

ZAVAROVALNICA TRIGLAV, D.D.  
MIKLOŠIČEVA CESTA 19, 1000 LJUBLJANA

## CORPORATE GOVERNANCE STATEMENT

The Corporate Statement below is included in the audit annual report of Triglav Group and Zavarovalnica Triglav, d.d. for 2022

### 1. Governance policy

The Company's reliable governance system, which is based on effective risk management, enables it to implement its business strategy. The main governance guidelines take into account the set long-term objectives. They are defined in the Company's Governance System and Policy. This document, which is adopted by the Management and Supervisory Boards, is published on SEOnet, the Ljubljana Stock Exchange information system, and on the Company's official website ([www.triglav.eu](http://www.triglav.eu)).

### 2. Statement of Compliance with the Slovene Corporate Governance Code

In its operations in 2022, Zavarovalnica Triglav abided by the Corporate Governance Code (hereinafter: the Code), which was adopted on 9 December 2021 and entered into force on 1 January 2022. The Code is available on the website of the Ljubljana Stock Exchange (Ljubljanska borza d.d.) at <http://www.ljse.si> in Slovene and English. Zavarovalnica Triglav's statement of compliance with the Corporate Governance Code for the period from 1 January 2022 to the day of publication in 2023 is available on SEOnet and Zavarovalnica Triglav's official website ([www.triglav.eu](http://www.triglav.eu)).

Zavarovalnica Triglav adheres to the provisions of the Code. For well-grounded reasons, the Company deviated from or did not comply with the following provisions of the Code (as clarified by specific point of the Code):

- Points 4.1 to 4.3 *refer to the Diversity Policy:*

The Company and its management and supervisory bodies are subject to the Insurance Act and the Companies Act, which require that the members of the management and supervisory bodies and the bodies as a whole meet the fit and proper criteria for insurance companies. Zavarovalnica Triglav has adopted a Diversity Policy, according to which, when several candidates meet the fit and proper criterion, the candidate who contributes more to

the diversity of the Management Board or the Supervisory Board will have priority. The diversity of expertise and experiences is set out in greater detail in the Fit and Proper Policy for the Management and Supervisory Board Members of Zavarovalnica Triglav d.d. The aim of the Diversity Policy is for both genders to be represented on the management and supervisory bodies. The ratio between the two genders, which is appropriate given the size of the company and its goals and procedures, is not determined in advance, as it is first necessary to ensure the fitness and propriety of the bodies as a whole, in accordance with the requirements of the law. When appointing the members of the management and supervisory bodies, strict legislative regulations applicable to insurance companies and the regulator's requirements as regards the fitness and propriety of the candidates for members of the Management Board and the Supervisory Board must primarily be taken into account. In any case, when appointing the members of the Management Board and the Supervisory Board, the Company aims to achieve the greatest possible diversity, including by specifying in the position requirements, in addition to the fit and proper requirements that candidates must meet, which candidates will have an advantage in terms of diversity (e.g. gender, age, nationality). The Diversity Policy does not set goals for each individual aspect of diversity and for each body separately, but it does determine the way to ensure diversity as mentioned above and, as a result, has a direct impact on personnel procedures and other processes in the Company.

- Point 5.6 refers to an external assessment of the appropriateness of the Corporate Governance Code by an independent institution:

The Corporate Governance Statement, as part of the annual report, is reviewed annually by an independent external auditor. Zavarovalnica Triglav is a regulated company whose operations are supervised by the Insurance Supervision Agency. In parallel, internal audit is established as one of its key functions, which not only performs continuous and comprehensive supervision of the Company's operations but also verifies and assesses whether the processes of risk management, control procedures and management of the Company are appropriate.

- Points 7.1 to 7.4 refer to the development of the Sustainable Development Policy:

It is planned that Zavarovalnica Triglav will develop an overarching sustainability policy by 31 March 2023. In 2021, the Company upgraded its sustainability orientation in environmental, social and governance areas by adopting the Triglav Group's strategic ambitions in sustainable development (ESG), which was approved by the Supervisory Board. At Group level, sustainability-related activities are coordinated and directed by the Sustainable Development Coordinator, monitored by the Compliance and Sustainable Development Committee and decided on by the parent company's Management Board. The ambitions regarding the ESG goals for 2025 are divided into four key areas: insurance and asset management, Triglav Group's business processes, responsible stakeholder engagement and effective corporate governance. The Commitment to respect human rights in business operations was incorporated into the business processes, with which the Triglav Group undertakes to respect human rights in the entire business process and to avoid and prevent any adverse effects in ensuring human rights.

- Point 16.4 stipulates that at least once in every three years the supervisory board should ensure an external assessment in which it cooperates with an institution or external experts:

Each year, the Supervisory Board, with the assistance of competent departments, carries out self-assessment of its work and the work of its committees and draws up a report. It takes a position on this and adopts an action plan to improve its functioning. At its discretion, the Supervisory Board also performs external assessment, in which it cooperates with relevant external experts.

- Point 21.6 refers to the prior approval of the Supervisory Board before the appointment of the members of the Management Board to the management or supervisory bodies in other companies:

Pursuant to the resolution of the Supervisory Board, the members of the Management Board do not require the approval of the Supervisory Board prior to their appointment to the management or supervisory bodies of Zavarovalnica Triglav's direct and indirect subsidiaries and associates; however, the Management Board members promptly inform the Supervisory Board in writing about their appointment in accordance with point 1 of paragraph two of Article 62 of the Insurance Act (ZZavar-1).

- Point 25 *stipulates that all supervisory board and committee members are independent:*  
Two members of the Supervisory Board, both employee representatives, are not considered independent in accordance with point g) of Appendix B of the Code, as they have served on the Supervisory Board for more than three terms.

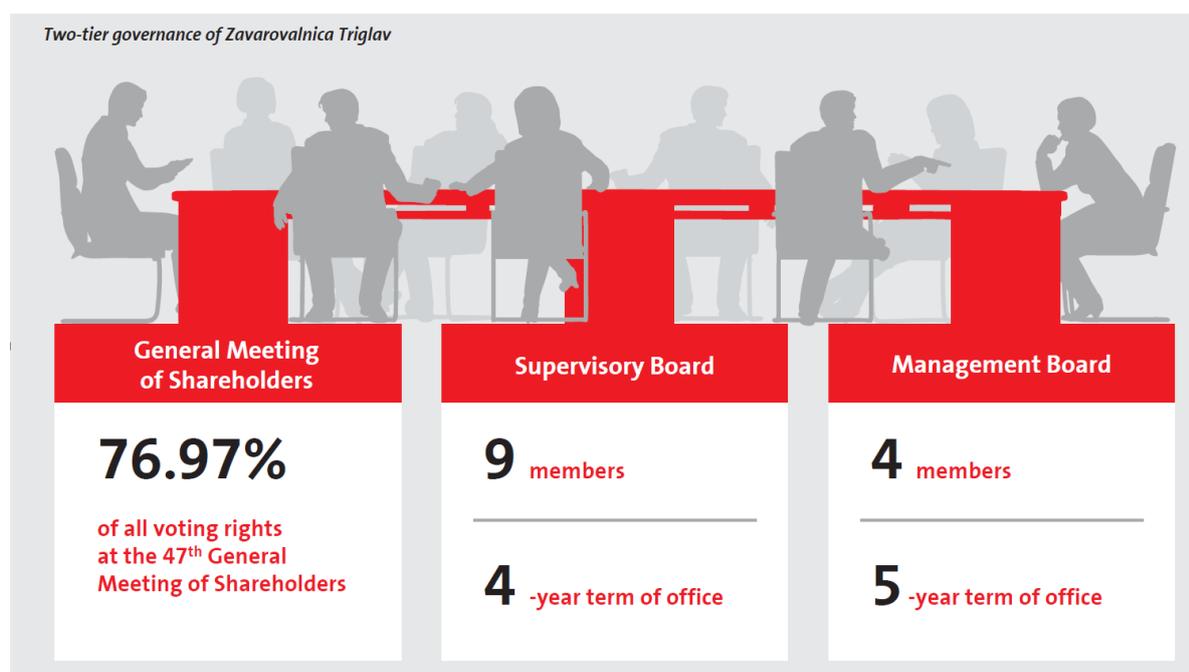
In addition, the Company is bound by the principles of the Insurance Code in its operations and conduct, which is available on the Slovenian Insurance Association's website ([www.zav-zdruzenje.si](http://www.zav-zdruzenje.si)).

The Company also has its own code, which presents its fundamental values and business principles in order to achieve its business objectives, strategic guidelines and competitive advantages in a fair and transparent manner and in compliance with the law and ethics. It is published on the Company's official website ([www.triglav.eu](http://www.triglav.eu)).

The Statement of compliance with the Slovenian Corporate Governance Code is available both on SEOnet and the Company's official website ([www.triglav.eu](http://www.triglav.eu)).

### 3. Management bodies of Zavarovalnica Triglav

The Company has a two-tier governance system in place. Its governance bodies are as follows: **General Meeting of Shareholders**, **Management Board** and **Supervisory Board**. They operate in compliance with the primary and secondary legislation, the Articles of Association and adopted rules of procedure. Zavarovalnica Triglav's Articles of Association are published on its official website ([www.triglav.eu](http://www.triglav.eu)).



### 3.1. General Meeting of Shareholders

The shareholders of Zavarovalnica Triglav exercise their rights at the General Meeting of Shareholders, which is convened at least once a year, by the end of August at the latest. The General Meeting of Shareholders may also be convened in other circumstances provided by law and the Articles of Association, and when it is in the interest of the Company.

The powers and operation of the General Meeting of Shareholders are set out in the Companies Act and the Articles of Association. The latter does not lay down any specific provisions for the adoption of amendments.

Each share of Zavarovalnica Triglav gives its holder the right to:

- one vote at the General Meeting of Shareholders,
- proportional dividends from the profit intended for the dividend payment and
- a proportional share from the remaining bankruptcy or liquidation estate in the event of bankruptcy or liquidation.

All shareholders who are entered in the share register managed by KDD – Centralno klirinška depotna družba d.d. not later than by the end of the seventh day before the date of the General Meeting of Shareholders have the right to attend the General Meeting. They may exercise their voting right provided that they register their attendance not later than by the end of the fourth day before the date of the General Meeting of Shareholders.

The rights and obligations attached to the shares as well as the notes on the restriction of transfer of shares and on reaching a qualifying holding are described in Section 6.2 *Equity*. See the Insurance Act for further details.

In accordance with the Financial Instruments Market Act, the following three shareholders of Zavarovalnica Triglav hold a qualifying holding (as at 31 December 2022):

- Zavod za pokojninsko in invalidsko zavarovanje Slovenije (Institute of Pension and Invalidity Insurance of Slovenia; hereinafter: ZPIZ) is the direct holder of 7,836,628 shares or 34.47% of the Company's share capital. Its stake remained unchanged in 2022. On behalf and for the account of ZPIZ, the shareholder's rights attached to the shares were managed by Slovenski državni holding d.d. (hereinafter: SDH).
- SDH is the direct holder of 6,386,644 shares or 28.09% of the Company's share capital. Its stake remained unchanged in 2022.
- Erste Group Bank – PBZ Croatia Osiguranje OMF account – a fiduciary account, Vienna, holds 1,526,190 shares or 6.71% of the Company's share capital.

According to the data available, as at the reporting date Zavarovalnica Triglav had no other shareholders whose interests exceeded 5.00% of the share capital, nor any issued securities that would grant their holders special control rights.

#### General Meeting of Shareholders in 2022

Zavarovalnica Triglav's shareholders held one general meeting in 2022. The total number of shares and voting rights represented at the 47<sup>th</sup> General Meeting of Shareholders, held on 24 May 2022, was 17,439,358 or 76.97% of all shares to which the voting rights are attached. The General Meeting of Shareholders was briefed on:

- Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2021,
- the opinion on the annual report given by the audit firm,
- Annual Internal Audit Report of the Internal Audit Department of Zavarovalnica Triglav d.d. for 2021,

- Report of the Supervisory Board of Zavarovalnica Triglav d.d. on the Verification of the Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2021,
- Opinion of the Supervisory Board on the Annual Internal Audit Report of the Internal Audit Department of Zavarovalnica Triglav d.d. for 2021.

The shareholders approved Zavarovalnica Triglav's remuneration report for 2021, whereas the consultative resolution on its remuneration policy was not adopted. The remuneration policy complies with the law, but it is not fully in line with the recommendations of the shareholder SDH, which were published on 16 March 2022 and will be examined by the next regular General Meeting of Shareholders.

The shareholders adopted a resolution on the following distribution of the accumulated profit of EUR 87,660,380.45 as at 31 December 2021:

- A part of accumulated profit in the amount of EUR 84,120,047.60 shall be allocated for dividend payments. The dividend of EUR 3.70 gross per share shall be paid to the shareholders appearing in the share register as at 7 June 2022. As at 8 June 2022, the Company provided funds for the payment of all dividends to the account of KDD – Centralno klirinška depotna družba d.d.
- The distribution of the remaining accumulated profit of EUR 3,540,332.85 shall be decided in the next few years.

The shareholders granted a discharge for the 2021 financial year to both the Management Board and the Supervisory Board of Zavarovalnica Triglav.

The General Meeting of Shareholders appointed the audit firm Deloitte revizija d.o.o., Ljubljana the auditor of Zavarovalnica Triglav for the 2022, 2023 and 2024 financial years.

### **3.2. Management Board**

The Management Board manages the Company independently and at its own responsibility, and presents and represents the Company without limitations. In legal transactions, the Company is always jointly presented and represented by two members of the Management Board, one of whom is its President.

According to the Solvency II Directive requirements, all persons who manage an insurance undertaking must have adequate professional qualifications (fit) and be appropriate to perform this function, i.e. be of good reputation and integrity (proper). The fit and proper assessment of the Management Board members is carried out based on national legislation and internal regulations.

Any person fulfilling the requirements stipulated by the Insurance Act, the Companies Act and the applicable documents of the Company may be appointed to the Management Board as its President or member. The fit and proper criteria, which the Management Board members and other individuals are required to meet, are clearly defined in the Fit and Proper Policy for the Management and Supervisory Board Members of Zavarovalnica Triglav d.d., which sets out the fit and proper assessment procedure for individual Management Board members to be performed before their appointment, periodically, extraordinarily or after the appointment of an individual Management Board member. Furthermore, the policy determines the fit and proper assessment criteria and procedures for the Management Board as a collective body. With respect to the latter, the Supervisory Board takes into account the diversity of knowledge and competences, which not only allow comprehensive functioning of the Management Board, but also contribute to an appropriate variety of skills, knowledge and experience for professional management of the Company. All members are required to collectively possess the relevant

knowledge and experience relating to insurance and financial markets, the business strategy and business models, governance systems, financial and actuarial analyses, risk management, and the regulatory and legal environment in which the Company operates.

In October 2022, a preliminary fit and proper assessment of Blaž Jakič as a new Management Board member took place. In November 2022, the existing Management Board members (Andrej Slapar, Tadej Čoroli, Uroš Ivanc, Marica Makoter and David Benedek) and the Management Board as a collective body, also excluding David Benedek, were subject to periodic assessment.

The Diversity Policy is also taken into account when appointing an individual member of the Management Board. Its aim is to ensure complementarity and diversity in the Management Board by taking into account various qualifications, experiences and knowledge as defined in the Fit and Proper Policy for the Management and Supervisory Board Members of Zavarovalnica Triglav d.d. as well as to achieve gender balance and representation of various age groups. The gender balance in the Management Board, which is appropriate to the Company's size, the objectives it pursues and the procedures for selecting management body members and other procedures in the Company, is not predetermined. If several candidates meet the fit and proper criterion, the candidate who will contribute more to greater diversity of the Management Board will have priority. One of the important goals is that both genders are represented in the management body. A comprehensive approach enables prudent and careful management of the Company, thus achieving strategic objectives and ensuring long-term values for all key stakeholders.

At its session on 17 October 2022, the Supervisory Board of Zavarovalnica Triglav agreed with the proposal of the President of the Management Board to appoint Blaž Jakič a new Management Board Member and approved the agreement on the termination of the term of office of the Management Board Member David Benedek. Blaž Jakič was appointed for a five-year term of office. The decision will enter into force upon the fulfilment of the conditions precedent, including obtaining the authorisation of the Slovenian Insurance Supervision Agency to perform the function of a management board member. The term of office of the Management Board member David Benedek ended on 1 December 2022 by mutual agreement, while the five-year term of office of the Management Board member Barbara Smolnikar ended on 17 October 2022.

### **3.2.1. Composition and appointment of the Management Board**

In accordance with the Company's Articles of Association, the Management Board has no less than three and no more than six members, one of whom one is the president. The number of the Management Board members, their powers, the manner of representation and presentation and the transfer of the Management Board's authorisations are determined by the Supervisory Board in the Management Board Rules.

The Management Board is appointed by the Supervisory Board. The term of office of individual Management Board members is up to five years, with the possibility of reappointment without limitation. Zavarovalnica Triglav has one Worker Director, who is a member of the Management Board.

The appointment or recall of an individual member or all members of the Management Board is proposed to the Supervisory Board by the President of the Management Board. Any individual member or President of the Management Board may be dismissed also by the Supervisory Board if legal grounds for their dismissal have been established.

### **3.2.2. Management Board's powers to increase the share capital**

In accordance with the Company's Articles of Association, the Management Board is authorised to increase the share capital of Zavarovalnica Triglav by up to EUR 14,740,278.36 through new shares issued for cash contributions within five years of 28 May 2021. The issue of new shares, the amount of capital increase, the rights attached to the new shares and the conditions for issuing new shares are decided upon by the Company's Management Board with the consent of the Supervisory Board. Following a share capital increase, the Supervisory Board is authorised to amend the Company's Articles of Association.

### 3.2.3. Presentation of the Management Board, its functioning and powers

#### Composition of the Management Board in 2022

First and last name	Function	Area of work in the Management Board (as at 31 December 2022)	Start of term of office (the first)	End of term of office	Gender	Nationality	Date of birth	Education	Professional profile	Membership in the supervisory and/or management bodies of other companies
<b>Andrej Slapar</b>	President	Manages and directs the work of the Management Board and head office support departments (the Management Board Office, the Legal Office, the Internal Audit Department, the Corporate Communication Department and the Compliance Office). In charge of the Corporate Accounts Division, the Non-Life Insurance Division, the Triglav Group Subsidiary Management Division (excluding the subsidiaries outside Slovenia), HR matters related to the employees with special powers, arbitration, Nuclear Pool and the economic interest grouping of Slovenian insurance companies. Also responsible for the drawing up and implementation of the strategy of Zavarovalnica Triglav and the Triglav Group.	22 May 2013	12 November 2024	Male	Slovenian	1972	LL.B.	Management, strategic management, commercial law, insurance and reinsurance, actuarial science	
<b>Uroš Ivanc</b>	Member	In charge of the Non-Life Insurance Actuarial Department, the Life Insurance Actuarial Department, the Accounting Division, the Finance and Controlling Division, excluding the Investment Department, the Triglav Group Subsidiary Management Division – the subsidiaries outside Slovenia and the Investment Department (a head office support department). Also responsible for mergers and acquisitions (M&A), investor relations (IR) and relations with credit rating agencies, as well as for environmental, social and corporate sustainable development (ESG) activities.	14 July 2014	15 July 2024	Male	Slovenian	1975	MSc in Business and Organisation	Management and organisation, strategic management, insurance, financial management, financial markets and analyses, asset management, risk management	Triglav, upravljanje naložb in svetovalne storitve d.o.o. Triglav, Zdravstvena zavarovalnica d.d. Triglav INT d.o.o. Triglav Osiguranje, Zagreb d.d. (from 1 July 2022)
<b>Tadej Čoroli</b>	Member	In charge of the Marketing Division, the Non-Life Insurance Claims Division, the Insurance Sales Division, the Digital Operations and Client Experience Division, the Digital Platform and Business Intelligence Division, the Life Insurance Division, the IT Division and the head office support departments: the Risk Management Department and the Bancassurance Section.	29 July 2014	30 July 2024	Male	Slovenian	1975	LL.M.	Management, strategic management, commercial law, insurance, marketing	Pozavarovalnica Triglav Re d.d.
<b>Marica Makoter</b>	Member and Worker Director	Represents the workers' interests as set out in the Worker Participation in Management Act. In charge of the Fraud Prevention, Detection and Investigation Department and the Change and Project Portfolio Management Department. Responsible for the Back Office Division and the Human Resource Management Division (excluding HR matters related to the employees with special powers). Also responsible for the Strategic Sourcing Department and the Money Laundering Prevention Department (head office support departments).	21 December 2011	23 December 2026	Female	Slovenian	1972	LL.B.	Management, strategic management, commercial law, insurance, human resources and organisation, worker representation	Triglav Skladi d.o.o.
<b>Barbara Smolnikar</b>	Member		17 October 2017	17 October 2022	Female	Slovenian	1967	PhD in Management	Management, strategic management, banking, bancassurance, financial markets and analyses, risk management	Triglav, pokojninska družba d.d. (until 17 October 2022)

First and last name	Function	Area of work in the Management Board (as at 31 December 2022)	Start of term of office (the first)	End of term of office	Gender	Nationality	Date of birth	Education	Professional profile	Membership in the supervisory and/or management bodies of other companies
David Benedek	Member		29 August 2019	1 December 2022	Male	Slovenian	1973	MSc in Business and Organisation	Management, strategic management, banking, insurance, financial markets and analyses, corporate governance	Triglav Osiguranje, Zagreb d.d. (until 30 June 2022) Triglav, upravljanje naložb in svetovalne storitve d.o.o. (until 16 November 2022) Triglav, Upravljanje nepremičnin d.o.o. (until 16 November 2022) Triglav Skladi d.o.o. (until 16 November 2022) Diagnostični center Bled d.o.o. (until 16 November 2022)

Andrej Slapar took over the position of the President of the Management Board nine years ago, and in 2022 all members of the Management Board (together) performed their function for an average of seven years.

#### Data on the remuneration of the Management Board members

Data on the remuneration of the Management Board members are disclosed in Section 5.6 of the *Accounting Report*. The basis for the remuneration of the Management Board is the Remuneration Policy of Zavarovalnica Triglav d.d. (hereinafter: the Remuneration Policy), which is based on Directive 2009/138/EC – Solvency II, as amended by Directive 2012/23/EU, and Commission Delegated Regulation (EU) 2015/35 supplementing Directive 2009/138/EC.

The remuneration of the Management Board members consists of the basic salary (fixed part) and a variable part of the salary. The basic salary of the President of the Management Board is set as five times the average gross salary of employees in Group companies in Slovenia, and the basic salary of the Management Board members is set at 95% of the basic salary of the President of the Management Board. The President and members of the Management Board are entitled to the variable part of up to 30% of the basic salaries paid annually provided that the Triglav Group not only generated profit in the previous year but also surpassed the set objectives. The achievement of annual and medium-term objectives and the assessment of the Management Board members' work according to adopted criteria is monitored by the Supervisory Board. Both financial criteria (e.g. premium, claims, costs, profit) and non-financial criteria (compliance, client satisfaction – NPS, employee satisfaction, achievement of ethical and sustainability standards) are taken into account. The amount of remuneration and the Remuneration Policy are approved by the General Meeting of Shareholders.

The Remuneration Policy is designed to ensure the maintenance of appropriate capital strength of the Company, to encourage reliable and effective risk management, and to provide for the acquisition and retention of appropriately professionally qualified, competent, responsible and engaged employees. The policy is the foundation for implementing a robust and reliable governance system, ensuring responsible long-term development and business integrity and transparency. In 2021, it was revised in accordance with the requirements of the Regulation on sustainability-related disclosures in the financial services sector. In accordance with the Triglav Group's strategic ambitions in sustainable development (ESG), the succession policy, the diversity policy and the remuneration policy for the Group companies' management members will be upgraded with environmental, social and governance factors.

### **3.3. Supervisory Board**

The Company's conduct of business is supervised by the Supervisory Board, which is composed of nine members: six shareholder representatives and three employee representatives. Their term of office is four years, and they can be re-elected without a term limit.

Shareholder representatives are elected by the General Meeting of Shareholders and employee representatives by the Company's Works Council. The Chairman and Vice Chairman of the Supervisory Board are elected from among its members representing shareholders. The appointment and dismissal of the Supervisory Board members is made in accordance with the applicable legislation and Company regulations. The General Meeting of Shareholders may dismiss any elected Supervisory Board member before the expiry of their term of office, while each Supervisory Board member may resign from their position under the conditions and in the manner laid down by the Articles of Association.

According to the Solvency II Directive requirements, the Supervisory Board members must have adequate professional qualifications (fit) and be appropriate to perform this function, i.e. be of good reputation and integrity (proper). Their fit and proper assessment is carried out based on national legislation and internal regulations.

The criteria as set out in the Fit and Proper Policy for the Management and Supervisory Board Members of Zavarovalnica Triglav d.d. also apply to both the Supervisory Board as a collective body and to individual Supervisory Board members. Fit and proper assessment is made before the appointment, periodically, extraordinarily or after the appointment of an individual Supervisory Board member. In accordance with this policy, a periodic fit and proper assessment was carried out in November 2022 for all Supervisory Board members and the Supervisory Board as a collective body. All individual members were assessed as fit and proper, with the exception of Branko Bračko, for whom it was not yet possible to provide a final periodic fit and proper assessment as a Supervisory Board member. In the same way, a periodic fit and proper assessment the Supervisory Board as a collective body was carried out, excluding Branko Bračko.

In assessing its composition and performance in accordance with the Insurance Act and the Companies Act, the Supervisory Board takes into account that all members possess the relevant knowledge, skills and experience relating to insurance and financial markets, the business strategy and business models, governance systems, financial and actuarial analyses, risk management, and the regulatory and legal environment in which the Company operates. In addition to the above, if several candidates meet the fit and proper criterion, the Diversity Policy is taken into account in the appointment of new members. Its goal is to ensure complementarity and diversity in the Supervisory Board by taking into account various qualifications, experience and knowledge defined in the Fit and Proper Policy for the Management and Supervisory Board Members of Zavarovalnica Triglav d.d. This enables prudent and careful supervision of the

Company, thereby achieving strategic objectives and ensuring long-term values for all key stakeholders, representation of both genders and representation of different age groups. The gender balance in the supervisory body, which is appropriate to the Company's size, the objectives it pursues and the procedures for selecting supervisory body members and other procedures in the Company, is not predetermined, because in accordance with the law it is first necessary to ensure that the composition of the Supervisory Body as a whole is fit and proper.

On 9 December 2022, the Supervisory Board members Branko Bračko and Peter Kavčič notified the Company of their resignation as Supervisory Board members. In order to ensure the proper implementation of the nomination procedures, they are submitting an irrevocable letter of resignation effective as of the date on which the Supervisory Board approves the Annual Report of the Triglav Group and Zavarovalnica Triglav d.d. for 2022, or as of 31 March 2023 at the latest. The effective date of their resignation and termination of their term of office as Supervisory Board members will be the date of the regular annual General Meeting of Shareholders (which, according to the Company's financial calendar, is planned to take place on 6 June 2023), but not later than 30 June 2023.

### **3.3.1. Powers of the supervisory Board**

The powers and operation of the Supervisory board are set out by the applicable legislation, the Company's Articles of Association and the Rules of Procedure of the Supervisory Board (available at [www.triglav.eu](http://www.triglav.eu)). Besides the powers specified in the Companies Act and the Insurance Act, the Supervisory Board has the power to give consent to the decisions of the Management Board where the value or an investment exceeds the amount set out in the Rules of Procedure of the Supervisory Board, i.e. in the event of:

- the founding of limited companies in Slovenia and abroad;
- the acquisition or sale of Zavarovalnica Triglav's participating interests in domestic or foreign companies, except in the case of participating interests for which the conventional portfolio management approach is used;
- the issue of debt securities and long-term borrowing from domestic or foreign banks;
- the acquisition and sale of real property and investment in real property of Zavarovalnica Triglav.

In accordance with the law and the Rules of Procedure, the Supervisory Board holds at least one session per quarter, or more if necessary.

### 3.3.2. Supervisory Board in 2022

#### Composition of the Supervisory Board in 2022

First and last name	Function	Start of term of office (the first)	End of term of office	Attendance of sessions of the Supervisory Board/total number of Supervisory Board sessions	Gender	Nationality	Year of birth	Education	Professional profile	Independence pursuant to Article 23 of the Corporate Governance Code	Composition of the Supervisory Board in 2022	Membership in the supervisory and/or management bodies of other companies while serving on the Supervisory Board in 2022	Membership in Supervisory Board committees	Function in Supervisory Board committees	Attendance of meetings of Supervisory Board committees /total number of meetings of Supervisory Board committees
Andrej Andoljšek	Member	13 June 2017	13 June 2021	8 of 8	Male	Slovenian	1970	BSc in Economics	Financial and general management, financial markets and analyses, banking, corporate governance, business and financial restructuring of companies	YES	NO	Sava d.d.	Strategy Committee	Member	2 of 2
	Vice Chairman	21 June 2017	17 August 2020										Nomination Committee	Chairman	/
	Chairman	18 August 2020	13 June 2021												
	Member	14 June 2021	14 June 2025												
	Chairman	18 June 2021	14 June 2025												
Branko Bračko	Member	14 June 2021	14 June 2025	8 of 8	Male	Slovenian	1967	BSc in Mechanical Engineering	Business strategy and business models, governance system	YES	NO	Stanovanjsko podjetje Konjice d.o.o.	Strategy Committee	Chairman	2 of 2
	Vice Chairman	18 June 2021	14 June 2025												
Tomaž Benčina	Member	14 June 2021	14 June 2025	8 of 8	Male	Slovenian	1965	BSc in Economics and BSc in Metallurgy	Financial markets, business strategy and business models, governance system, financial analyses	YES	NO	Luka Koper d.d.	Appointment and Remuneration Committee	Chairman	7 of 7
Peter Kavčič	Member	14 June 2021	14 June 2025	8 of 8	Male	Slovenian	1969	MSc in International Business	Financial markets, business strategy and business models, governance system, financial analyses	YES	NO	Mladinska knjiga založba d.d.	Audit Committee	Chairman	6 of 6
													Strategy Committee	Member	2 of 2
Igor Stebernak	Chairman	18 August 2016	2 June 2020	8 of 8	Male	Slovenian	1968	BSc in Electrical Engineering, MBA	Banking, insurance, strategic management, financial markets and analyses, controlling, accounting and business process reengineering	YES	NO	/	Audit Committee	Member	6 of 6
	Member	3 June 2020	3 June 2024												
Jure Valjavec	Member	14 June 2021	14 June 2025	8 of 8	Male	Slovenian	1975	Master of Science	Business strategy and business models, governance system	YES	NO	/	Appointment and Remuneration Committee	Member	7 of 7
														Nomination Committee	Member
Peter Celar	Member	29 May 2007 1 June 2019	31 May 2019 1 June 2023	8 of 8	Male	Slovenian	1958	BSc in Economics	Insurance, management systems, regulatory and other legal requirements that apply to Zavarovalnica Triglav	NO	NO	/	Appointment and Remuneration Committee	Member	7 of 7
Branko Gorjan	Member	14 March 1995	30 May 2015	8 of 8	Male	Slovenian	1960	Economic technician	Insurance, management systems, regulatory and other legal requirements that apply to Zavarovalnica Triglav	NO	NO	/	Strategy Committee	Member	2 of 2
		1 June 2019	1 June 2023												

First and last name	Function	Start of term of office (the first)	End of term of office	Attendance of sessions of the Supervisory Board/total number of Supervisory Board sessions	Gender	Nationality	Year of birth	Education	Professional profile	Independence pursuant to Article 23 of the Corporate Governance Code	Composition of the Supervisory Board in 2022	Membership in the supervisory and/or management bodies of other companies while serving on the Supervisory Board in 2022	Membership in Supervisory Board committees	Function in Supervisory Board committees	Attendance of meetings of Supervisory Board committees /total number of meetings of Supervisory Board committees
Igor Zupan	Member	27 September 2019	1 June 2023	8 of 8	Male	Slovenian	1972	BSc in Organisation	Insurance, management systems, regulatory and other legal requirements that apply to Zavarovalnica Triglav	YES	NO	/	Audit Committee Nomination Committee	Member Member	6 of 6 /

### External members of Supervisory Board committees in 2022

First and last name	Supervisory Board committee	Attendance of meetings of Supervisory Board committees / total number of committee meetings	Gender	Nationality	Education	Year of birth	Professional profile	Membership in the supervisory bodies of other companies while serving on a Supervisory Board committee in 2021
Luka Kumer	Audit Committee	6 of 6	Male	Slovenian	BSc in Economics	1981	Financial markets, business strategy and business models, governance system, financial analyses	/
Mitja Svoljšak	Nomination Committee	/	Male	Slovenian	BSc in Economics	1974	Corporate finance, asset management	Cinkarna Celje d.d.

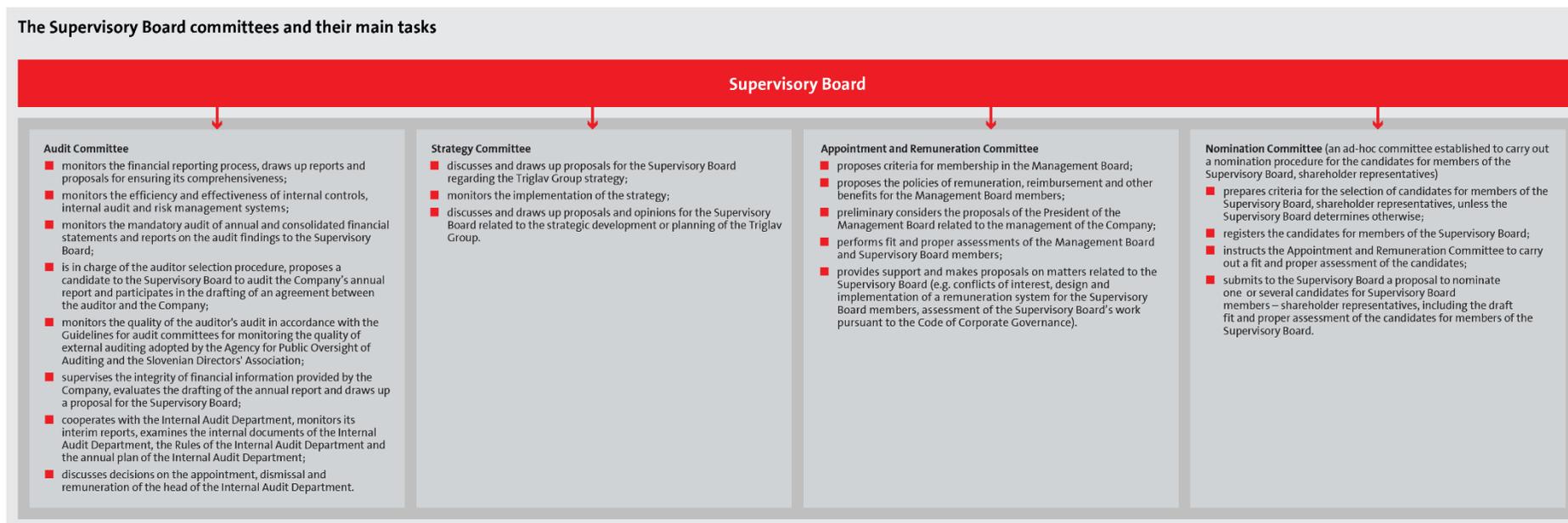
By signing the Statement of Independence and Loyalty ([www.triglav.eu](http://www.triglav.eu)), the members of the Supervisory Board undertook to adhere to the principles of independence laid down in item B of the Annex to the Corporate Governance Code.

Data on the remuneration of the Supervisory Board members are disclosed in Section 5.6 of the Accounting Report. Their remuneration was in line with the resolution passed by the 42nd General Meeting of Shareholders of Zavarovalnica Triglav.

### 3.3.3. Composition of Supervisory Board committees and their activities in 2022

In 2022, the Supervisory Board committees were the following: the Audit Committee, the Appointment and Remuneration Committee, the Strategy Committee and the Nomination Committee was established as an ad-hoc committee. Supervisory Board committees prepare draft resolutions for the Supervisory Board, assure their implementation and carry out other tasks.

The duties and powers of the committees are set out in the Companies Act, the Rules of Procedure of the Supervisory Board, Supervisory Board resolutions and the rules of procedure of individual committees. Their main tasks are presented in the diagram below.



In 2022, the **Audit Committee** was composed of Peter Kavčič as chair and Igor Stebernak, Igor Zupan and Luka Kumer, an independent external expert, as members.

The **Appointment and Remuneration Committee** had the following composition: Tomaž Benčina as chair and Jure Valjavec and Peter Celar as members.

The **Strategy Committee** was composed of Branko Bračko as chair and Andrej Andoljšek, Peter Kavčič and Branko Gorjan as members.

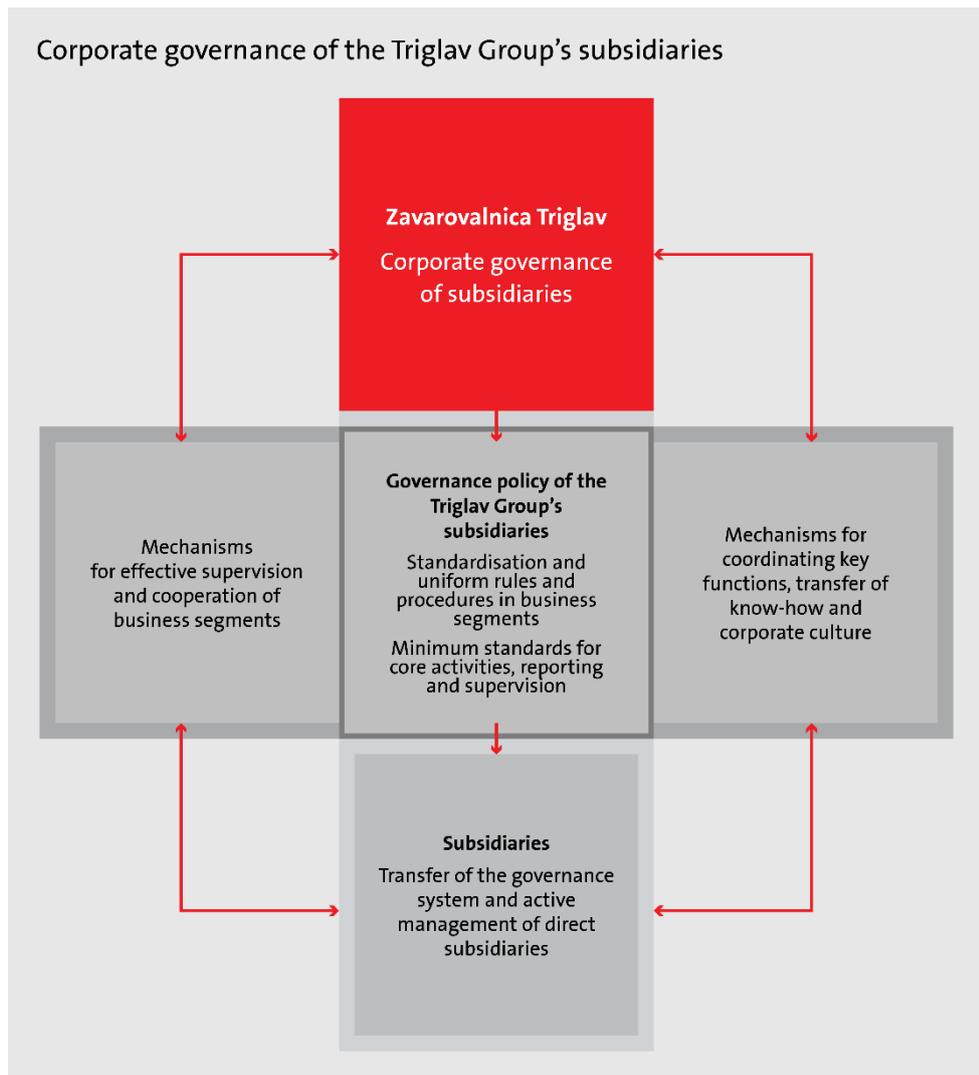
**The Nomination Committee** as an ad-hoc committee was established on 21 December 2022 due to the submission of resignation letters of the Supervisory Board members Branko Bračko and Peter Kavčič. The Committee will operate until the election of new Supervisory Board members – shareholder representatives at the General Meeting of Shareholders, but not later than 6 June 2023. It is composed of Andrej Andoljšek as chair, Jure Valjavec and Igor Zupan as members, and Mitja Svobljak as the external member.

#### **4. Governance and management of subsidiaries**

The Triglav Group is comprised of Zavarovalnica Triglav as the controlling company and its subsidiaries and associates. The subsidiaries operate as independent legal entities in accordance with the applicable local legislation, resolutions passed by their general meetings and their management and supervisory bodies, business cooperation agreements (if any) and other internal documents implemented by individual subsidiaries.

**The governance policy of the Triglav Group's subsidiaries**, which is the basis for the establishment and implementation of a robust and reliable governance system, was revised in 2022. The main objective of the Group's governance system is to implement uniform minimum standards for core business activities, reporting and supervision at Group level. The policy is designed to establish an internally consistent governance system of the Group by standardising and harmonising the rules and procedures in individual business segments within subsidiaries. The policy takes into account both the Group's strategic objectives and local legislation and regulatory requirements, the business environment of subsidiaries and good business practices.

Corporate governance and business management are used to govern the Group's subsidiaries. In corporate governance, the management rights are exercised in compliance with the law applicable to individual subsidiaries, taking into account their internal regulations. Business management is carried out via mechanisms for effective business supervision and cooperation in all business segments, harmonisation of business standards and mutual information of the Group's subsidiaries. This approach also comprises business and professional coordination of activities within the Group, as well as holding various training courses with an aim to unify business processes, coordinate key functions and transfer know-how, corporate culture and good practices.



Zavarovalnica Triglav as the controlling company actively manages its direct subsidiaries, while subsidiaries assume responsibility for the transfer of the governance system and active management of their subsidiaries. The methods of transferring the system and carrying out the activities are defined in the minimum standards for individual business segments, which were thoroughly revised in 2022. Their implementation in individual subsidiaries is monitored by the competent business areas of the parent company, connecting the subsidiaries' business functions with Zavarovalnica Triglav's business segments and providing a comprehensive overview at Group level.

Based on experience in achieving strategic objectives, it was estimated that the governance system of the Group's subsidiaries functioned appropriately during the pandemic and is suitably robust even in the changing business environment defined by the broader geopolitical situation. A responsive and effective subsidiary governance system continued to ensure prompt identification of events in the business environment, optimisation of subsidiaries' operations and implementation of the outlined strategy. Furthermore, identification of business opportunities and challenges both in the local and wider environment was encouraged in line with the strategic objectives of the Group and individual Group companies.

*The composition of governance and management bodies as at 31 December 2022*

SUBSIDIARY	MANAGEMENT	SUPERVISORY FUNCTION
<b>Slovenia</b>		
Pozavarovalnica Triglav Re d.d., Ljubljana	Gregor Stražar – President, Tomaž Rotar – Member, Stanislav Vrtunski – Member	<b>Supervisory Board:</b> Tadej Čoroli – Chairman Nataša Veselinovič, Katja Modec, Janko Šemrov
Triglav, Zdravstvena zavarovalnica d.d., Koper	Meta Berk Skok – President, Simon Vidmar – Member	<b>Supervisory Board:</b> Uroš Ivanc – Chairman, Nataša Veselinovič, Tomaž Krevatin
Triglav, pokojninska družba d.d., Ljubljana	Aljoša Uršič – President, Peter Krassnig – Member, Vida Šeme Hočevnar – Member	<b>Supervisory Board:</b> Blaž Kmetec – Chairman Nataša Veselinovič, Miha Grilec, Miran Kalčič, Vesna Vodopivec, Borut Simonič, Tomaž Jontes
Triglav Skladi, družba za upravljanje d.o.o.,	Benjamin Jošar – President, Andrej Petek – Member Miha Grilec – Member	<b>Supervisory Board:</b> Marica Makoter – Chairwoman, Jaka Kirn, Nataša Veselinovič, Barbara Gorjup, Miran Kraševc
Triglav Svetovanje, zavarovalno zastopanje d.o.o., Domžale	Matej Golob Matzele – Director	<b>Supervisory Board:</b> Jasna Kajtazović – Chairwoman, Jana Polda, Matjaž Novak, Lidija Breznik
Triglav INT, holdinška družba d.o.o., Ljubljana	Tedo Djekanović – Director	<b>Supervisory Board:</b> Uroš Ivanc – Chairman, Nataša Veselinovič, Saša Kovačič
Triglav Avtoservis d.o.o., Ljubljana	Edvard Zabukovnik – Director, Boris Kuhelj – Director	<b>Supervisory Board:</b> Janez Obaha – Chairman, Nataša Novak Priveršek, Aleš Klement, Boštjan Molan
Triglav, Upravljanje nepremičnin d.o.o., Ljubljana	Mitja Selan – Chief Executive Officer, Rok Pivk – Director	<b>Supervisory Board:</b> Nataša Veselinovič – Chairwoman, Ksenija Zajc, Nataša Novak Priveršek
<b>Croatia</b>		
Triglav Osiguranje d.d., Zagreb	Denis Burmaz – President, Darko Popovski – Member	<b>Supervisory Board:</b> Uroš Ivanc – Chairman, Tomaž Žust, Gorazd Jenko, Alenka Vrhovnik Težak, Pave Srezović-Pušić
<b>Serbia</b>		
Triglav Osiguranje a.d.o., Belgrade	Dragan Marković – President of the Executive Committee, Blaž Jakič – Member of the Executive Committee	<b>Supervisory Board:</b> Tedo Djekanović – Chairman, Fejsal Hrustanović, Vuk Šušić, Gorazd Jenko, Milan Tomažević
<b>Montenegro</b>		
Lovćen Osiguranje a.d., Podgorica	Matjaž Božič – Executive Director	<b>Board of Directors:</b> Tedo Djekanović – Chairman, Tomaž Žust, Alenka Vrhovnik Težak, Marjeta Gorinšek, Mateja Geržina
Lovćen životna osiguranja a.d., Podgorica	Zorka Milić – Executive Director	<b>Board of Directors:</b> Ljubica Kovačević – Chairwoman, Slobodanka Vukadinović, Danilo Pavličić

SUBSIDIARY	MANAGEMENT	SUPERVISORY FUNCTION
<b>Bosnia and Herzegovina</b>		
Triglav Osiguranje d.d., Sarajevo	Edib Galijatović – President, Edin Muftić – Member	<b>Supervisory Board:</b> Tedo Djekanović – Chairman, Janko Šemrov, Ivica Vulić, Aleš Levstek, Gorazd Jamnik
Triglav Osiguranje a.d., Banja Luka	Janez Rožmarin – Director, Dejan Vujičić – Member of the Executive Committee, Dragan Berić – Member of the Executive Committee	<b>Management Board:</b> Darko Popovski – President, Iztok Šekoranja, Blaž Jakič
<b>North Macedonia</b>		
Triglav Osiguruvanje a.d., Skopje	Gjorgje Vojnović – Chief Executive Officer, Vojdan Jordanov – Executive Director	<b>Board of Directors:</b> Tedo Djekanović – Chairman, Darko Popovski, Matej Ferlan, Blaž Kmetec, Gjorgje Vojnović, Vojdan Jordanov, Gjorgji Jančevski
Triglav Osiguruvanje Život a.d., Skopje	Vilma Učeta Duzlevska – Chief Executive Officer	<b>Board of Directors:</b> Tedo Djekanović – Chairman, Ivan Sotošek, Vilma Učeta Duzlevska, Gjorgji Jančevski, Vladimir Mišo Čeplak
Triglav penzisko društvo a.d., Skopje	Tihomir Petreski – President Marijan Nikolovski – Member	<b>Supervisory Board:</b> Aljoša Uršič – Chairman, Rok Pivk, Blaž Kmetec, Miroslav Vujič

## 5. External and internal audit

On 24 May 2022, the General Meeting of Shareholders appointed the audit firm Deloitte revizija d.o.o. the auditor of Zavarovalnica Triglav for the 2022, 2023 and 2024 financial years, which was thus appointed for the second time in a row for a three-year period.

The report on the work of the Internal Audit Department is included in Section *1.1 Risk management*.

## 6. Internal controls and risk management in relation to financial reporting

The Group's integrated internal control and risk management system is continuously adapted to the development, organisational changes and good practices, thereby maintaining its effectiveness. The system exceeds the basic statutory requirements for insurance undertakings set out in the Companies Act and the Insurance Act, as well as special implementing regulations of the Insurance Supervision Agency on the establishment and maintenance of a suitable internal control and risk management system.

The characteristics and operation of the risk management system is discussed in detail in the first section of *Risk management*. The system was set up in all organisational levels, units and processes and includes:

- a clear organisational structure with a precisely defined and transparent system of duties and powers;
- efficient procedures for an ongoing control, error prevention, and identification, assessment, management and monitoring of risks to which the insurance undertakings are or may be exposed in the course of their operations;

- an adequate internal control system that includes appropriate administrative and accounting procedures (reporting, working procedures, risk exposure limits and physical controls);
- ensuring compliance with the applicable regulatory requirements.

The Internal Audit Department is an independent organisational unit, established in compliance with the law. It regularly reviews the effectiveness of the internal control and risk management system and offers upgrade proposals as well as reports to the Management Board, the Audit Committee and the Supervisory Board.

Internal controls are guidelines and procedures established by the parent company Zavarovalnica Triglav and implemented within the Group at all levels. Their purpose is not only to manage the risks relating to financial reporting, but also to ensure reliability of financial reporting and compliance with the applicable laws and other external and internal regulations.

Accounting controls are based on the principles of truthfulness and appropriate sharing of responsibilities. They include checking the performance of transactions, keeping up-to-date records, ensuring the matching of balance of books of account with the actual balance, separation of the records from the execution of transactions, professionalism of accountants and their independence. Accounting controls are closely linked to IT controls, which, inter alia, restrict and control access to the data and applications and ensure completeness and accuracy of data capturing and processing.

## **7. Notes on the takeover legislation**

Zavarovalnica Triglav is subject to the Takeover Act (hereinafter: ZPre-1).

The share capital structure of Zavarovalnica Triglav, the rights and obligations attached to the shares, the restriction on transfer of shares and the absence of shares that would grant their holders special control rights are described in detail in Section 6. *The share and shareholders of Zavarovalnica Triglav.*

## **8. Disclosure of existence of any agreements or authorisations regarding shares or voting rights**

Zavarovalnica Triglav is not aware of any shareholder agreements that could cause a restriction on the transfer of shares or voting rights.

The Company's Management Board is not authorised by the General Meeting of Shareholders to buy its own shares. The Management Board's authorisation to increase the share capital is described in Section 5.3.2.1. The issue of new shares, the amount of capital increase, the rights attached to new shares and the conditions for issuing new shares are decided on by the Company's Management Board with the consent of the Supervisory Board.

Zavarovalnica Triglav has no employee share scheme.

The Company is not aware of any agreements that would become effective, change or expire on the basis of a changed control of the Company or as a consequence of a takeover bid as defined by the ZPre-1.

Zavarovalnica Triglav has not entered into any agreements with the members of its management or supervisory bodies or employees which would provide for remuneration if a

takeover bid in line with the Zpre-1 caused them to resign, be dismissed without justified grounds, or caused their employment to be terminated in some other manner.

Andrej Slapar  
President of the Management  
Board



Uroš Ivanc  
Member of the Management  
Board



Tadej Čoroli  
Member of the Management  
Board



Marica Makoter  
Member of the Management  
Board



Blaž Jakič  
Member of the Management  
Board

