

POSITION OF THE SUPERVISORY BOARD OF ZAVAROVALNICA TRIGLAV D.D. ON THE PROPOSAL FOR THE DISTRIBUTION OF ACCUMULATED PROFIT AS AT 31 DECEMBER 2019

The Supervisory Board of Zavarovalnica Triglav d.d. provides responsible and high-quality supervision of the operations of Zavarovalnica Triglav d.d. and the Triglav Group. At its sessions, it discusses different aspects of their operations and development, and on that basis takes appropriate decisions and follows up on their implementation.

At its 3rd/2020 session, the Supervisory Board reviewed the Management Board's proposal for the distribution of accumulated profit as at 31 December 2019, which will be subject to a final decision by the General Meeting of Shareholders of Zavarovalnica Triglav d.d., and approved the following draft resolution on the distribution of accumulated profit to be proposed by the Management Board to the General Meeting of Shareholders:

"Accumulated profit that amounted to EUR 60,543,474.97 as at 31 December 2019 shall remain undistributed."

In examining the Management Board's proposal regarding the resolution on the distribution of accumulated profit for 2019 for the annual General Meeting of Shareholders, the Supervisory Board, in addition to the main starting points, which include: - the dividend policy and the capital management policy, - business results for 2019 and the financial position of Zavarovalnica Triglav and the Triglav Group as at 31 December 2019, - own risk and solvency assessment for 2019 for Zavarovalnica Triglav and the Triglav Group (ORSA), prepared at the end of 2019, took into account the current economic situation and the conditions in the financial markets as a consequence of the COVID-19 pandemic, as well as the Insurance Supervision Agency's call of 31 March 2020 not to payout dividends and not to undertake any irrevocable commitments to payout dividends by 1 October 2020.

Given the uncertainty related to the magnitude and duration and, consequently, the economic impact of the pandemic, it is difficult to reliably assess the impact of the pandemic on the operations of Zavarovalnica Triglav d.d. and the Triglav Group at this time, and thus the Supervisory Board assessed the Management Board's proposal, which took the Insurance Supervision Agency's call into account, as appropriate.

Ljubljana, 3 April 2020

Igor Stebernak
Chairman of the Supervisory Board