board of Zavarovalnica Triglav as at the reporting date is shown in the table below.

**The number of shares owned by members of the Management and Supervisory Boards as at 31 December 2021**

Name and surname	Post	Number of shares	Equity stake
<b>Management Board</b>		<b>2,605</b>	<b>0.01%</b>
Andrej Slapar	President	900	0.00%
Uroš Ivanc	Member	475	0.00%
Tadej Čoroli	Member	150	0.00%
Barbara Smolnikar	Member	180	0.00%
David Benedek	Member	750	0.00%
Marica Makoter	Member	150	0.00%
<b>Supervisory Board</b>		<b>1,884</b>	<b>0.01%</b>
<b>Shareholders representatives</b>		<b>280</b>	<b>0.00%</b>
Andrej Andoljšek	President	0	0.00%
Branko Bračko	Deputy Chairman	0	0.00%
Tomaž Benčina	Member	0	0.00%
Peter Kavčič	Member	0	0.00%
Igor Stebernak	Member	0	0.00%
Jure Valjavec	Member	280	0.00%
<b>Employee representatives</b>		<b>1,604</b>	<b>0.01%</b>
Peter Celar	Member	400	0.00%
Branko Gorjan	Member	1,204	0.01%
Igor Zupan	Member	0	0.00%
<b>Management and Supervisory Board combined</b>		<b>4,489</b>	<b>0.02%</b>

Business  
Report

The share and  
shareholders of  
Zavarovalnica  
Triglav

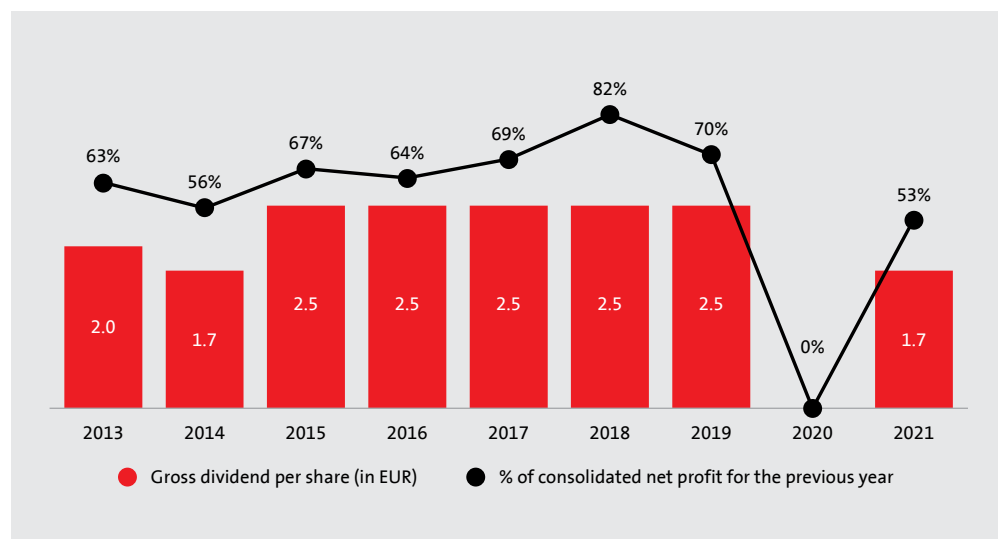
Risk  
Management

Accounting  
Report

## 6.4 Dividends and dividend policy

The Company considers its dividend policy to be a firm commitment to its shareholders and implements it as it is defined. In 2020 and 2021, it was impacted by the COVID-19 pandemic and related positions of the Slovenian insurance sector regulator, which applied to the whole Slovenian insurance sector. The Management Board and the Supervisory Board had to take this into account in their proposal for the distribution of accumulated profit. The General Meeting of Shareholders supported their proposals in both years. See Section [2.5 Major events](#) and [5.3.1 General Meeting of Shareholders](#) for more information about the 2021 General Meeting of Shareholders.

**Gross dividend per share by year (EUR) and its share of consolidated net profit for the preceding year in 2013–2021**



**Zavarovalnica Triglav's dividend policy**, which was revised in March 2018, sets out 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 and the dividend policy are described in Section [1.3 Risk management](#).

## 6.5 Investor relations management<sup>20</sup>

Through the active management of relations with investors, shareholders and analysts, the Company **promotes the attractiveness of its financial instruments**. In doing so, the Company follows best international practices and, as one of the largest companies listed on the Ljubljana Stock Exchange (in December 2021 the Company marked 10 years since its listing on the prime market), strives to co-create the standards of this market.

**The Company is committed to transparent information.** All key information about the Company's operations, position and outlook is regularly published in Slovenian and English on the SEOnet information system of the Ljubljana Stock Exchange and on the Company's website [www.triglav.eu](http://www.triglav.eu).

In 2021, the Company **communicated with investors** predominantly via videoconferencing meetings, conference calls and by email. Communication with institutional investors followed the calendar of activities published on the Company's website together with the presentation material. The Company participated in seven online investor conferences organised by stock exchange members and the stock exchange. In addition, the Company held four meetings with institutional investors immediately following the publication of its annual and interim results. Special attention was paid to shareholders who are private individuals and the Company made sure it was available to them via the call centre, direct lines and by email.

For any information for shareholders, investors and analysts, please use the contact information below.

### Information for shareholders:

Zavarovalnica Triglav, d.d., Ljubljana  
Miklošičeva cesta 19, 1000 Ljubljana  
Ms Helena Ulaga Kitek, Head of Investor Relations  
Telephone: ++386 (1) 47 47 331  
E-mail: [investor.relations@triglav.si](mailto:investor.relations@triglav.si)

## 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. The Triglav Group was assigned an **"A" stand-alone credit rating with a stable medium-term outlook** by both.

In 2021 both credit rating agencies rated all individual elements of the overall credit rating **as high as the year before** and substantiated them in a similar way. In its report, **S&P** again assessed the business risk profile of the Triglav Group as strong, its financial risk profile as very strong and its risk profile as stable. Furthermore, the Group's investment portfolio is of high quality and well-diversified, with most assets invested across the euro area. The risks related to life insurance products

Business Report

The share and shareholders of Zavarovalnica Triglav

Risk Management

Accounting Report



**Credit ratings of Zavarovalnica Triglav since 2008**

Year	Credit rating	Medium-term outlook	Rating agency
2021	<b>A</b>	Stable →	AM Best S&P Global Ratings
2020	<b>A</b>	Stable →	AM Best S&P Global Ratings
2019	<b>A</b>	Stable →	AM Best S&P Global Ratings
2018	<b>A</b>	Stable →	AM Best S&P Global Ratings
2017	<b>A</b>	Stable →	AM Best S&P Global Ratings
2016	<b>A</b>	Stable →	AM Best S&P Global Ratings
2015	<b>A-</b>	Positive ↑	AM Best S&P Global Ratings
2014	<b>A-</b>	Positive ↑	AM Best
	<b>A-</b>	Stable →	S&P Global Ratings
2013	<b>A-</b>	Stable →	S&P Global Ratings
	<b>A-</b>	Stable →	AM Best
	<b>BBB+</b>	Positive ↑	S&P Global Ratings
2012	<b>A-</b>	Negative ↓	S&P Global Ratings
2011	<b>A</b>	Negative ↓	S&P Global Ratings
2010	<b>A</b>	Stable →	S&P Global Ratings
2009	<b>A</b>	Stable →	S&P Global Ratings
2008	<b>A</b>	Stable →	S&P Global Ratings

with a guaranteed return are limited and mitigated by proper management of life provisions. The dominant position in the Slovenian market enables the Group to implement economies of scale, complemented by its strong brand, diversified product range and extensive sales network in the region. By maintaining its client-centric approach, the Group ensures profitable operations in both activities, insurance and asset management. Its underwriting discipline is the central foundation for its successful performance in the challenging situation caused by the pandemic. The medium-term outlook reflects S&P's expectations that the Group will continue to effectively implement its business strategy at least over the next two years, focusing on growth and further diversifying its operations. The agency expects that, despite the pandemic and the change of the economic cycle, the Group will sustain strong, stable earnings and very strong capitalisation at least in the "AA" range over the next two to three years.

The latest credit rating report, i.e. the announcement of the credit rating agency from 2021, is available on the website [www.triglav.eu](http://www.triglav.eu) under the Investor Relations tab.

**6.7 Bonds of Zavarovalnica Triglav**

Zavarovalnica Triglav has one issued subordinate bond, which is included in its capital adequacy. The bond was issued in 2019 as part of the Group's regular capital management to ensure its optimal composition and cost efficiency and to replace the bond that matured on 21 March 2020. See the table below for more information.

**Bond of Zavarovalnica Triglav**

<b>ISIN</b>	<b>XS1980276858</b>
<b>Type</b>	Subordinated bond (Tier 2) pursuant to the Solvency II regulations
<b>Issue size in EUR</b>	50,000,000
<b>Currency</b>	EUR
<b>Coupon rate and payment</b>	fixed at 4,375% annually until first call date, payable annually thereafter variable at 3-month Euribor plus 4.845% (equal to the original initial credit spread + 1 percentage point), payable quarterly
<b>First call date</b>	22 October 2029
<b>Maturity date</b>	22 October 2049
<b>Maturity in years</b>	30.5
<b>Regulated market</b>	Luxembourg Stock Exchange
<b>Issue rating</b>	BBB+ (S&P)

Business Report

The share and shareholders of Zavarovalnica Triglav

Risk Management

Accounting Report