

In this statement for 2020, Zavarovalnica Triglav d.d. took a position on the Corporate Governance Code for Companies with Capital Assets of the State, adopted in November 2019, and the Recommendations and Expectations of the Slovenian Sovereign Holding, adopted in July 2020 and published by Slovenski državni holding, d.d., which are both available on the website of Slovenski državni holding, d.d., at www.sdh.si.

Zavarovalnica Triglav, d.d., justifiably deviates from the following provisions of the Corporate Governance Code for Companies with Capital Assets of the State and the Recommendations and Expectations of the Slovenian Sovereign Holding:

1. Corporate Governance Code for Companies with Capital Assets of the State (hereinafter: the Code)

The Slovenian Corporate Governance Code, which Zavarovalnica Triglav, d.d., as a public limited company listed on the Ljubljana Stock Exchange Prime Market, is required to apply to its operations, to the greatest extent possible, in accordance with the Stock Exchange rules and the Recommendations to Public Limited Companies for Information, also *mutatis mutandis* includes the provisions of the Code in terms of content. Notwithstanding the above, Zavarovalnica Triglav, d.d., takes a position on the provisions of the Code in this statement.

- Point 4.2.4

Zavarovalnica Triglav, d.d., partially deviates from the Code. Zavarovalnica Triglav, d.d., is a public limited company, thus its communication with shareholders is defined by the legislation prescribed for European listed companies and the standards of the Ljubljana Stock Exchange Prime Market, and its implementation follows good international and own practice of investor relations.

- Point 6.5.1

Zavarovalnica Triglav, d.d., has no competency profiles published on its website, but has adopted the Fit and Proper Policy for the Management and Supervisory Board Members of Zavarovalnica Triglav, d.d., and the Diversity Policy. The Supervisory Board regularly provides for a fit and proper assessment of individual members of the Supervisory Board as well as the composition of the Supervisory Board as a whole, taking into account the competency profiles of individual members and the body as a whole.

- Point 6.7

Two members of the Supervisory Board, both employee representatives, are not independent as they have served on the Supervisory Board for more than three terms.

▪ Point 8.3

Zavarovalnica Triglav, d.d., partially deviates from the Code, as it does not disclose the remuneration and other rights of individual members of the management and supervisory bodies for all Group companies, but only for the controlling company; however, individual subsidiaries disclose remuneration and other rights in their annual report. At the General Meeting of Shareholders, Zavarovalnica Triglav, d.d., also presents remuneration for the three largest companies in the Triglav Group.

2. Recommendations and expectations of the Slovenian Sovereign Holding

• Recommendation 1: Three-year business planning of the company/group/subsidiaries in a group

1.1

Zavarovalnica Triglav, d.d., deviates from the recommendation regarding the submission of draft business plans and partially deviates from the recommendation regarding the submission of the final version of the adopted business plan. Zavarovalnica Triglav, d.d., as a public limited company listed on the Ljubljana Stock Exchange Prime Market, is required to inform in accordance with the applicable legislation and recommendations of the Stock Exchange and in this context to treat all its shareholders equally. In accordance with recommendation 1.9, the Company treats the entire content of the draft and adopted business plan as a business secret, does not disclose them to the Slovenian Sovereign Holding and transparently publishes a summary of the Triglav Group's business plan for the coming year and a summary of the Triglav Group's strategy.

1.2

Zavarovalnica Triglav, d.d., partially deviates from recommendation 1.2 regarding the development and submission of the draft and adopted business plan to the Slovenian Sovereign Holding. As already explained in the deviation from recommendation 1.1, Zavarovalnica Triglav, d.d., does not submit to the Slovenian Sovereign Holding the draft business plan of the parent company or the Triglav Group or selected subsidiaries in the Triglav Group.

1.3

Zavarovalnica Triglav, d.d., partially deviates from recommendation 1.3 regarding the submission of the draft business plan to the Slovenian Sovereign Holding, as explained in more detail in the deviation from recommendations 1.1 and 1.2.

1.4

In accordance with recommendation 1.9 and as explained in the deviation from recommendation 1.1, Zavarovalnica Triglav, d.d., deviates from the period of the plan and the deadline for its submission to the Slovenian Sovereign Holding. The publicly announced summary of the business plan for the coming year and the strategy of the Triglav Group contains data for the annual period, i.e. for the coming year and for the strategy period. Zavarovalnica Triglav, d.d., discloses its business plan in accordance with the domestic law, EU law and established domestic and international practice of public companies.

1.5

Zavarovalnica Triglav, d.d., partially deviates from recommendation 1.5 regarding the submission of the

entire business plan to the Slovenian Sovereign Holding. As already explained in the deviation from recommendation 1.1, the Company informs the Slovenian Sovereign Holding of the summary of the Triglav Group's business plan in the content as disclosed to the public.

1.6

Zavarovalnica Triglav, d.d., partially deviates from recommendation 1.6 regarding the content of informing the Slovenian Sovereign Holding. As explained in the deviation from recommendation 1.1, the Company submits to the Slovenian Sovereign Holding information to the extent it has been disclosed to the public.

1.7

Zavarovalnica Triglav, d.d., deviates from recommendation 1.7, which recommends the content of the draft business plan. As already explained in the deviation from recommendations 1.1 and 1.3, the Company does not inform the Slovenian Sovereign Holding of the content of the draft business plan.

1.8

In accordance with recommendation 1.9 and as explained in the deviation from recommendation 1.1, Zavarovalnica Triglav, d.d., partially deviates from recommendation 1.8 regarding the scope of disclosures in the publicly announced summary of the business plan of the Triglav Group for the coming year. It contains a description of the expected business conditions of the Triglav Group and certain key financial data of the Triglav Group.

- Recommendation 2: Periodic reporting on performance of company/group/subsidiaries in a group

2.1

Zavarovalnica Triglav, d.d., deviates from the recommendation regarding monthly periodic performance reports. In accordance with domestic legislation, EU legislation and established domestic and international practice of public companies, the Company publishes annual reports and interim performance reports of the parent company and the Triglav Group for the first three, six and nine months of the year.

2.4

Zavarovalnica Triglav d.d. publishes business reports for both the parent company and the Group at the same time, and the publication dates are announced in the Company's previously publicly announced financial calendar. After the publication of each report, it additionally submits the required data to the Slovenian Sovereign Holding within the framework of the publicly announced report.

- Recommendation 3: The transparency of operations as regards the conclusion of transactions which affect the company's expenses (commissioning of goods and services, donations and sponsorship)

With regard to sponsorship and donations, the total scope of which is determined in the Company's annual plan, the Company has introduced a comprehensive process for managing the roles of potential partnerships, based on which tenders are published on the website. The content on the website is promptly updated.

Public announcements are made in compliance with the Public Information Access Act. The value of other transactions is not publicly disclosed because said data, based on internal documents, contractual provisions and applicable legislation, are considered a business secret of the Company, and such disclosure would also mean a potential deterioration of the Company's competitive position.

- Recommendation 4: Cost optimisation

Zavarovalnica Triglav d.d. does not deviate significantly from the recommendation. The Company takes the necessary measures to optimise labour costs. When paying holiday pay, the collective agreement for the corporate sector is taken into account. The amount of extraordinary payments to employees is determined by taking into account the achieved business results.

We do not publish any data on planned extraordinary payments, on the realisation of these payments and legal bases for the payment and methodologies for setting the amount of the intended payment to individual employees. The legal bases and the methodology for setting the amount of an individual payment are defined as a business secret.

Even the collective agreement at the lowest level (i.e. at the company level) or agreements with employee representatives relating to remuneration for work are defined in Zavarovalnica Triglav d.d. as a business secret, which means that they contain undisclosed business information. The collective agreement is the result of negotiations and coordination between trade unions, as the party representing employees, and the employer, while the Company usually regulates any issues in its collective agreement more favourably than the respective sectoral collective agreement, taking into account own ability and own business environment; thus, Zavarovalnica Triglav d.d. protects any such agreements as a business secret.

- Recommendation 5: Quality and excellence in operation of company/group

Zavarovalnica Triglav d.d. conducted the most recent, third self-assessment according to the European EFQM excellence model in 2017. In preparing the documentation for the third self-assessment, emphasis was placed on the matrices of approaches and indicators and their connection with the current strategy. In doing so, some identified opportunities were meaningfully included in projects, goals of business functions or strategic matrices of individual business functions or integrated into the implementation of processes. The self-assessment showed that Zavarovalnica Triglav d.d. is an organisation with appropriately regulated business processes, which monitors and achieves good results in terms of business success, clients, employees and the entire company.

- Recommendation 7: Sustainable business

7.1

Zavarovalnica Triglav d.d. partially deviates from the recommendation. The Company identifies impacts globally through the United Nations Sustainable Development Goals methodology and on the basis of the GRI reporting standard in the annual report and through the internal methodology within risk management. It has adopted the Triglav Group's Commitment to Sustainability (ESG), with certain monitoring mechanisms still in the process of being established as some legislative frameworks are still being adopted.

7.8

Zavarovalnica Triglav d.d. partially deviates from the recommendation regarding measurable goals in all three sustainability aspects. As explained in point 7.1., the Triglav Group's Commitment to Sustainability (ESG) was adopted with sustainable business guidelines, which will be the starting point for the implementation of further more detailed definitions of the sustainability aspect.

7.9

Zavarovalnica Triglav d.d. partially deviates from the recommendation regarding measurable goals of

sustainable business, as explained in point 7.8.

7.10

Zavarovalnica Triglav d.d. partially deviates from the recommendation. The Company already partially takes into account the sustainable business aspects with regard to products, investments, procurement processes and by supporting certain sustainability projects.

7.12

Zavarovalnica Triglav d.d. partially deviates from the recommendation, as already explained in 7.8 and 7.9. The Company reports on sustainability goals based on the GRI methodology and the United Nations Sustainable Development Goals.

Management Board and Supervisory
Board of Zavarovalnica Triglav, d.d.

