

6. The share and shareholders of Zavarovalnica Triglav

- The ZVTG share achieved a 4.5% total return and a 10.7% dividend yield at the 41% annual growth of the trading volume.
- The Triglav Group was assigned an “A” credit rating with a stable medium-term outlook for the seventh time in a row.
- There were no significant changes in the shareholder structure of Zavarovalnica Triglav.
- In investor relations, increased attention was paid to natural persons, whose trading in ZVTG shares and stake have strengthened in recent years.

6.1 Share of Zavarovalnica Triglav

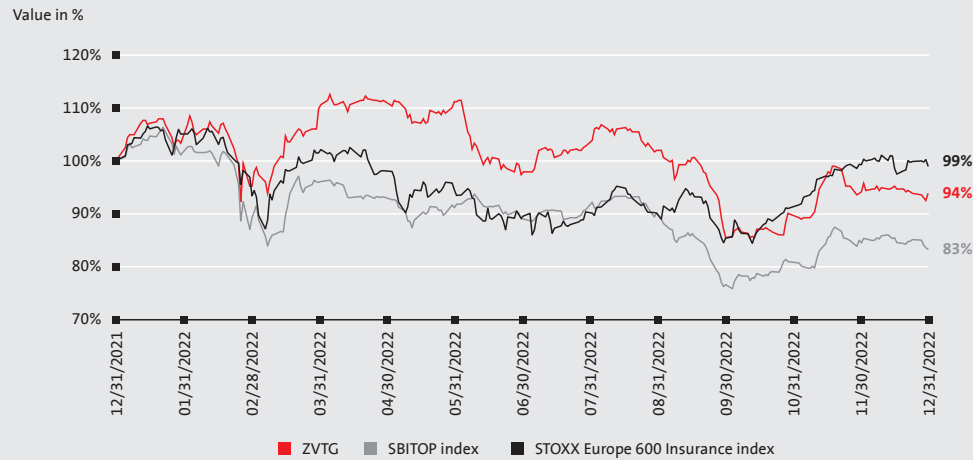
Zavarovalnica Triglav's share (ZVTG) is listed on the Ljubljana Stock Exchange Prime Market. Its **total annual return** was 4.5% as at 31 December 2022, of which **the dividend yield** was 10.7%. The price-to-book ratio was 1.05.

With the market capitalisation of EUR 784.4 million (index 94), Zavarovalnica Triglav was **the fourth largest Slovenian listed company** in 2022, and its share was **the fourth most liquid share on the Ljubljana Stock Exchange**. The ZVTG share generated the annual stock market turnover of EUR 28.3 million, up by 41% compared to the year before, while the total turnover on the Ljubljana Stock Exchange rose by 13%. Over a quarter of its share turnover was carried out by **the liquidity provider**, which has rendered its services for the Company since 2019. 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.

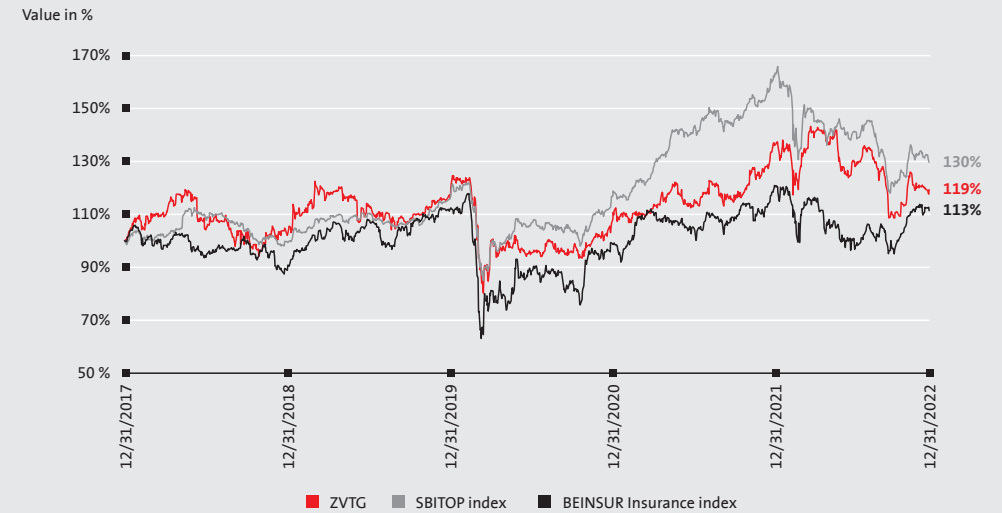
Key figures relating to the Zavarovalnica Triglav share

Items	31 December 2022	31 December 2021	31 December 2020
Maximum closing price	41.40	37.20	36.00
Minimum closing price	31.40	29.80	23.20
Closing price	34.50	36.80	30.00
Book value per share (parent company)	24.28	29.70	28.33
Book value per share (consolidated data)	32.96	40.93	38.16
Net earnings per share (consolidated data)	4.85	4.97	3.24
Market capitalisation	784,362,606	836,653,446	682,054,440
Average daily trading volume (excluding block trades)	113,291	80,554	131,945
Payed dividend per share	3.70	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%	30.73%
Traded on	Ljubljana Stock Exchange - LJSE		
ISIN code	S10021111651		
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

Movement in the ZVTG share price in 2022 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 2021 = 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 2017 = 100)



The ZVTG share price movement in 2022 was influenced by several factors; positive factors included good business results and the forecast high dividend payout of 74% of the Company's consolidated net profit for 2021. The dividend payment cut-off date was 7 June 2022 (see Section [5.3.1 General Meeting of Shareholders](#) and [6.4 Dividends and the dividend policy](#) for more information). Apart from that, the share price was negatively affected by the situation on the stock markets, including the Slovenian stock market, as a result of the war in Ukraine, the deterioration of the economic environment and an uncertain macroeconomic outlook. As seen in the figure, the ZVTG share price in 2022 decreased by 6%, the Ljubljana Stock Exchange SBITOP index, in which the ZVTG share holds an 11.5% share, fell by 17% and the STOXX Europe 600 Insurance sectoral index of 35 shares of European insurance companies dropped by 1%.

6.2 Equity

As at 31 December 2022, Zavarovalnica Triglav's **share capital** 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, the existing and potential shareholders of Zavarovalnica Triglav 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.

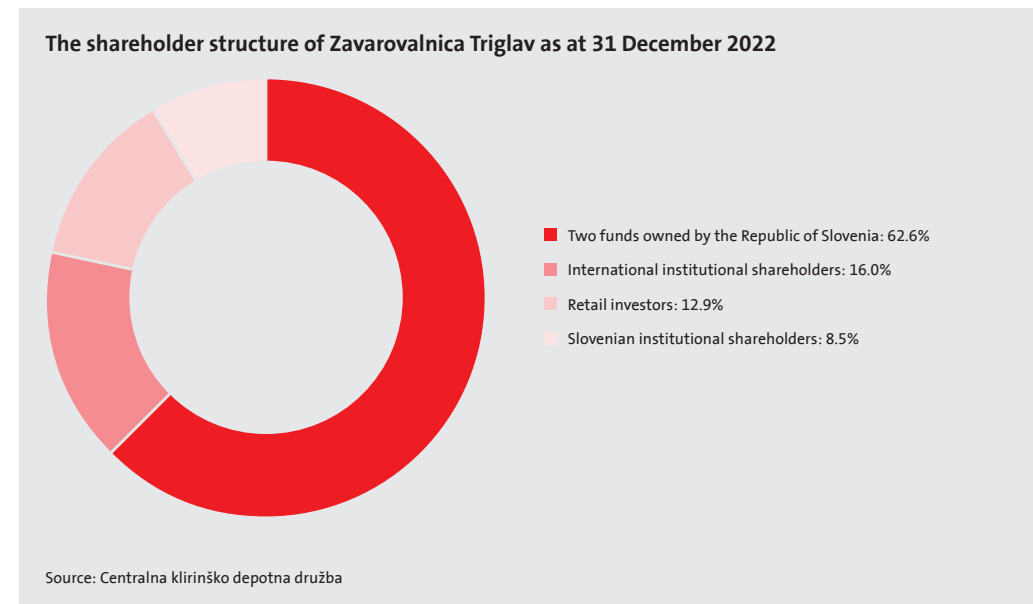
The holder of shares of an insurance undertaking that were acquired or are being held in contravention of the ZZavar-1 has no voting rights with respect to those shares. See the ZZavar-1 for further information.

6.3 Shareholder structure¹⁷

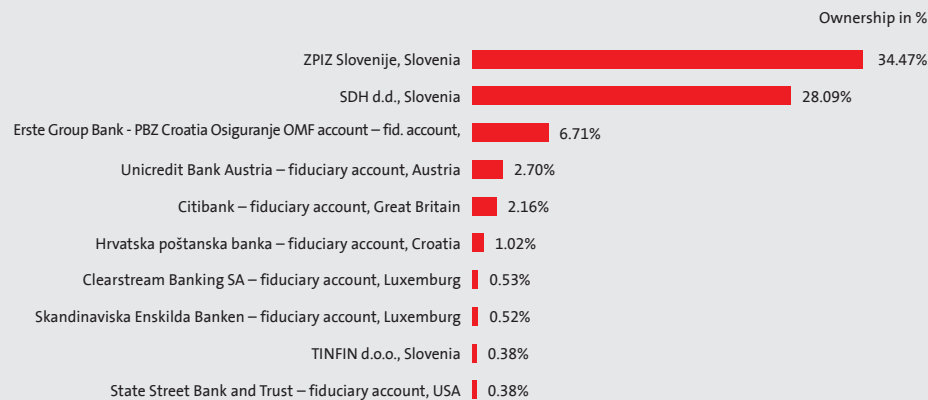
There were no significant changes in Zavarovalnica Triglav's shareholder structure in 2022. The stakes of the three largest shareholders, two funds owned by the Republic of Slovenia (ZPIZ Slovenije and SDH d.d.) and the Croatian pension fund, which appears in the Company's share register on the fiduciary account of its custodian bank, remained unchanged.

Zavarovalnica Triglav had **8,294 shareholders** as at 31 December 2022, among them around 40 international banks with fiduciary accounts held by their clients and international institutional investors. At the beginning of the year, the number of shareholders decreased by a third (primarily natural persons) as a result of the activities of KDD (Centralna klirinško depotna družba), which were related to the time of the ownership transformation of Slovenian companies.

The stake of **international institutional shareholders**, who originate mostly from Europe and the USA, continues to remain stable and reached 16.0% as at 31 December 2022 (0.5 percentage point less than the previous year). The stake of **Slovenian institutional shareholders** remained unchanged at 8.5%, while the stake of **natural persons** increased by 0.6 percentage point to 12.9%. In recent years, natural persons have been actively trading in ZVTG shares, gradually increasing their stake, which the Company encourages with additional activities as part of its investor relations.



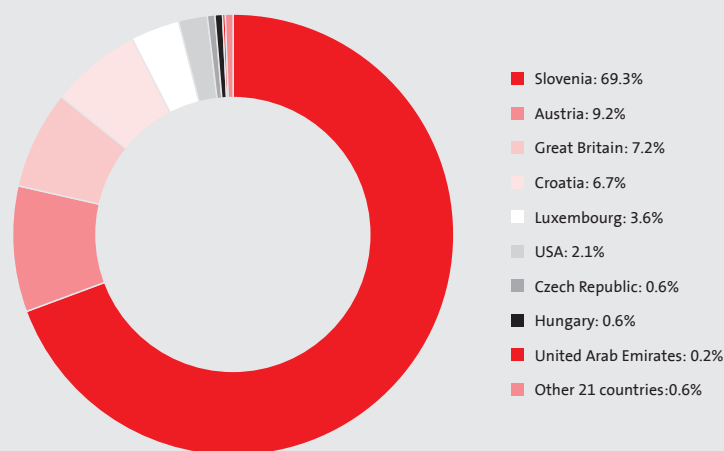
Zavarovalnica Triglav's top ten shareholders as at 31 December 2022



Source: Centralna klirinško depotna družba

The Company's share of the **free float**, i.e. the shares held by the shareholders with less than a 5% stake, stood at 30.7%, remaining stable. The ownership of the free float is dispersed among shareholders from 30 countries.

The minority shareholder structure of Zavarovalnica Triglav by the country of origin as at 31 December 2022 (the share of the free float in %)



The number of shares held by the members of the Management and Supervisory Boards as at 31 December 2022

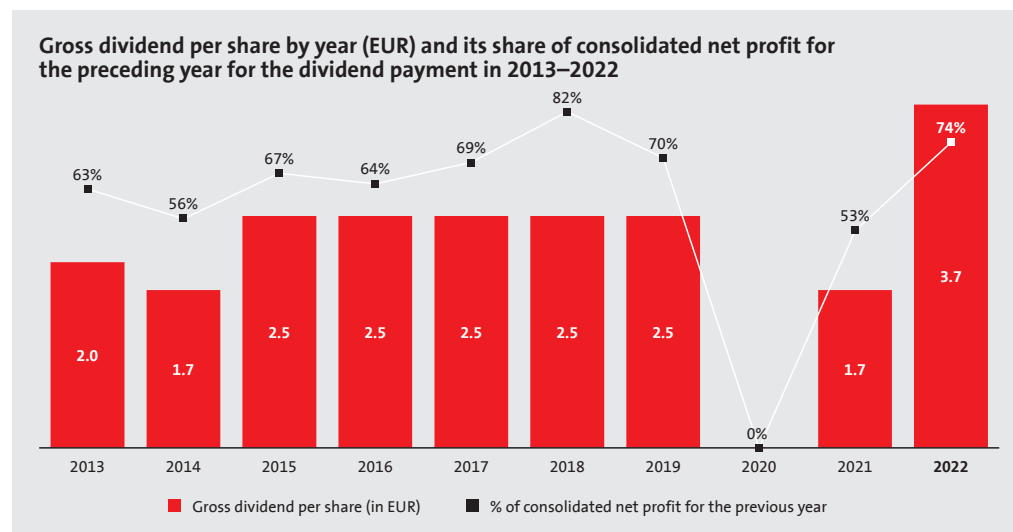
Name and surname	Post	Number of shares	Equity stake
Management Board		1,675	0.01%
Andrej Slapar	President	900	0.00%
Uroš Ivanc	Member	475	0.00%
Tadej Čoroli	Member	150	0.00%
Marica Makoter	Member	150	0.00%
Supervisory Board		3,104	0.01%
Shareholders representatives		1,500	0.01%
Andrej Andoljšek	President	0	0.00%
Branko Bračko	Deputy Chairman	0	0.00%
Tomaž Benčina	Member	0	0.00%
Peter Kavčič	Member	1,220	0.01%
Igor Stebernak	Member	0	0.00%
Jure Valjavec	Member	280	0.00%
Employee representatives		1,604	0.01%
Peter Celar	Member	400	0.00%
Branko Gorjan	Member	1,204	0.01%
Igor Zupan	Member	0	0.00%
Management and Supervisory Board combined		4,779	0.02%

6.4 Dividends and dividend policy

The Company considers its **dividend policy** to be a firm commitment to its shareholders and implements it in accordance with its provisions. In 2020 and 2021, the implementation of the dividend policy was affected by the COVID-19 pandemic and related positions of the Slovenian insurance sector regulator. In 2022, based on the Management Board and the Supervisory Board's proposal, the General Meeting of Shareholders approved the **resolution to pay the dividend of EUR 3.70 gross or EUR 84.1 million in total**. The amount exceeded the initial 50% of the consolidated net profit for the previous year – it was **74% of the net profit**. A part of the dividend was the additional amount made possible by the level of the Group's available capital and stemmed from the uniqueness or exceptionality of some segments of the Group's operations in the past two years. See Section [5.3.1 General Meeting of Shareholders](#) for more information about the 2022 General Meeting of Shareholders.

The dividend policy of Zavarovalnica Triglav 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 [2.1 Risk management](#).



6.5 Investor relations management¹⁸

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 2022 the Company marked 11 years since its listing on the prime market), strives to co-create the standards of this market.

The Company strives for 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.

The Company also keeps the lines of communication with its shareholders, investors and analysts open, and pays special care to **shareholders – natural persons** by being available to them for any questions on a daily basis. Last year, the Company presented its ZVTG share at two events held by the Ljubljana Stock Exchange, targeting shareholders – natural persons, raising financial literacy of small investors and jointly promoting Ljubljana Stock Exchange Prime Market shares.

In the reporting period, the Company mainly communicated with **institutional shareholders**, predominantly via videoconferencing meetings, conference calls and by email. **The calendar of the 13 investor events attended by the Company** is available on its website, including the respective presentations. Among them was a special event organised by the Company, which was aimed at presenting the Triglav Group's strategy for 2022–2025, and four meetings held following the publication of each financial report.

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
 Email: 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. Both agencies assigned an **“A” stand-alone credit rating with a stable medium-term outlook** to the Triglav Group. In 2022, 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.

¹⁸ GRI 2-29

Credit ratings of Zavarovalnica Triglav since 2008

Year	Credit rating	Medium-term outlook	Rating agency
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
	A-	Stable	S&P Global Ratings
2013	A-	Stable	S&P Global Ratings
	A-	Stable	AM Best
	BBB+	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

In 2022, 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. The business risk profile of the Triglav Group was again assessed as strong and its financial risk profile as very strong by the S&P credit rating agency. The AM Best credit rating agency re-affirmed the Financial Strength Rating of “A” (Excellent) and the Long-Term Issuer Credit Ratings of “a” (Excellent).

The latest credit rating reports, i.e. the announcements of the credit rating agencies from 2022, are available on the website 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. It replaced the bond that matured on 21 March 2020. See the table below for more information.

Bond of Zavarovalnica Triglav

ISIN	XS1980276858
Type	Subordinated bond (Tier 2) pursuant to the Solvency II regulations
Issue size in EUR	50,000,000
Currency	EUR
Coupon rate and payment	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
First call date	22 October 2029
Maturity date	22 October 2049
Maturity in years	30.5
Regulated market	Luxembourg Stock Exchange
Issue rating	BBB+ (S&P)