KAPITALSKA DRUŽBA



ANNUAL REPORT 2025

Kapitalska družba, d. d.

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LIST OF USED ABBREVIATIONS

AC	Amortised cost
GDP	Gross domestic product
BVAL	Bloomberg Valuation Service
CBBT	Composite Bloomberg Bond Trader
CRP	Central population register
VAT	Value-added tax
DMA	Double Materiality Assessment
DORA	Digital Operational Resilience Act
EAD	Exposure at Default
ECB	European Central Bank
EFRAG	European Financial Reporting Advisory Group
ESG	Environment, Social, and Governance
ESS	Economic and Social Council
EU	European Union
EUR	Euro
EWS	Early Warning System
FIFO	First In First Out
FSC certificate	Forest Stewardship Council certification
FURS	Financial Administration of the Republic of Slovenia
FVOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
G2G	A standardized method of data exchange between individual back-end information systems within the Financial Administration of the Republic of Slovenia and public administration bodies of the Financial Administration of the Republic of Slovenia
ILO	International Labour Organization
IMF	International Monetary Fund
KDD	Central Securities Clearing Corporation
KKUDD	Corporate Governance Code for State-owned Enterprises
TBE	Tick-borne encephalitis
LGD	Loss Given Default
MDDSZ	Ministry of Labour, Family, Social Affairs and Equal Opportunities
MKPS	Life-Cycle Pension Fund (MKPS)
IAS	International Accounting Standards
MSCI	Morgan Stanley Capital International Index

IFRS	International Financial Reporting Standards
OdSUND	Ordinance on the strategy for the governance of the State‘s assets (Official Gazette of the Republic of Slovenia, No. 59/2024)
OdSUND-1	Ordinance on the strategy for the governance of the State‘s assets (Official Gazette of the Republic of Slovenia, No. 20/2025)
OECD	Organisation for Economic Cooperation and Development
IASB	International Accounting Standards Board
IFRIC	The International Financial Reporting Interpretations Committee
OTC	Over The Counter Market
PD	Probability of Default
PDPZ	Voluntary supplementary pension insurance
POCI	Purchased or Originated Credit-Impaired
ROA	Return On Assets.
ROE	Return on Equity
RS	Republic of Slovenia
SBI TOP	Central Slovenian stock market index
SDG	Sustainable Development Goals
SSH	Slovenian Sovereign Holding, d. d.
SODPZ	Compulsory Supplementary Pension Insurance Fund of the Republic of Slovenia
SPPI	Solely Payments of Principal and Interest
SURS	Statistical Office of the Republic of Slovenia
IMAD	Office of the Government of the Republic of Slovenia for Macroeconomic Analysis and Development
IASB	International Accounting Standards Board
USD	US dollar
VaR	Value at Risk
VSME	Voluntary Sustainability Reporting Standard for small and medium-sized undertakings
WEO	World Economic Outlook
WGI	Worldwide Governance Indicators
ZDUS	Association of Pensioners‘ Societies of Slovenia
ZGD-1	Companies Act (Official Gazette of the Republic of Slovenia, No. 42- 2006, as amended and supplemented)
ZInfV-1	Information Security Act (Official Gazette of the Republic of Slovenia, No. 40/2025)
ZIPRS2526	Act Regulating the Implementation of the Budgets of the Republic of Slovenia for 2025 and 2026 (Official Gazette of the Republic of Slovenia No. 104/2024)
ZIPRS2627	Act Regulating the Implementation of the Budgets of the Republic of Slovenia for 2026 and 2027 (Official Gazette of the Republic of Slovenia No. 95/2025)
ZNS	Slovenian Directors’ Association
ZNVP-1	Book-Entry Securities Act (Official Gazette of the Republic of Slovenia, No. 75- 2015, as amended and supplemented)
ZODPol	Organisation and Work of the Police Act (Official Gazette of the Republic of Slovenia, No. 15- 2013, as amended and supplemented)

ZPIZ	Pension and Disability Insurance Institute of Slovenia
ZPIZ-1	Pension and Disability Insurance Act (Official Gazette of the Republic of Slovenia, No. 106/1999 as amended and supplemented)
ZPIZ-2	Pension and Disability Insurance Act (Official Gazette of the Republic of Slovenia, No. 96/2012 as amended and supplemented)
ZPPOGD	Act Governing the Remuneration of Managers of Companies with Majority Ownership held by the Republic of Slovenia or Self-Governing Local Communities (Official Gazette of the Republic of Slovenia, No. 21/2010, as amended and supplemented)
ZSDH-1	Slovenian State Holding Act (Official Gazette of the Republic of Slovenia, No. 25- 2014, as amended and supplemented)
ZUJIK	Exercising of the Public Interest in Culture Act (Official Gazette of the Republic of Slovenia, No. 96- 2002, as amended and supplemented)
ZZavar-1	Insurance Act (Official Gazette of the Republic of Slovenia, No. 93- 2015, as amended and supplemented)

A SUMMARY OF KAPITALSKA DRUŽBA, D. D.



↑ +21%, to EUR 1.745 billion

Equity of Kapitalska družba



EUR **1.081** billion

SODPZ Fund assets managed by Kapitalska družba



EUR **385.4** million

Comprehensive income of Kapitalska družba excluding ZPIZ expenses



EUR **94.8** million

Operating result of Kapitalska družba excluding ZPIZ expenses



EUR **81.5** million

Payment of Kapitalska družba to ZPIZ



28.3%

The return on assets of Kapitalska družba



58

Number of employees

1

HIGHLIGHTS OF THE ANNUAL REPORT

THE VALUE OF THE COMPANY'S ASSETS

reached

EUR 2.1 billion

at the end of 2025

TOTAL COMPREHENSIVE INCOME

for 2025 amounted to

EUR 304.0 million

which is EUR 141.0 million, or 87%, higher than in the same period of the previous year

THE RETURN ON THE COMPANY'S ASSETS

in 2025 amounted to

28.3 %

Equity increased by **21%** or EUR 304.3 million in 2025 and amounted to

The increase in equity was primarily driven by favourable movements in the share prices of Slovenian equity investments, with positive effects of EUR 290.6 million recognised in other comprehensive income.

EUR 1.7 billion

at the end of 2025

OPERATING RESULT

for 2025 amounted to

EUR 5.5 million

THE VALUE OF THE ASSETS OF SODPZ

managed by Kapitalska družba, d. d.

reached

EUR 1.1 billion

at the end of 2025

At the end of 2025, there were

51,435 insured members

saving in the **SODPZ**

KAPITALSKA DRUŽBA, D. D.,

paid

EUR 81.5 million

to ZPIZ in 2025

OPERATING RESULT

Operating result for 2025 which was significantly affected by the September transfer to ZPIZ, amounted to

EUR 13.3 million

Excluding the transfer to ZPIZ, the operating result would have amounted to

EUR 94.8 million

NET SALES

revenue reached

EUR 12.8 million,

5% higher than in 2024

FINANCIAL REVENUE

reached

EUR 108.2 million

in 2025



INTRODUCTION
TO THE ANNUAL REPORT

2

PRESENTATION OF THE COMPANY KAPITALSKA DRUŽBA, D. D.

2.1 GENERAL DATA

2.1.1 Company

Company name	Kapitalska družba pokojninskega in invalidskega zavarovanja, d. d.
Shortened company name	Kapitalska družba, d. d.
The name of the company in English shall read	Pension Fund Management
Registered office	Dunajska cesta 119, Ljubljana
Registration number	5986010000
VAT ID	SI59093927
Entry in company register	District Court in Ljubljana, entry No. 1/28739/00

2.1.2 Ownership Structure and Equity

As at 31 December 2025, the sole shareholder of Kapitalska družba d. d. (hereinafter: Kapitalska družba) is the Republic of Slovenia. The Company's share capital amounts to EUR 364,809,523.15 and is divided into 874,235 registered no-par value ordinary shares. Each no-par value share shall account for the same proportion and corresponding amount in the share capital.

2.1.3 Activities of the company

The main activity of Kapitalska družba is the management of its own assets and the management of the Compulsory Supplementary Pension Insurance Fund (SODPZ) with the aim of providing additional funds for pension and disability insurance. Kapitalska družba also performs other activities related to asset management and services related to support to asset management.

The activities of Kapitalska družba are defined by law and by the Company's Articles of Association. According to its Articles of Association, Kapitalska družba carries out the following activities in accordance with its purpose:

Activity code	Activity name
58.110	Book publishing
58.190	Other publishing activities
58.290	Other software publishing

62.100	Computer programming activities
62.200	Consulting on computer hardware and software, as well as the management of computer equipment and systems
62.900	Other information technology and computer service activities
63.100	Activities related to computer infrastructure, data processing and hosting, and related activities
63.910	Web search portal activities
64.210	Activities of holding companies
64.220	Activities of financing conduit vehicles
64.310	Activities of investment funds operating in money markets and non-money markets
64.990	Other unclassified financial service activities, except insurance and pension fund activities
65.300	Pension funding
66.290	Other activities auxiliary to insurance and pension funding
68.110	Buying and selling of own real estate
68.200	Renting and operating of own or leased real estate
69.200	Accounting, bookkeeping and audit activities, tax consultancy (except audit activities)
70.100	Company management activities
70.200	Business and other management consultancy activities
73.200	Market research and public opinion polling
85.590	Other education n.e.c.
85.690	Educational support activities

2.1.4 Bodies of the Company

2.1.4.1 Management Board



***Bachtiar Djalil**, Chairman*



***Gregor Bajraktarević**, Member*

In 2025, Kapitalska družba was run by the Management Board composed of:

		Term of office	
Name and surname	**Function**	**From**	**To**
Bachtiar Djalil	Chairman	4 January 2023	4 January 2027
Gregor Bajraktarević	Member	9 February 2023	9 February 2027

The Chairman of the Management Board and a member of the Management Board of Kapitalska družba were appointed by the Supervisory Board on the basis of a public tender, in accordance with the Company's Articles of Association and the provisions of Slovenian Sovereign Holding Act (ZSDH-1). One of the Members is appointed Chairman of the Management Board. The term of office of the Management Board members is four years with the possibility of re-appointment.

The Company's Management Board is not authorised to issue or purchase treasury shares.

2.1.4.2 Supervisory Board

In 2025, the Supervisory Board of Kapitalska družba operated in the following composition:

		Term of office	
Name and surname	Function	From	To
Maja Menard	Chairman (from 23 October 2025)	21 October 2025	20 October 2029
Boris Žnidarič	Deputy chairman (from 9 March 2023)	2 February 2023	1 February 2027
Andreja Cedilnik	Member	31 August 2022	30 August 2026
Krešo Šavrič	Member	21 October 2025	20 October 2029
Mitja Brudar	Member	22 August 2025	21 August 2029
Mirko Miklavčič	Member	2 February 2023	1 February 2027
Janez Tomšič	Chairman (5 November 2021–20 October 2025)	21 October 2021	20 October 2025
Boštjan Leskovar	Member	21 October 2021	20 October 2025
Ladislav Rožič	Member	2 February 2023	16 February 2025

The procedure for appointing the Supervisory Board of Kapitalska družba is described in Chapter 15.1 *General Disclosures* under *Amendments to the Articles of Association and the Rules on Appointing the Management Board and the Supervisory Board*.

2.1.4.3 General Meeting

The rights of the sole shareholder are exercised by the Government of the Republic of Slovenia.

2.1.5 Diversity policy

In 2023, Kapitalska družba adopted an internal act called Diversity Policy for the Management and the Supervisory Board, which sets out the main principles for ensuring diversity in the Management Board and the Supervisory Board of Kapitalska družba with regard to representation in both bodies. The Diversity Policy promotes diversity in the membership of both bodies. Differences in knowledge, experience, professional qualifications, age, gender and other aspects of the members of the Management Board and the Supervisory Board can be used to the benefit of the company by the diverse composition of the bodies. The Diversity Policy aims to achieve greater diversity in the composition of the Management Board and the Supervisory Board, which contributes to the effectiveness of both bodies and has a positive impact on the development of the Company's business and reputation. Ensuring diversity in terms of gender, age, educational and professional background, professional profile and tenure allows for the exchange of different views and perspectives and a good understanding of current developments, with the aim of ensuring the long-term success and sustainability of the Company's business. The Management Board and the Supervisory Board and its human resource committee strive to achieve the goals of the Diversity Policy, each within the scope of their responsibilities. The commitment to implementing the diversity policy is also followed by the sole shareholder and other stakeholders, the latter especially in formulating proposals for members of the supervisory board, as the interest composition of the supervisory board is legally defined based on the provision of the sixth paragraph of Article 51 of the ZSDH-1. The aim shall be to have as equal a gender balance as possible and continuity of orientation so that not all members of the Management Board or Supervisory Board are replaced at the

same time. The complementarity of the two bodies is also important. Gender diversity is represented in favour of the male gender in the management board at a ratio of 100% : 0%. In the Supervisory Board, gender diversity was represented for most of the year in favour of the male gender at a ratio of 83.3% : 16.7%; following the change in the composition of the supervisory board on 21 October 2025, it has been represented at a ratio of 66.66% : 33.34% in favour of the male gender.

3

STATEMENT BY THE MANAGEMENT BOARD

The year 2025 was marked by increasing tensions in the international environment. Conflicts, tariffs and shifting international regimes affected business conditions and heightened uncertainty. Economic growth was weak. With many challenges coming from the external environment, the accelerating ageing of Slovenian society is becoming increasingly important. In a period of severe and unpredictable external shocks, Kapitalska družba further strengthened its focus on long-term, sustainable objectives that support balanced social and economic development. Despite many adverse circumstances, Kapitalska družba successfully fulfilled its dual mission: providing funding for the public pension and disability insurance system and ensuring the efficient administration of occupational pension insurance.

In 2025, we transformed many challenges into opportunities and succeeded in maintaining stability and growth. This is the result of our dedication, innovation and the strong foundations we have built over the years. In 2025, Kapitalska družba's capital increased by EUR 304.3 million. Through a balanced and cost-efficient asset management policy, the company achieved a positive operating result of EUR 5.5 million. Net profit for the financial year 2025 amounted to EUR 13.3 million and would have reached EUR 94.8 million without the transfer to ZPIZ in the amount of EUR 81.5 million (excluding tax effects). The return on the company's assets in 2025 amounted to 28.3%.

As a demographic reserve fund, Kapitalska družba makes regular contributions to the public pension system, thus helping to cover the cost of pensions paid by ZPIZ. In 2025, we transferred EUR 81.5 million to ZPIZ. By delivering on our commitments in a sustainable way, we contribute to the reliability of the Slovenian pension system, even though the amount of these contributions exceeds the characteristics of the assets held by Kapitalska družba.

Since our mission is to serve the sustainable development of a long-lived Slovenian society, our efforts are focused not only on the well-being of the public pension system, but also on providing occupational pensions for employees in more demanding jobs. Occupational pension insurance, based on the actual savings of insured persons, temporarily replaces pay-as-you-go pensions and therefore represents a modern, capital-funded form of pension provision. Such pensions are one of the sustainable solutions that will become increasingly important due to Slovenia's demographic challenges. The SODPZ fund, which is the second-largest pension fund in Slovenia, holds the savings of more than 50,000 insured persons. Total assets amounted to EUR 1,081.2 million at the end of 2025, with a return of 2.5% in that year.

Despite challenging conditions, we succeeded in maintaining stable operations and implementing key projects important for our long-term development. We have demonstrated our ability to remain focused, resilient and responsible even in adverse circumstances. We maintained a high level of professionalism, the quality of our services and the trust of our partners. We recognise that a key driver that motivates our employees is an inclusive and purpose-driven organisational culture. This is reflected in our achievements in asset management (both own assets and SODPZ assets) and in our services for current and future occupational pensioners.

Our organisational culture is increasingly shaped by a comprehensive approach to responsible business practices, including strengthening connectivity, promoting integrity and fair business conduct, and empowering employees. In doing so, we uphold our core values: security, professionalism, responsibility, integrity, teamwork and customer

focus. Our strengths are built on business excellence and highly dedicated, expert employees. Empowered and motivated employees, characterised by strong work discipline, expertise and creativity, are a guarantee of the successful future development of Kapitalska družba and its growing role within the Slovenian pension system.

External circumstances require prudent business conduct and even more effective risk management. This is becoming increasingly complex and is evolving from a traditional function into a key strategic function. Establishing a strong internal culture of comprehensive risk management is emerging as a fundamental component of modern corporate governance. In addition to the significant responsibility we bear in shaping Slovenia's pension future, we are also aware of the opportunities ahead. Focused on our objectives and committed to business excellence, we seek to actively participate in shaping the future of Slovenia's pension system, to remain a professional and successful asset manager for both the company and the pension fund, and to operate as a socially responsible and sustainability-oriented organisation. In an environment of persistent uncertainty affecting both global and Slovenian society, we continue to fulfil our mission and pursue our vision of becoming an increasingly important pension institution. Our success lies in the satisfaction of all stakeholders, with whom we strive—even in uncertain circumstances—to achieve better pensions for current and future Slovenian pensioners.



Gregor BAJRAKTAREVIĆ
Member of the Management Board



Bachtiar DJALIL
Chairman of the Management Board

4

2025 REPORT OF THE SUPERVISORY BOARD OF KAPITALSKA DRUŽBA, D. D.

REPORT OF THE SUPERVISORY BOARD OF KAPITALSKA DRUŽBA for 2025

Pursuant to Article 282 of the ZGD-1, the Supervisory Board of Kapitalska družba d.d. hereby submits the following report to the Company's General Meeting.

a) Report of the Supervisory Board on the method and extent of the verification of the Company's management during the financial year

The Supervisory Board of Kapitalska družba d.d. is appointed by the Company's General Meeting. The Supervisory Board comprises six members in accordance with the sixth paragraph of Article 51 of the ZSDH-1. Three members of the Supervisory Board are appointed on the basis of a proposal by SDH, while two members are appointed on the basis of a proposal by national-level federation/organisation of pensioners and one is appointed on the basis of a proposal by national-level trade union federation or confederation. The same conditions and criteria that apply to members of SDH's Supervisory Board apply to the members of Kapitalska družba's Supervisory Board. Members of Kapitalska družba's Supervisory Board serve a four-year term of office and may be reappointed. The Supervisory Board of Kapitalska družba initially functioned in the following composition in 2025: Janez Tomšič (chair), Dr Boris Žnidarič (deputy-chair), Andreja Cedilnik, Boštjan Leskovar, Mirko Miklavčič and Ladislav Rožič. The term of office of Supervisory Board member Ladislav Rožič ended prematurely on 16 February 2025 due to his death. The Supervisory Board thus functioned with five members until 21 August 2025. Mitja Brudar, Maja Menard and Krešo Šavrič were appointed members of the Supervisory Board at the General Meeting held on 22 August 2025. The terms of office of the three new members are four years. Mr Brudar's term of office began on the day of his appointment. The terms of office of Maja Menard and Krešo Šavrič began on 21 October 2025 following the expiry of the terms of office of Janez Tomšič and Boštjan Leskovar on 20 October 2025. At the Supervisory Board's 251st session held on 23 October 2025, marking the start of the new term of office, Maja Menard was appointed Chairwoman of the Supervisory Board.

All members were actively included in the work of the Supervisory Board, in particular through their regular attendance at sessions, and through their participation in discussions and the adoption of decisions. In connection with the adoption of decisions by the Supervisory Board, the rules of procedure of Kapitalska družba's Supervisory Board include rules regarding conduct in the event of a potential conflict of interests. Janez Tomšič, who served as Chairman of the Supervisory Board until 20 October 2025 while also serving as a member of SDH, d.d.'s Management Board, issued a statement of self-exclusion in accordance with the fourth paragraph of Article 59 of the ZSDH-1 in addition to his statement of independence.

The Supervisory Board met at nine sessions during the 2025 financial year as follows: six regular sessions and three correspondence sessions. Particular attention in the monitoring of Kapitalska družba's operations in 2025 was given to monitoring the management of the Company's assets and to monitoring the management of the Compulsory Supplementary Pension Insurance Fund of the Republic of Slovenia (SODPZ). At its 245th session held on 24 April 2025, the Supervisory Board approved the annual report of Kapitalska družba for the 2024 financial year, adopted the report on the verification of the Company's annual report for 2024 and approved the proposal on the use of distributable profit for 2024. At its 248th session of 19 June 2025, the Supervisory Board approved the consolidated annual report of the Kapitalska Družba

Group for the 2024 financial year, and adopted the report on the verification of the consolidated annual report of the Kapitalska Družba Group for 2024. At the same session, the Supervisory Board gave its proposal to the General Meeting for the appointment of a certified auditor for the 2025, 2026 and 2027 financial years, approved the convening the Company's General Meeting and was briefed on the audited annual report of the SODPZ for 2024. For the needs of formulating a proposal for the General Meeting on the appointment of three new members to the Supervisory Board (due to the early termination of the term of office of one member and the expiration of two members' terms of office) and based on the proposal of candidates in accordance with the provisions of Article 51 of the ZSDH-1 and Article 19 of the Company's Articles of Association, the Supervisory Board formulated a proposal at its 248th session held on 19 June 2025 for the General Meeting for the appointment of one member based on the proposal of a national-level trade union federation or confederation and the appointment of two members based on a proposal by SDH. The General Meeting at which three new members of the Supervisory Board were appointed was held on 22 August 2025.

The Supervisory Board was continually briefed on the operations of the subsidiary Modra zavarovalnica d.d. Special attention was given to monitoring the Company's management activities, in the scope of which the performance of individual Slovenian investments of significant value (some of them are defined as strategic or important investments in accordance with the Strategy for Managing State Investments) was presented and discussed in detail on a quarterly basis at sessions of the Supervisory Board. With regard to those investments, the Supervisory Board was briefed on the voting positions of the Management Board prior to each general meeting. It was also briefed on the bases for voting at general meetings during the current year. In accordance with the provisions of the Company's Articles of Association, the members of the Supervisory Board gave the Management Board their consent to conclude transactions for the purchase and sale of securities and participating interests when the value of a specific transaction exceeded the value set out in the relevant Supervisory Board resolution. At its 244th session held on 13 March 2025, the Supervisory Board gave its consent to amendments to the Company's umbrella asset management investment policy. At its 251st session on 23 October 2025, the Supervisory Board gave its consent to Kapitalska družba's business-financial plan for the 2026 financial year. Based on the HR committee's proposal, it adopted amendments to the Rules laying down the rights of management board members arising from employment at the same session. The Supervisory Board periodically monitored the work of the Internal Audit Department (it discussed the report on the department's work for 2024, the half-yearly report of the department for the period January to June 2025, the department's annual work programme for 2026, and the strategic work plan of the department for the period 2026 to 2030 and the internal auditing strategy) and gave its consent to the setting of remuneration for the head of the Internal Audit Department. It was also briefed on the content of the Global Internal Audit Standards, which have been in use since January 2025.

The Supervisory Board carried out a self-assessment of the effectiveness of its work. In assessing its effectiveness, the Supervisory Board relied on the self-assessment matrix published in the Manual for Assessing the Effectiveness of Supervisory Boards, adopted by the Slovenian Directors' Association. Based on its self assessment, the Supervisory Board performed an analysis at its 245th session held on 24 April 2025, based on which it determined that no specific additional measures are necessary, and that the current policy regarding the training and briefing of Supervisory Board members with regard to legislative and other relevant developments shall remain in effect.

The earnings of members of the Supervisory Board and the external members of its committees are disclosed in the annual report in Tables 49 and 50.

The audit committee and the HR committee acted as advisory bodies to the Supervisory Board in 2025. The Supervisory Board finds that the cooperation between the Supervisory Board and its committees, the Management Board and the Company's departments was effective, correct and professional.

Work of the Supervisory Board's audit committee

The audit committee of Kapitalska družba's Supervisory Board comprises four members. In 2025, it functioned in the following composition until 22 October 2025: Andreja Cedilnik (chair), Boštjan Leskovar (whose term of office ended on 20 October 2025) and Mirko Miklavčič (members), and Natalija Stošicki (external member). The composition of the audit committee has been as follows since 23 October 2025: Andreja Cedilnik (chair), Mirko Miklavčič and Krešo Šavrič (members), and Natalija Stošicki (external member). The members of the audit committee are appointed from the members of the Supervisory Board until the end of their term of office on the aforementioned body, unless otherwise decided in a resolution of the Supervisory Board. The terms of office of independent experts (external members) are not tied to the term of office of Supervisory Board members, and those persons may be replaced by the Supervisory Board at any time. The Supervisory Board's audit committee met at ten sessions in 2025. The audit committee is a permanent working body of the Supervisory Board, and throughout the financial year it closely monitors the operations of the Company and the work of the Management Board for the needs of the Supervisory Board's decisions. The audit committee functioned taking into account its competences in accordance with the provisions of the ZGD-1 and the audit committee's rules of procedure as adopted by the Supervisory Board. In addition to its legally prescribed tasks, the audit committee also reviewed the interim reports on the operations of Kapitalska družba, its subsidiary and the SODPZ under Kapitalska družba's management, and it also performed additional tasks by authorisation of the Supervisory Board. Following the selection process, the audit committee made a proposal to the Supervisory Board in 2025 for the appointment of an audit firm for the 2025, 2026 and 2027 financial years, reviewed the content of the audit contract and made a proposal to the Supervisory Board for the conclusion thereof. It was briefed on the performance of individual investments of significant value. It also monitored the work of the Internal Audit Department. Based on the findings of the report on the external assessment of the quality of internal auditing carried out by an external assessor, the audit committee was briefed on the plan drawn up by the Internal Audit Department for the implementation of the assessor's recommendations. In addition, the audit committee reviewed the Internal Audit Department's annual work programme for 2026, its strategic work plan for the period 2026 to 2030 and the internal auditing strategy, and recommended that the Supervisory Board approve the adoption thereof. It was also briefed on the content of the Global Internal Audit Standards In 2025, the audit committee consented to the conclusion of agreements with the certified auditor that encompassed permitted non-audit services. It also carried out the process of self-assessment of the work performed in the previous year. The audit committee regularly briefed the Supervisory Board on its work during the latter's sessions.

Work of the HR committee

The Supervisory Board's HR committee comprises three members. The members of the HR committee, who are also members of the Supervisory Board, are appointed until the end of their term of office on the

Supervisory Board, unless otherwise decided in a resolution of the aforementioned body. In 2025, the HR committee functioned in the following composition until 12 March 2025: Boštjan Leskovar (chair), and Ladislav Rožič (whose term of office ended on 16 February 2025) and Andreja Cedilnik (members). The composition of the HR committee was as follows from 13 March 2025 to 22 October 2025: Boštjan Leskovar (chair), whose term of office ended on 20 October 2025, and Andreja Cedilnik and Boris Žnidarič (members). The HR committee has functioned in the following composition since 23 October 2025: Boris Žnidarič (chair), and Maja Menard and Andreja Cedilnik (members). The HR committee met at five sessions in 2025. The HR committee's main tasks were as follows in 2025: support of the Supervisory Board in the formulation of a proposal for the setting of the variable remuneration of members of the Company's Management Board for 2024; the formulation of a proposal for a new member of the Supervisory Board (national-level trade union federation or confederation representative); the formulation of a proposal for qualitative objectives for the payment of variable remuneration to the Management Board for 2026; and the formulation of a proposal for changes to the Rules laying down the rights of management board members arising from employment, which the Supervisory Board later adopted. In addition, the HR committee conducted a self-assessment of its work in 2024 and analysed the results thereof. The HR committee regularly briefed the Supervisory Board on its work and findings during the latter's sessions.

Assessment of the work of the Management Board and Supervisory Board

On the basis of the monitoring and supervision of Kapitalska družba's operations and management during the financial year, and based on a review of the annual report compiled and submitted by the Management Board, the Supervisory Board assesses that the annual report and disclosures contained therein reflect the actual situation and position of Kapitalska družba. The Supervisory Board assesses that the Management Board of Kapitalska družba successfully managed the Company's transactions during the 2025 financial year and achieved established business objectives. The Management Board prepared materials in a timely manner, which facilitated quality information and the thorough discussion of the most important operational matters at sessions of the Supervisory Board. The Management Board also provided exhaustive responses to the Supervisory Board's additional questions and initiatives. The Management Board's reporting to the Supervisory Board enabled the latter to carry out its supervisory role satisfactorily in 2025. During the adoption of the annual report, the Supervisory Board also reviewed the content of the Company's corporate governance statement, which is an integral part of the annual report, and assessed that the aforementioned statement exhaustively explains the Company's corporate governance framework, including deviations from the provisions of the reference code, which are appropriately explained and are largely the result of the Company's specific legal organisational form. In conclusion, the Supervisory Board finds that Kapitalska družba once again achieved its dual mission in 2025: the effective provision of occupational insurance and the provision of supplementary funding for the public pension and disability insurance system.

b) Supervisory Board's position on the audit report

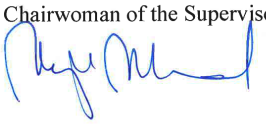
Pursuant to the second paragraph of Article 282 of the ZGD-1, the Supervisory Board reviewed and discussed the audit report relating to the audit of the financial statements of Kapitalska družba for 2025 conducted by the audit firm PricewaterhouseCoopers d.o.o., which issued an unqualified opinion in its report. In the auditor's opinion, the separate financial statements present fairly, in all material aspects, the separate financial position of the Company as at 31 December 2025, the separate performance and separate

cash flows for the year then ended, in accordance with the International Financial Reporting Standards, as adopted by the EU. The Supervisory Board has no remarks regarding the audit report.

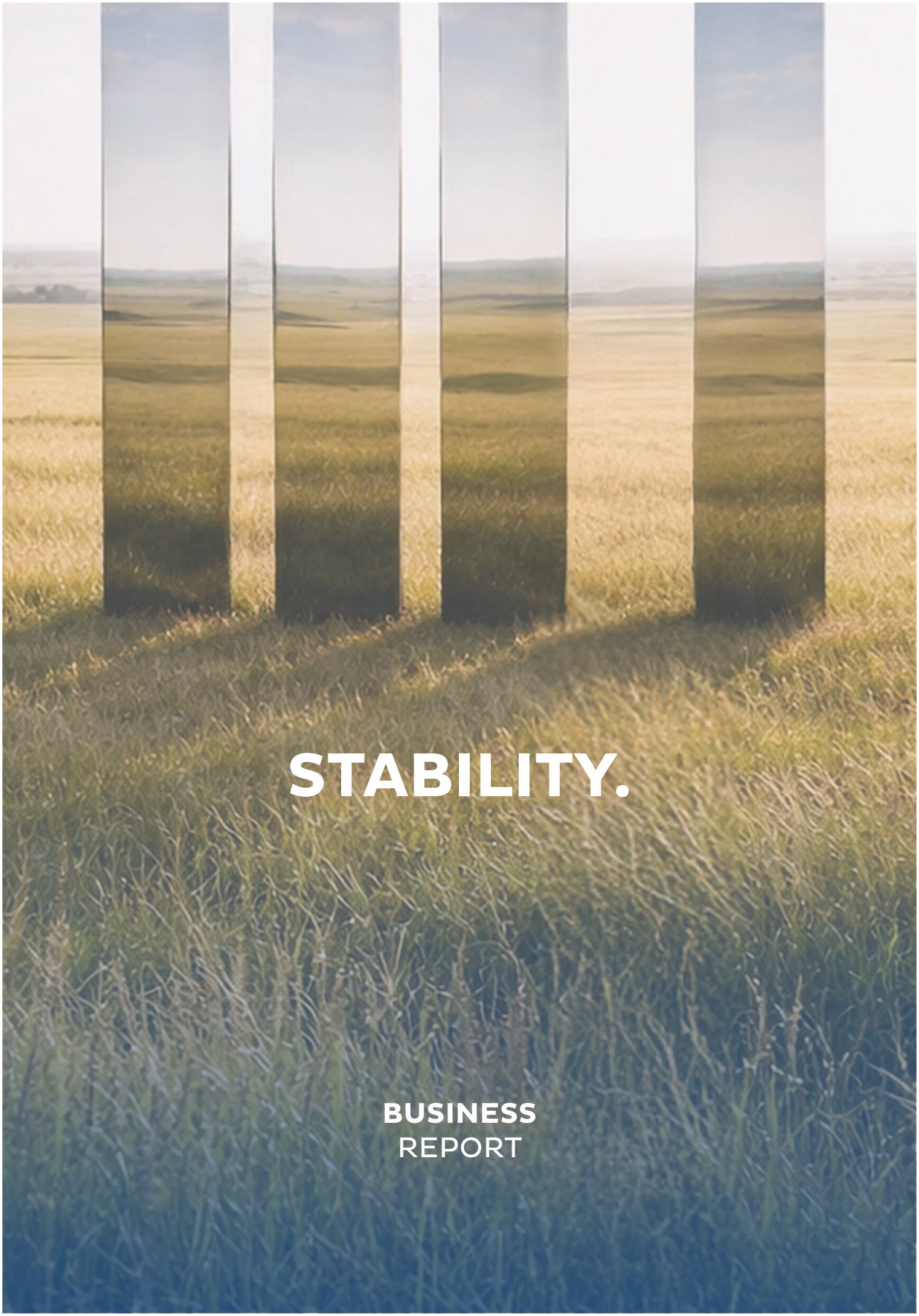
c) Decision regarding the approval of the annual report for 2025

The audited annual report for 2025 was discussed by the audit committee at its 118th session held on 16 April 2026, and by the Supervisory Board at its 255th session held on 23 April 2026. The audit committee assessed the annual report as appropriate, and proposed that the Supervisory Board approve the annual report. Pursuant to the provisions of Article 282 of the ZGD-1, the Supervisory Board of Kapitalska družba pokojninskega in invalidskega zavarovanja, d.d., approved the annual report for 2025.

Maja Menard
Chairwoman of the Supervisory Board



Ljubljana, 23 April 2026


STABILITY.
BUSINESS
REPORT

5

ORGANISATION OF THE COMPANY KAPITALSKA DRUŽBA, D. D.

The company's organisational structure is aligned with the requirements of work processes and operational efficiency, enabling the professional, cost-effective and coordinated execution of tasks, an efficient decision-making process, and internal control over task performance.

The company's Management Board, a two-member collective body consisting of the Chairman and a member of the Management Board, is the hierarchically highest body for managing, presenting and representing the company. The central internal organizational units for implementing all business processes in the company are the sector and the department, while the advisors to the management board are responsible for advising the company's management board on the organization and coordination of work processes in the company. Sectors, departments and advisors to the management board are placed directly under the Company's Management Board.

In 2025, the organizational structure by individual sectors and departments was as follows:

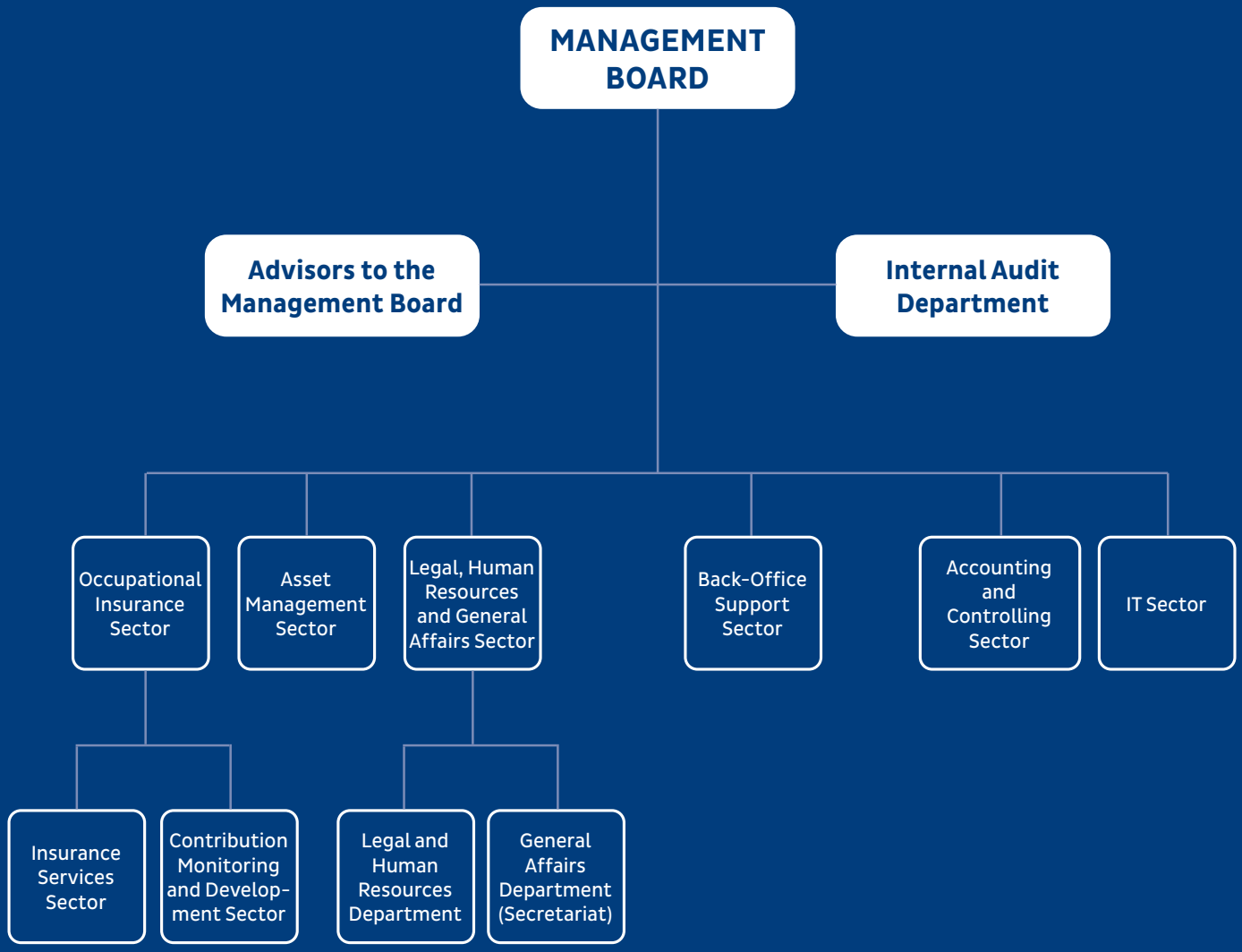
- Asset management Sector
- Occupational Insurance Sector
  - Insurance Implementation Department
  - Contribution Control and Development Department
- Back-office Support Sector
- Legal, Human Resources and General Affairs Sector
  - Legal and Human Resources Department
  - General Affairs Department
- Accounting and Controlling Sector
- IT Sector
- The Internal Audit Department
- Advisors to the Management Board

The work of a sector is managed by the sector executive director and the work of a department by the department manager, with sector executive directors retaining some of the responsibility and authority for decision-making.

The Management Board has also appointed an Access to Public Information Officer, an Anti-Money Laundering Officer, a Corporate Integrity Officer, a Data Protection Officer and a Human Rights Administrator, who report directly to the Management Board in the performance of their duties.

The company also has a works council, which, in accordance with its powers, actively participates in the management of the company.

Figure 1: Organisational structure of Kapitalska družba, d. d.



5.1 REPORTING ON EMPLOYEES

As at 31 December 2025, Kapitalska družba had 58 employees. In 2025, three replacement jobs were implemented, and two employees' employment relationships were terminated due to regular termination of employment.

Table 1: Number of employees by organisational units

Organisational unit	31 Dec 2025	31 Dec 2024
Management Board	2	2
Advisors to the Management Board	2	2
Asset Management Sector	10	10
Occupational Insurance Sector	13	13
Legal, Human Resources and General Affairs Sector	11	11
Back-office Support Sector	7	7
Accounting and Controlling Sector	7	6
IT Sector	4	4
The Internal Audit Department	2	2
Total	58	57

Due to the nature of its work, Kapitalska družba employs mainly highly professional staff. As at 31 December 2025, 43.1% of all employees had a level 7 education, 19% had an education level 8/1, and 3.4% had an education level 8/2.

There were 67.3% of women and 32.7% of men. The average length of service of employees, as at 31 December 2025, was 20 years and 6 months for men and 23 years and 5 months for women. The average age for men was 47, and for women 48.

6

BUSINESS OPERATIONS OF KAPITALSKA DRUŽBA, D. D.

6.1 MACROECONOMIC OPERATING FRAMEWORK

6.1.1 Gross domestic product, inflation and unemployment

The year 2025 was characterised by moderate growth in the global economy, demonstrating a high degree of resilience despite numerous structural and political risks. Global economic growth in 2025 was the result of a balance between supportive macroeconomic policies, improved financial conditions, and the positive effects of technological investment—particularly in the field of artificial intelligence—alongside the negative impacts of trade restrictions and geopolitical uncertainty. Measured in real GDP terms, growth amounted to 3.3%[1] and 3.2%[2] respectively, slightly above the average of the past decade but lower than in the decade preceding the global financial crisis.

Lower energy costs, improvements in global supply chains and moderating demand contributed to the continued disinflationary trend in 2025. In some countries, however, this trend temporarily stalled due to renewed increases in the prices of goods, services and food. According to estimates by the International Monetary Fund (IMF), average global inflation stood at 4.1% in 2025[3], representing a noticeable decline compared to previous years, although in certain countries it still exceeded central bank target levels.

The global labour market remained relatively resilient in 2025, albeit with clear signs of moderation. The OECD notes that the ratio of job vacancies to unemployed persons in a number of major economies declined to levels below those recorded in 2019. The International Labour Organization (ILO) finds that slower labour force growth, driven by demographic shifts, stabilised unemployment rates despite weak employment growth. The global unemployment rate was estimated at 4.9% in 2025, unchanged from 2024[4]. Nominal wage growth slowed in most countries; however, due to lower inflation, real wage growth remained positive in many economies. The global labour market continues to adjust following the exceptional post-pandemic labour demand surplus, with demographic pressures and skills shortages remaining key structural challenges.

In 2025, the United States recorded slower but still positive economic growth of 2.2%. Household consumption and investment in high-tech sectors contributed significantly to growth, while lower exports and reduced government spending had a negative impact on economic activity. Inflation stood at 2.7% in 2025, with the pace of disinflation towards the target level slower than in other advanced economies. The labour market remained relatively strong, although clear signs of moderation are emerging. The unemployment rate stood at 4.3% at the end of the year, confirming a high level of employment despite less favourable macroeconomic conditions.

1 IMF estimate, WEO, January 2026.
2 OECD assessment, OECD Economic Outlook, December 2025.
3 IMF estimate, WEO, January 2026.
4 ILO Assessment, Employment and Social Trends, January 2026.

In Europe, economic growth in 2025 was weaker than in the United States, amounting to 1.5%, reflecting structural challenges, weak industrial output and subdued external trade. Inflation in the euro area approached the ECB's target level, enabling a gradual normalisation of monetary policy. The unemployment rate in the EU hovered around 6%, indicating relatively favourable labour market conditions compared to historical averages, although disparities between individual countries remained pronounced.

In Slovenia, economic activity grew by 1.1% in 2025[5]. Domestic consumption made the largest contribution, increasing by 2.6%. The unemployment rate stood at 4.1% at the end of 2025, representing an increase of 0.6 percentage points compared to the previous year. The annual inflation rate rose from 1.9% to 2.7%, exceeding the average level in euro area countries. The main contributors to inflation in Slovenia were higher prices of food and non-alcoholic beverages, increases in housing, water, electricity, gas and other fuels, as well as price rises in healthcare and in restaurants and hotels[6].

Forecasts for 2026 point to a continuation of moderate global growth. The IMF estimates that global economic growth will reach 3.3% in 2026, similar to the level in 2025, while the OECD projects a slight slowdown in most economies covered by its forecasts. Based on the technical assumption of unchanged bilateral tariffs, the OECD forecasts economic growth of 2.9% in 2026, lower than in 2025, due to the effects of tariffs, the withdrawal of fiscal stimulus in China, and migration policy developments in the United States. Both institutions expect inflation to continue declining, globally towards 3.8%[7], albeit with significant regional divergences. Among the key risks, the OECD and IMF highlight the potential escalation of trade tensions, abrupt corrections in financial markets—also linked to possible disappointment regarding the productivity gains from artificial intelligence—and geopolitical conflicts that could affect supply chains and energy prices. Both institutions also warn of high fiscal deficits and rising public debt, which could limit the manoeuvring space for fiscal and monetary policy in the long term.

The table below shows the macroeconomic aggregates (gross domestic product, inflation and unemployment rate) for Slovenia and major world countries or regions for 2025.

Table 2: Gross domestic product, inflation and unemployment rate

2025	Annual inflation rate, in %	Annual GDP growth, in %	Unemployment rate, in %
Slovenia	2.70	1.1	4.1
Germany	2.30	0.2	6.3
Euro area	2.10	1.5	6.3
USA	2.70	2.2	4.3
China	0.10	5.0	5.2

Source: Bloomberg (31 January 2026), SURS (27 February 2026).

5 First SURS assessment.
6 SURS data.
7 Data from IMF, WEO, January 2026.

6.1.2 Interest rates

In 2025, most major central banks in advanced economies continued to lower interest rates, while the Bank of Japan increased them. The ECB reduced its key interest rates four times in 2025, by a total of 1.0 percentage point, while the US Federal Reserve cut rates three times, by a total of 0.75 percentage points.

In 2025, inflation rates declined in both the United States and Europe. In Europe, inflation approached the target level, whereas in the United States it remained above the central bank's target.

Table 3: Basic interest rates of major central banks

	The level of the basic interest rate as at 31 December 2025
Euro area	2.0% (deposits interest rate) 2.15% (main refinancing interest rate)
USA	3.50–3.75%
England	3.75%
Japan	0.75%
Canada	2.25%
China	3.5% (5-year interest rate)

Source: Bloomberg (31 January 2026).

6.2 TRENDS ON FINANCIAL MARKETS

The year 2025 was turbulent in financial markets. Despite the uncertainty stemming from measures adopted by the US administration, equity prices rose significantly; however, for euro-based investors, nearly 14% depreciation of the US dollar reduced returns in global markets. Debt securities indices also delivered positive returns. Prices of precious metals rose markedly.

The six-month EURIBOR declined from 2.6% at the beginning of the year to 2.0% in early July, following the ECB's final interest rate cut in June 2025. By the end of the year, it increased slightly to 2.1%.

The return on government bonds in the euro area amounted to 0.6% in 2025. Due to the longer average maturity of these investments, their returns were lower than those of euro-denominated corporate bonds, despite a more pronounced narrowing of credit spreads. The average return on corporate bonds issued in euros stood at 3.0%. The bond market also saw a steepening of the yield curve in 2025, implying a greater increase in yields to maturity for longer-term bonds. The yield to maturity on the 10-year German government bond rose from 2.4% at the beginning of 2025 to 2.8% at year-end.

The global equity index MSCI World (MSCI Daily TR Gross World) recorded a return of 7.2% in euro terms and 22% in USD terms. In 2025, most equity markets posted strong positive returns in local currency terms. Returns across most equity markets in Europe, Asia and Latin America exceeded those of US equity markets, both in local currency and in euro. For the second consecutive year, Slovenia ranked among the best-performing equity markets. The Slovenian prime market equity index delivered an exceptionally strong total return of 58%, including dividends.

Amid geopolitical risks, concerns regarding fiscal policies and increased demand from certain central banks, gold prices rose by as much as 45% in 2025, measured in EUR.

Table 4: The returns of the most important financial markets

	Returns in 2025, measured in EUR, including dividend yield, in %
Stock indices	
SBITOP – Slovenia	58.0
DAX – Germany	23.0
Dow Jones – USA	1.3
NIKKEI 225 – Japan	14.3
MSCI World TR – global	7.2
Bond indices	
IBOXX EUR Sovereigns TR Index – government EUR bonds	0.64
IBOXX EUR Corporates TR Index – corporate EUR bonds	3.02
Exchange rate and raw materials	
EUR/USD	13.9
Crude petroleum – BRENT	-13.8
Gold	45.1

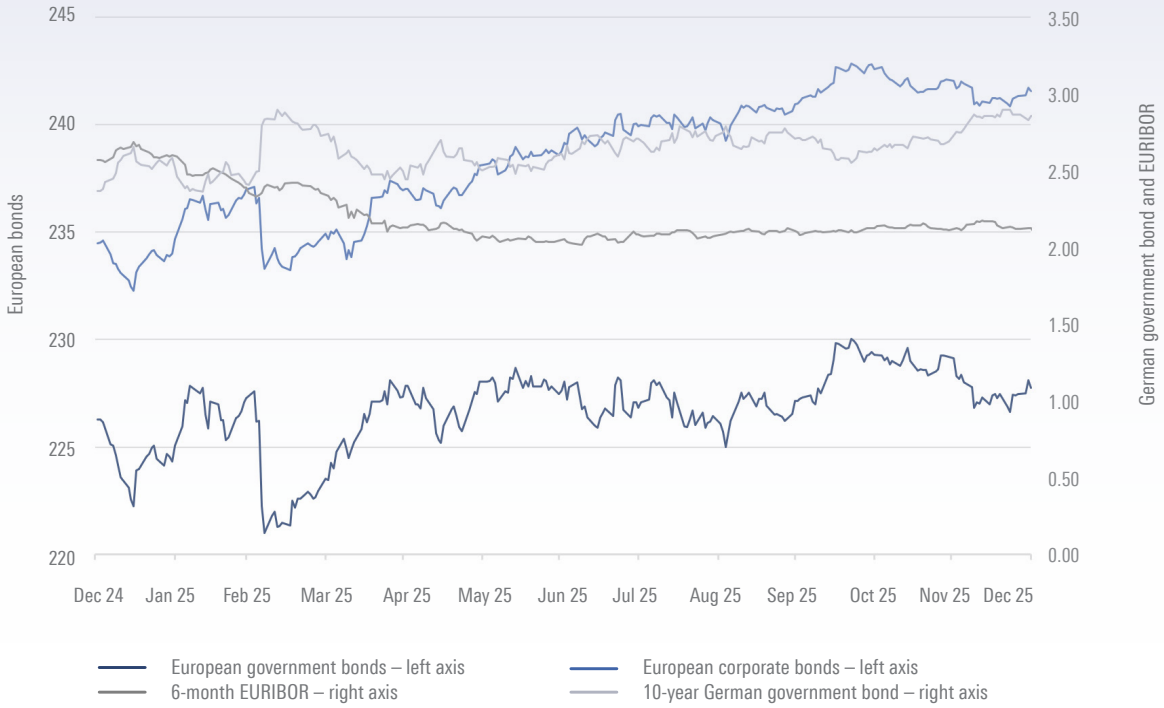
Source: Bloomberg (21 January 2026).

Figure 2: Changes of the Slovenian stock index SBI TOP and some foreign stock indices in 2025, in Euro (index: 31 December 2024 = 100)



Source: Bloomberg (29 January 2026).

Figure 3: Changes of the index of the total yield of European government bonds (IBOXX EUR Sovereigns TR Index), the index of total yield of European corporate bonds (IBOXX EUR Corporates TR Index), the yield to maturity of the 10-year German government bond and the value of the 6-month EURIBOR in 2025



Source: Bloomberg (29 January 2026).

6.3 MANAGEMENT OF INVESTMENTS

Kapitalska družba classifies its financial investments into two groups, namely:

- Equity investments and
- Portfolio investments.

Table 5: Financial assets of Kapitalska družba, d. d.

	Value (in EUR 000)		Share (in %)	
Investment type	**31 Dec 2025**	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Equity investments	1,275,959	939,344	69.7	63.1
Strategic investments[8]	228,970	203,200	12.5	13.7
Important investments	960,063	658,191	52.4	44.2
Portfolio investments	86,926	77,953	4.7	5.2
Portfolio investments	555,995	548,493	30.3	36.9
Portfolio equity investments	18,189	17,865	1.0	1.2
Portfolio debt investments	57,921	84,224	3.1	5.7
ETF units	475,762	444,234	26.0	29.9
Cash and cash equivalents	4,123	2,170	0.2	0.1
Total financial assets	1,831,954	1,487,837	100	100

8 The classification of strategic, important and portfolio investments is in accordance with the Ordinance on the strategy for the governance of the State's assets.

6.3.1 Management of capital investments

Capital investments of Kapitalska družba comprise domestic equity financial investments, namely investments in shares and equity interests of companies, which Kapitalska družba predominantly acquired during the process of corporate ownership transformation, as well as investments allocated to it pursuant to the Book-Entry Securities Act (ZNVP-1).

The total number of these investments was 118 on the last day of 2025. Their value as at 31 December 2025 amounted to EUR 1,275,959 thousand and increased by EUR 336,615 thousand compared to the previous year.

The company classifies capital investments into strategic, important and portfolio investments. As at 31 December 2025, they are classified in accordance with the Ordinance on the Strategy for the Governance of the State's assets (OdSUND-1), adopted by the National Assembly in March 2025, while as at 31 December 2024 it was based on the Ordinance on the Strategy for the Governance of State Investments (OdSUND), adopted by the National Assembly in July 2024.

Table 6: Classification of capital investments of Kapitalska družba, d. d., in accordance with the Ordinance on the strategy for the governance of the State's assets

	Number of investments		Value (in EUR 000)		Share (in %)	
Investment type	**31 Dec 2025**	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Strategic investments	10	10	228,970	203,200	17.9	21.6
Important investments	6	6	960,063	658,191	75.2	70.1
Portfolio investments	102	116	86,926	77,953	6.8	8.3
Total capital investments	118	132	1,275,959	939,344	100	100

Table 7: Ten largest capital investments of Kapitalska družba, d. d., by value as at 31 December 2025

No.	Company name	Share in the issuer's capital (in %)
1.	Krka, d. d.	10.65
2.	Modra zavarovalnica, d. d.	100.00
3.	Petrol, d. d.	8.27
4.	Sava, d. d.	29.05
5.	Telekom Slovenije, d. d.	5.59
6.	Luka Koper, d. d.	4.98
7.	HIT, d. d.	20.32
8.	Loterija Slovenije, d. d.	25.00
9.	Terme Olimia, d. d.	24.79
10.	Terme Čatež, d. d.	23.82

The composition of capital investments is dominated by investments in which Kapitalska družba has an ownership interest of less than 20%, i.e. 103 such investments. A more detailed overview of the composition of investments according to the size of the ownership interest can be found in table 8.

Table 8: Composition of company's capital investments according to the size of the ownership interest as at 31 December 2025

Ownership interest in the share capital of companies	Active investments[9]
Up to and including 9.99%	97
From 10.00% up to and including 19.99%	6
From 20.00% up to and including 49.99% (associates)	6
From 50.00% up to and including 100.00% (subsidiary and joint venture)	2
Total number of investments	111

6.3.2 Sales and de-registrations of companies

In order to ensure transparency of the sale procedures and equal treatment of bidders, sales of investments were conducted through public announcements of invitations to bids. In 2025, Kapitalska družba, for its assets, published three public invitations to make offers for the purchase of shares and business shares, namely for the sale of a share in the company First, d. o. o., for the sale of shares in the company Murka, d. d., acquired on the basis of Article 48.a of ZNVP-1, and for the sale of shares in the company Goričane, d. d., acquired on the basis of Article 48.a of ZNVP-1. In the 2025 financial year, Kapitalska družba also completed several sales carried out through a joint public offering process with the Slovenian Sovereign Holding (hereinafter: SSH), in two segments (joint investments owned by SSH or the Republic of Slovenia and KAD, and investments owned by KAD), which was published at the end of 2024.

In the 2025 financial year, Kapitalska družba was entitled to a purchase price or severance pay in the amount of EUR 305,787.34 from sales, squeeze-outs, takeovers and liquidations.

In total, Kapitalska družba disposed of 18 investments, comprising one squeeze-out of minority shareholders (Telemach Tezno, d. d.), two de-registrations (Zlati Procent, d. d. – in bankruptcy, and 3In Skupina, d. d.), and one enforcement of pledged shares in favour of a creditor (MK Založba, d. d.), while 14 were sales (DZS, d. d.; G G Novo mesto, d. d.; Pecivo, d. d., Nova Gorica; Celjski sejem, d. d.; SIP, d. d., Šempeter; MAIS, d. d.; DBS, d. d.; KIG, d. d.; CPK, d. d.; Remont, d. d.; KD, d. d.; First, Murska Sobota, d. o. o.; Goričane, d. d., Medvode; and Murka, d. d.).

6.3.3 Acquisitions and purchases of companies

In 2025, Kapitalska družba did not receive any offers from sellers for the purchase of shares or equity interests and did not carry out any acquisitions of Slovenian capital investments. However, it did receive abandoned securities and securities from registry accounts into a special account of Kapitalska družba, governed by Article 48a of the Book-Entry Securities Act (ZNVP-1). Revenue from the acquisition of the aforementioned securities amounted to EUR 16,834 in 2025 and is recognized in the operating result as financial revenue from shares in joint ventures.

6.3.4 Dividends of domestic companies

In 2025, Kapitalska družba achieved receipts from dividends of EUR 53,119 thousand from dividends of domestic companies, representing an increase of EUR 7,898 thousand compared to 2024, when the total amounted to EUR 45,221 thousand. Here, the top ten equity investments in terms

9 Companies in bankruptcy are not included.

of dividends received accounted for 98% of the total dividends of domestic companies held by Kapitalska družba.

The payment of dividends was voted in 2025 at the general meetings of 60 companies in which Kapitalska družba has an ownership interest (2024: 61 companies).

Table 9: 10 highest receipts from dividends

		2025		2024	
No.	Issuer	Dividend per share (in EUR)	Total dividend (in EUR 000)	Dividend per share (in EUR)	Total dividend (in EUR 000)
1.	Krka, d. d.	8.25	28,940	7.5	26,309
2.	Modra zavarovalnica, d. d.	0.05662	8,618	0.02628	4,000
3.	Petrol, d. d.	2.1	7,336	1.8	6,288
4.	Loterija Slovenije, d. d.	100	1,857	85	1,578
5.	Luka Koper, d. d.	2.1	1,475	2	1,405
6.	Telekom Slovenije, d. d.	4	1,463	6.2	2,267
7.	HIT, d. d.	0.59	814	0.34	467
8.	Cetis, d. d.	48	761	52.5	832
9.	Equinox, d. d.	1.83	620	1.69	573
10.	Hotelske nepremičnine, d. o. o.	6,513.97	326	10,000.00	500

6.3.5 The Code of Management of Capital Investments and the Enforcement of Ownership Rights at General Meetings of Companies

In 2025, Kapitalska družba reasonably applied the Corporate Governance Code for Companies with State Capital Investment (hereinafter: the Code) adopted by SSH on 19 December 2014 and amended several times thereafter in relation to the management of its capital investments.

Kapitalska družba as an active participant in the Slovenian capital market, is striving to introduce modern corporate governance methods into practice, with the aim of ensuring that the principles, procedures and criteria for the exercise of its ownership rights are clearly and publicly defined in advance. Therefore it applied its own Corporate Governance Code of Kapitalska družba from 2009 to December 2014. This code set out the policy and procedures for the exercise of Kapitalska družba's management rights in companies in which it has an ownership interest. In December 2014, following the adoption of the Code, Kapitalska družba also started to apply the Code in a reasonable way, due to unification with the SSH. The text of the Code currently in force is published on the website of the Slovenian Sovereign Holding.

In addition to the Code, Kapitalska družba has also taken into account its own Guidelines for Voting Positions at General Meetings in 2025 when managing its capital (equity) investments. Kapitalska družba, every year before the start of the general meeting season, updates the starting points for voting at general meetings of companies. These starting points define, inter alia, the remuneration policy for supervisory boards, boards of directors and management boards, the dividend policy, the use of distributable profit, recapitalisation with authorised share capital, the acquisition of own shares and the introduction of a one-tier management system. The document is published on the website of Kapitalska družba.

At all general meetings attended by its representatives in 2025, Kapitalska družba acted in accordance with the adopted Code, with the exception of the defined recommended levels of remuneration for the performance of functions and the level of meeting fees for members of supervisory boards and management boards, where Kapitalska družba did not support increases in such remuneration. With regard to the remuneration and other rights of management boards, executive directors and management bodies of companies, it complied with the Act Governing the Remuneration of Managers of Companies with Majority Ownership held by the Republic of Slovenia or Self-Governing Local Communities (ZPPOGD). Disclosures regarding Kapitalska družba's actions at general meetings of companies are published on the Kapitalska družba website.

6.3.6 Attendance at general meetings of companies

In 2025, Kapitalska družba was entitled to attend 127 general meetings of shareholders or members of companies in its name and on behalf of the pension fund under management - it attended 59 of them. Representatives of Kapitalska družba independently exercised their voting rights at 14 general meetings. They also attended 13 general meetings where Kapitalska družba did not exercise its voting rights. In accordance with Article 53 of the ZSDH-1, voting rights were exercised by SSH on behalf of and for the account of Kapitalska družba at 30 general meetings, while at two general meetings, SSH did not exercise voting rights, as the shares were not eligible for voting. Employees of the Kapitalska družba were authorized to participate and exercise all shareholder rights, except for the exercise of voting rights. Kapitalska družba did not attend the 63 general meetings in respect of the investment in abandoned securities and securities from registry accounts, as there were no business reasons in the interest of Kapitalska družba in addition to the insignificant share in the capital. Five general meetings were cancelled before the start of the meeting.

Table 10: Attendance at general meetings of companies in 2025

Form of attendance	Number of the general meetings
Attendance and voting by employees of Kapitalska družba	14
Participation of Kapitalska družba without voting rights	13
Attendance of employees of Kapitalska družba, voting by SSH	30
Participation of employees of Kapitalska družba without voting rights of SSH	2
Total	59

6.3.7 Corporate governance of the Kapitalska družba Group

In addition to Kapitalska družba, the Kapitalska družba Group also includes the subsidiary Modra zavarovalnica, d. d. (hereinafter: Modra zavarovalnica) and the joint venture Hotelske nepremičnine, d. o. o. (hereinafter: Hotelske nepremičnine). Kapitalska družba manages the group in accordance with the Corporate governance of the Kapitalska družba Group, which represents the minimum standard for all companies included in the Group.

The Group Code defines the content, deadlines and methods of reporting by a subsidiary to the parent company in the group.

6.3.8 Governance in relation to systemic regulation

At the end of April 2014, The Slovenian Sovereign Holding Act (ZSDH-1) came into force. With the implementation of ZSDH-1, the management of the Republic of Slovenia's investments on behalf of and for the account of the Republic of Slovenia remained the responsibility of SSH. The latter also on behalf of Kapitalska družba exercises voting rights and conducts sales procedures in the case of joint investments.

SSH manages investments in accordance with ZSDH-1, OdSUND-1, investment management policy, corporate governance code and based on the annual investment management plan. The adopted OdSUND-1 also contains the so-called classification of investments (definition and classification of capital investments into strategic, important and portfolio investments). The annual investment management plan, which must be adopted no later than the end of November for the following calendar year, defines the detailed goals of SSH in the management of individual investments and measures and guidelines for achieving these goals.

ZSDH-1 defined the maximum annual liability of Kapitalska družba for the provision of ZPIZ funds. Namely, Kapitalska družba, on the basis of the provisions of the third paragraph of Article 52 of ZSDH-1, is obliged to transfer, every year by September 29 at the latest, EUR 50 million to ZPIZ, primarily for the purpose of indexing pensions, or a proportionally lower amount, if the amount for indexation of pensions is lower. Kapitalska družba, based on the Act Regulating the Implementation of the Budgets of the Republic of Slovenia for 2025 and 2026 (ZIPRS2526), regardless of the third paragraph of Article 52 ZSDH-1, had to transfer EUR 81.5 million to ZPIZ in 2025. The aforementioned legal obligations and other legal restrictions result in the objectives and restrictions of asset management that are required for the permanent fulfilment of the legal obligations of Kapitalska družba.

6.3.9 Management of portfolio investments

In managing its portfolio investments, Kapitalska družba uses an active and passive management strategy, using a combination of top-down and bottom-up approaches. Decisions on the composition of the portfolio by investment class (top-down approach) are made based on a proposal from the portfolio management investment committee, which meets at least twice a year. The benchmark equity portfolio index represents an index of a globally diversified share portfolio, while the benchmark securities portfolio indices (government and corporate) are indices of diversified European government and corporate bonds issued in the euro currency.

The total value of portfolio-managed financial investments increased by EUR 7.5 million in 2025, despite a one-off significant outflow to ZPIZ in the amount of EUR 81.5 million in September. The increase was driven by growth in both debt and equity investments, with returns on equity investments significantly exceeding those on debt investments. The majority of equity securities investments consist of investments in equity investment funds, the value of which increased the most in 2025. With the continued decline in interest rates in 2025, the share of investments in treasury bills, bonds and bond investment funds decreased, while the share of cash and cash equivalents increased. The share of investments in equities, as the highest-yielding asset class, remained at a similar level to that at the beginning of the year, taking into account the aforementioned one-off outflow.

As at 31 December 2025, the five largest investments within the portfolio-managed financial investments comprise: an equity index fund tracking the US S&P 500 index (SPY US); an index fund tracking emerging market equities (IEMG US); an equity index fund tracking the US Information

Technology sector index (XLK US); and two index funds tracking the global MSCI World equity index (IWDA LN and XDWD GY). The five largest bond investments as at 31 December 2025 are four bonds of the Republic of Slovenia and one bond of France. The five largest investments among stocks are shares of BPER Banka SPA, ABB Ltd, Barclays PLC, Astrazeneca PLC and Vinci SA.

Table 11: Composition of portfolio-managed financial investments

	Value (in EUR 000)		Share (in %)	
Investment type	**31 Dec 2025**	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Investment funds	475,762	444,234	85.6	81.0
Bonds	57,921	70,271	10.4	12.8
Shares	18,189	17,865	3.3	3.3
Treasury bills	0	13,953	0.0	2.5
Cash	4,123	2,170	0.7	0.4
Total portfolio managed financial investments	555,995	548,493	100	100

6.4 INVESTMENT PROPERTY

In 2025, Kapitalska družba held investment property in the following business premises:

- Stekleni dvor, Dunajska cesta 119, Ljubljana,
- Glavarjeva rezidenca, Pegamova ulica G, Ljubljana,
- Bežigrajski dvor, Dunajska cesta 56, 58 and Kržičeva ulica 3, Ljubljana,
- Nebotičnik, Štefanova ulica 1, 3 and 5, Ljubljana.

As at 31 December 2025, the majority of investment properties were leased.

6.5 RISK MANAGEMENT

Risk management is explained in the accounting report of the Annual Report of Kapitalska družba, d. d., in chapters 15.2 *Material accounting policy information and 15.3.3 Risk management of financial assets.*

6.6 MANAGEMENT OF SODPZ

6.6.1 SODPZ operations

Kapitalska družba has been, based on the Pension and Disability Insurance Act (ZPIZ-1), the manager of SODPZ since its establishment in 2001. SODPZ is a mutual pension fund that provides occupational pension insurance in accordance with the provisions of the Pension and Disability Insurance Act (ZPIZ-2), the Organisation and Work of the Police Act (ZODPol) and Exercising of the Public Interest in Culture Act (ZUJIK).

Occupational pension insurance, which in 2001 replaced the calculation of the insurance period with an increase, includes insured persons who perform particularly difficult and health-damaging work, as well as insured persons who perform work that cannot be successfully and professionally performed after a certain age. Occupational pension insurance is a part of compulsory social insurance.

SODPZ comprises the assets financed by the funds collected through the payment of occupational pension insurance contributions, as well as the returns generated by the management of these assets. The assets of the SODPZ are owned by the insured members of the occupational pension insurance scheme and are intended exclusively for the purpose of covering liabilities towards the insured members or other beneficiaries. The SODPZ is managed by Kapitalska družba on behalf and for the account of the insured members and other beneficiaries.

Occupational insurance is implemented based on the Occupational insurance pension scheme, prepared based on the provisions of ZPIZ-2, approved by the Minister of Labour, Family, Social Affairs and Equal Opportunities.

As at 31 December 2025, 51,435 insured members were included in SODPZ, which is 552 more than at the end of 2024. The actual return on SODPZ in 2025 was 2.51%, and the annual guaranteed return on SODPZ was 1.63%. Without the formation of solidarity reserves from the primary source, the actual return on SODPZ would be 2.76%. The balance of solidarity reserves as at 31 December 2025 amounts to EUR 8,991 thousand, of which unallocated solidarity reserves amount to EUR 8,604 thousand and allocated solidarity reserves to EUR 387 thousand. As at the last cut-off date in 2025 (31 December 2025), the net asset value of the SODPZ amounted to EUR 1,069,433 thousand, exceeding the guaranteed value of SODPZ assets in the amount of EUR 992,786 thousand by EUR 76,647 thousand.

Based on the pension plan, Kapitalska družba is entitled to reimbursement of entry and exit fees, the annual management fee of the SODPZ and the costs of occupational pensions payout. Entry fees, which are calculated as a percentage of the paid-in amount, amounted to 2.0%. Exit fees, which are calculated as a percentage of the paid-out amount, amounted to 0.5%. Exit fees are not charged when transferring to supplementary insurance and in the case of purchasing additional pension period. The costs of paying occupational pensions amounted to 0.5% of the monthly amount of the occupational pension. The annual management fee until 30 September 2025 amounted to 0.85% of the average annual net value of SODPZ assets, and from 1 October 2025 it amounted to 0.80% of the average annual net value of SODPZ assets. The amount of the SODPZ management fee depends on the monthly net asset value of the SODPZ.

The revenue of Kapitalska družba from the management of SODPZ was higher in 2025 compared to the revenue of the previous year. Compared to the previous year, the amount of the management fee increased due to the higher net asset value of SODPZ, and entry fees also increased due to the higher premium paid.

Table 12: Revenue of Kapitalska družba, d. d., from SODPZ management

in EUR 000

	2025	2024
Management fee	8,612	8,139
Entry fees	1,638	1,571
Exit fees	13	16
Occupational pension payout costs	38	32
Total	10,301	9,758

6.6.2 SODPZ investments

The fund manager manages the fund's assets in such a way as to provide at least a guaranteed return with minimum risk and subject to liquidity criteria. The fund manager directs the fund's investments so that they are appropriately diversified.

The primary management objective in 2025 was to increase the excess of the actual value of assets over the guaranteed value of assets, while at the same time maximising the amount of the expected excess at the target risk level.

The manager has used an active management strategy to achieve its objectives at the whole-fund level and a combination of active and passive investment strategies at the investment class level. A top-down approach is used in the management of the fund's assets.

In evaluating the performance of the fund's asset management, the manager compared the performance of the fund with its guaranteed rate of return, with benchmarks by investment class, and also with the performance of other mutual pension funds managers with guaranteed rates of return, adjusted for the solidarity reserve built up.

The value of SODPZ assets amounted to EUR 1,081,213 thousand as at 31 December 2025 and increased by 6.69% compared to 2024. The portfolio consists of a globally diversified portfolio of equity and debt investments, and the largest part of the assets consists of investments in debt securities (bonds and units of bond investment funds).

Table 13: Composition of SODPZ investments

	Value (in EUR 000)		Share (in %)	
Investment type	**31 Dec 2025**	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Shares and other equity instruments	23,160	13,634	2.1	1.3
Debt securities	525,705	447,220	48.6	44.1
Deposits and Loans	5,004	44,995	0.5	4.4
Investment funds	496,192	479,231	45.9	47.3
Cash	14,257	13,383	1.3	1.3
Money-market instruments	16,882	14,923	1.6	1.5
Receivables	13	32	0.0	0.0
Total	1,081,213	1,013,418	100	100

6.6.3 Activities in the provision of occupational pension insurance in 2025

As of 1 January 2025, a new Occupational Pension Insurance Plan entered into force, under which, for a transitional period of one year, the share of the net asset value of the SODPZ allocated to undistributed solidarity reserves was redefined. This share increased by 0.2 percentage points to 0.8% of the net asset value of SODPZ.

Pursuant to the amended provision, the compulsory health contribution is deducted from the gross amount of the occupational pension.

In 2025, Kapitalska družba continued to implement and enhance the processes already in place for monitoring the payment of contributions to occupational pension insurance.

In 2025, Kapitalska družba also ensured regular and effective communication with stakeholders of occupational pension insurance, namely by receiving clients in the contact centre, by answering questions from insured members on a toll-free telephone number or by e-mail, and by preparing and conducting presentations of occupational pension at the request of the insured. In accordance with ZPIZ-2, the audited annual report of the SODPZ and the summary of the annual report of the SODPZ for each business year is published on the website, no later than 15 June of the current year. The SODPZ committee, which held five sessions in 2025, was also regularly informed about occupational pension insurance activities.

6.7 INFORMATICS

The IT Sector in cooperation with the management, successfully pursued the tasks and objectives stemming from the company's business strategy. Strengthening the link between strategy and IT operations has further enabled the effectiveness in implementing the necessary changes and adjustments. Kapitalska duržba successfully continued the provision of services in the field of information technologies for the Kapitalska družba Group in 2025. Through high-quality maintenance and updating of the information infrastructure, it ensured a high level of availability and reliability of information systems. Real-time support, optimization and computerization of work processes are still important guides on the way to achieving the company's set business goals and to maintaining and improving the company's competitive position. In 2025, Kapitalska družba continued to implement organisational and technical measures to ensure compliance with the Digital Operational Resilience Act (DORA) in the area of IT services provided to its subsidiary Modra zavarovalnica, while also initiating preparations to ensure compliance with the new Information Security Act (ZInfV-1).

In the area of providing software support for business processes, Kapitalska družba continued the digitalisation of business processes within its document management system. In addition to enabling paperless operations and the optimisation of business processes, this system also supports cost optimisation and enhances security in document management.

In addition to ensuring the availability and reliability of information systems, informatics is increasingly paying attention to cybersecurity. In addition to training and ongoing awareness-raising of employees about cyber threats and regular security reviews, in 2025, IT continued to introduce additional security measures with which it aims to reduce the risks associated with cyber threats.

6.8 IMPORTANT BUSINESS EVENTS AFTER THE END OF YEAR 2025

As of 1 January 2026, a new Occupational Pension Insurance Plan came into effect, under which a differentiated contribution rate has been newly defined for a transitional period of two years. Undistributed solidarity reserves continue to be formed as before, until, with the latest allocation, they reach or exceed 0.8% of the net asset value of SODPZ. Additional provisions have also been introduced due to the implementation of a long-term care contribution, including for recipients of occupational pensions.

The attack by the United States and Israel on Iran at the end of February 2026 increased uncertainty in financial markets, heightened the volatility of equity and bond prices, and triggered a shift of investors towards safer assets. The military action and the closure of the Strait of Hormuz, through increases in oil and gas prices caused by supply disruptions, raise the risk of higher inflation, influence the future conduct of monetary policy by central banks and, depending on the duration of the conflict, may have a more significant impact on future economic growth.

7

EXPECTED DEVELOPMENT OF KAPITALSKA DRUŽBA, D. D., IN 2026

Kapitalska družba fulfils its mission as a demographic reserve fund: by making regular annual payments into the public pension system, it enables the relief of the state budget, and by paying out occupational pensions, it implements second-pillar pension insurance. Because it creates long-term value for the first pension pillar and for insured persons and occupational pensioners in the second pillar, Kapitalska družba represents an important building block for the stability of the Slovenian pension system. Kapitalska družba Group, with its subsidiary Modra zavarovalnica, is also the largest provider of voluntary supplementary pension insurance in Slovenia.

Uncertainty is often an inevitable part of doing business, but 2026 looks set to be particularly challenging due to a wide range of different risks. A world in which structures that have lasted for decades are weakening is becoming increasingly unpredictable. It is impossible to predict the actions of European and other world leaders. However, geopolitical tensions and rapid technological development will certainly require a quick and effective response to changes. Despite uncertain business conditions, Kapitalska družba is firmly determined to fulfil its mission in 2026. This guides it in dealing with an extremely demanding external environment while ensuring its focus on important stakeholders. At the same time, it is aware that short-term measures in the field of corporate responsibility for society and the environment are no longer enough. The strategic, long-term perspective of sustainably responsible business operations ensures a positive social impact and the creation of long-term value for the company‘s stakeholders, especially ZPIZ, insured persons and their employers and employees.

The primary objective of Kapitalska družba‘s asset management is to pay the statutory liabilities that define the overall investment strategy. The contribution to the public pension system in 2026 will amount to EUR 152.0 million.

Kapitalska družba wants to operate as a socially responsible and sustainable company, focused on achieving business excellence. By agilely responding to changes in an extremely risky external environment, it will continue to contribute to the strengthening and modernization of the Slovenian pension system. That is why it will accelerate the digitization of business and paperless environment and improve new forms of communication. Comprehensive risk management combined with cost efficiency will ensure a successful, sustainable business in 2026. In doing so, Kapitalska družba will pay even greater attention to cyber security and the challenges associated with the ever-increasing level of digitization of business. Risk management is integrated into daily decision-making processes.

The company’s goal is to accelerate innovation and business changes that generate a holistic, sustainable and long-term sustainable ecosystem. It involves all stakeholders, from the owner, through the partner organisations and supervisory and regulatory systems, to insured persons and their employers, to current and future pensioners, social partners and employees. The sustainability agenda guides the company’s leadership and operations and remains a key priority at a time when the entire world is facing difficult geopolitical, macroeconomic and climate challenges.

An important focus in 2026 will be on the further development of data analytics. Effective connection and coordination of data from different sources and their analytical processing enable greater business efficiency. The goal of Kapitalska družba is that data and its advanced analyses become part of the business strategy, operating systems, daily business processes and organizational culture. Successful technological solutions, enhanced with artificial intelligence (AI), will be embedded in strategic directions and work processes.

As a result, good practices, innovative approaches and techniques in the field of portfolio management will be introduced into daily operations, and Kapitalska družba will actively participate in the further development of occupational pension insurance. The business goals of the SODPZ Fund in 2026 are focused on the process of optimal management of insured persons' assets, where an important part of the focus will be on security and liquidity. The primary objective will be to achieve a return higher than the guaranteed return at an acceptable level of risk. That is why Kapitalska družba will continue to strive to be among the most successful managers of pension savings in Slovenia, and to ensure that systemic pension solutions are aimed at higher quality and security of insurance. This will make a major contribution to improving the pension stability of occupational pensioners and pensioners.

Kapitalska družba can play a very important role in solving Slovenia's demographic challenges. It has the right objectives, a successful business model and many years of experience in asset management and supplementary pension insurance. That's why the company sets long-term strategic goals that, with the cooperation of key stakeholders, lead to a fairer and sustainable pension future. The company will achieve the set goals and the outlined business and financial plan with the joint work and knowledge of its employees. With targeted development of their competences and high motivation, it will use all potentials and internal resources of the company even more successfully. All this ensures that Kapitalska družba remains a well-capitalised and stable company in 2026, which is a reliable and trustworthy partner for its stakeholders.

The company is aware of the risky geostrategic and macroeconomic circumstances. Through partnership and information capabilities, with the dedicated work of all employees, it will capitalize on the momentum achieved in recent years. Despite the extreme uncertainty, the company also recognizes opportunities in 2026. This obliges it to work hard to achieve its goals and create added value for pensioners in the public system and occupational insurance pensions. It firmly believes that together they can achieve more and thus positively influence the Slovenian pension system and Slovenian society as a whole.

8

SUSTAINABLE BUSINESS PRACTICES

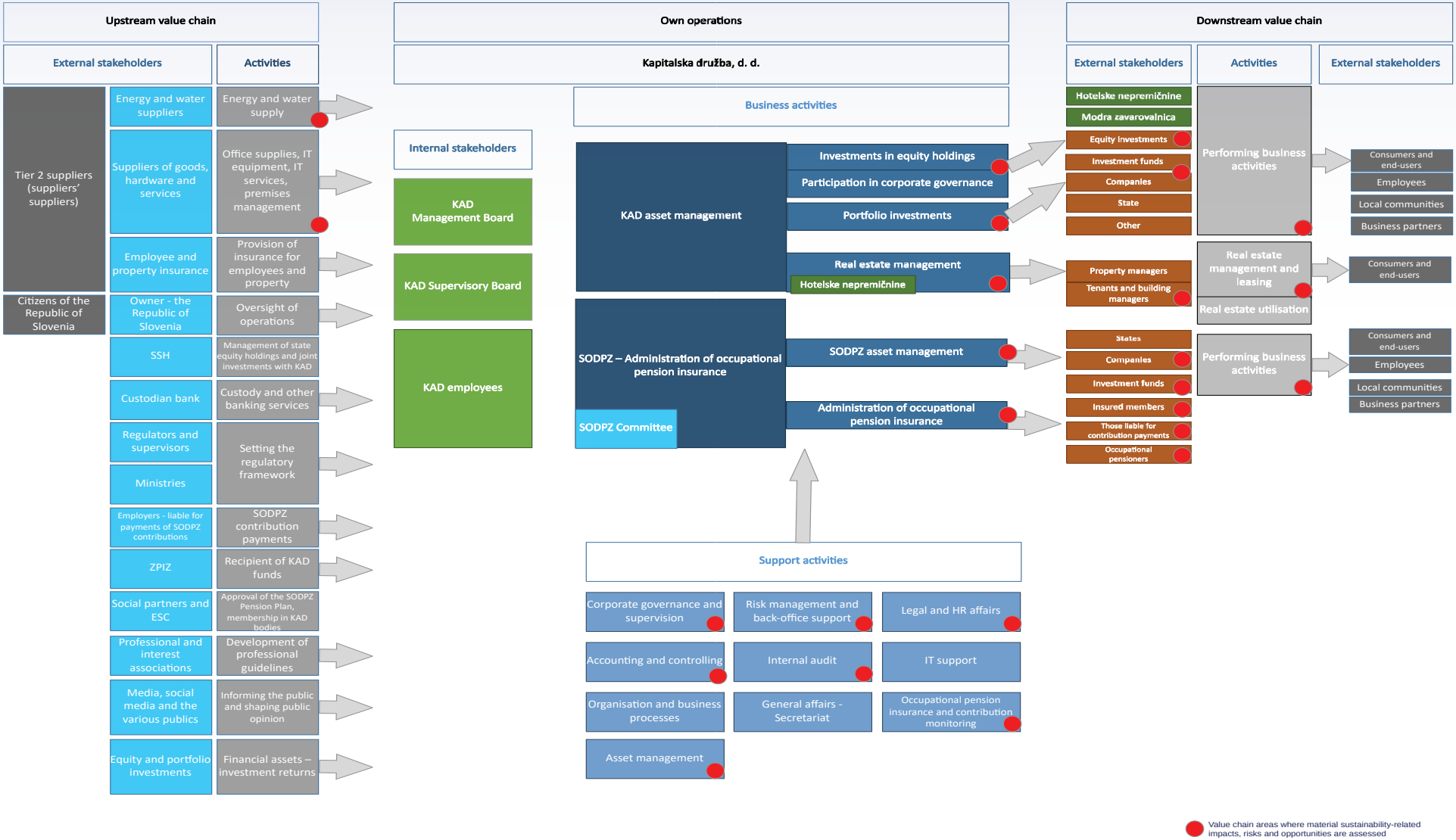
The business model of Kapitalska družba, which operates as a demographic reserve fund, is long-term. Therefore, sustainable and viable operations, in which the company perceives major challenges and new business opportunities, are built into the very mission of Kapitalska družba. The company, understanding environmental, social and governance (ESG) issues goes hand in hand with an approach to reducing negative impacts, optimizing positive effects, and improving risk management and exploiting opportunities in all areas of business, with the aim of considering and using the most relevant information for decision-making. In recent years, when many gaps and weaknesses in society have become apparent, both in the global economic system and in social norms, and in the relationship between man and the environment, such efforts have become even more important. Mainstreaming sustainability supports the core business of Kapitalska družba and ensures the fulfilment of the company's values, demonstrating responsibility in decision-making, and the involvement of important stakeholders. Achieving social, economic and environmental sustainability, which includes all stakeholders and contributes to the positive development of society as a whole, is becoming a key element of successful future development, necessary for effectively dealing with fundamental changes in the business and geopolitical environment.

The sustainability report has been prepared in accordance with the Voluntary Sustainability Reporting Standard for small and medium-sized undertakings, as recommended by the European Commission on 30 July 2025 (hereinafter: VSME). It is prepared according to the Basic Module – the so-called option A according to VSME, and expanded with a display of the value chain of Kapitalska družba and a Double Materiality Matrix. This matrix, which was created in 2024 based on a double materiality assessment, is the basis for the company's sustainability reporting.

8.1 VALUE CHAIN

Sustainability reporting requires an understanding of the broader context of Kapitalska družba in relation to its purpose and mission, as well as business relationships in the value chain within the company's ecosystem.

Figure 4: The value chain of Kapitalska družba, d. d.



8.2 DOUBLE MATERIALITY MATRIX

Sustainability-related disclosures are based on the principle of double materiality. A key component of this principle is the identification of material impacts, risks and opportunities that Kapitalska družba generates or is exposed to. The implementation of the double materiality assessment (hereinafter: DMA) involved engagement with key stakeholders, and the final outcome is a list of sustainability topics that are material and non-material for Kapitalska družba.

Figure 5: Double Materiality Matrix of Kapitalska družba, d. d. – DMA



8.3 DATA POINTS BY VSME

8.3.1 B1 – Basis for the preparation

Kapitalska družba reports on an individual basis under the basic module of the VSME – 'OPTION A'. The content of the data points has been prepared using the EFRAG tool: https://www.efrag.org/en/vsme-digital-template-and-xbrl-taxonomy.

The reporting period is from 1 January 2025 to 31 December 2025.

Table 14: B01.00 – General information

B1.0 - General information	
Level of reporting	Kapitalska družba, d. d.
Reporting module	Basic – OPTION A
Legal form of the company	Public limited company
Sector – NACE classification	L – 65.30 – Pension fund
Balance sheet (in EUR)	2,073,835,517.28
Operating revenue (in EUR)	12,923,268.69
Number of employees as at 31 December 2025	58
Country of primary activity	Slovenia

Table 15: B01.00 – B01.10 – List of subsidiaries of Kapitalska družba, d. d.

Company name	Registered office	GPS geolocation
Modra zavarovalnica, d. d.	Dunajska 119, 1000 Ljubljana	46,0761519; 14,5113506
Hotelske nepremičnine, d. o. o.[10]	Dunajska 119, 1000 Ljubljana	46,0761519; 14,5113507

Strategic and important investments of Kapitalska družba, which represent the majority of all investments, are located in Slovenia.

Table 16: B01.20 – List of locations owned and managed by Kapitalska družba, d. d.

Address	Postal code	Location	GPS geolocation
Dunajska cesta 119 – company headquarters	1000	Ljubljana	46,0761519; 14,5113506
Dunajska cesta 56	1000	Ljubljana	46,0654563; 14,5098245
Dunajska cesta 58	1000	Ljubljana	46,0658889; 14,5100017
Kržičeva ulica 3	1000	Ljubljana	46,0653253;14,5101641
Štefanova ulica 1	1000	Ljubljana	46,0532313; 14,5036152
Štefanova ulica 3	1000	Ljubljana	46,053275; 14,5033047
Štefanova ulica 5	1000	Ljubljana	46,0533537; 14,5028000
Pegamova ulica G	1000	Ljubljana	46,30740992; 14,5081468

10 Hotelske nepremičnine, d. o. o., is treated as a joint venture in separate financial statements.

8.3.2 B2 – Practices, policies and future initiatives for the transition to a more sustainable economy

Table 17: B2 – Policies and internal acts related to sustainable business practices

Topic	Sustainability policies and acts related to the topic	Policy title	Available to the public	Are objectives included in the policy?
Climate Change	YES	Sustainable Business Policy of Kapitalska družba, d. d.	YES	YES – The policy is aligned with the selected United Nations Sustainable Development Goals (SDGs)
		Instruction on the Application of Tax Incentives for Investments in the Digital and Green Transition.	NO	NO
Pollution	YES	Sustainable Business Policy of Kapitalska družba, d. d.	YES	YES – The policy is aligned with the selected United Nations Sustainable Development Goals (SDGs)
Water and Marine Sources	YES	Sustainable Business Policy of Kapitalska družba, d. d.	YES	YES – The policy is aligned with the selected United Nations Sustainable Development Goals (SDGs)
Biodiversity and Ecosystems	NO			
Circular Economy	YES	Sustainable Business Policy of Kapitalska družba, d. d.	YES	YES – The policy is aligned with the selected United Nations Sustainable Development Goals (SDGs)
Own Workforce	YES	Employee Code of Kapitalska družba, d. d.	NO	NO
		Rules on Employment Relations of Kapitalska družba, d. d.	NO	NO
		Commitment to Respect Human Rights in Business Operations	YES	NO
		Worker Participation in Management Agreement	NO	NO
		Agreement on measures relating to employees' right to disconnect of Kapitalska družba, d. d.	NO	NO
		Procedure on measures and conduct of employees of Kapitalska družba pokojninske-ga in invalidskega zavarovanja, d. d. in cases of harassment, bullying or violence	NO	NO
		Instructions on Performing Occasional Work for Secondary School and University Students and Practical Training	NO	NO
		Safety Statement with Risk Assessment (Article 17 of the Occupational Health and Safety Act)	NO	NO
		Instructions on the Allocation of Solidarity aid in Kapitalska družba, d. d.	NO	YES

Topic	Sustainability policies and acts related to the topic	Policy title	Available to the public	Are objectives included in the policy?
Workers in the Value Chain	YES	Commitment to Respect Human Rights in Business Operations	YES	NO
Affected Communities	NO			
Consumers and End Users	YES	Instructions on Resolving Complaints from Insured Persons and those Liable for Payment	YES	NO
Business Conduct	YES	Diversity Policy for the Management and the Supervisory Board of Kapitalska družba, d. d.	YES	NO
		Commitment to Respect Human Rights in Business Operations	YES	NO
		Succession Policy at Kapitalska družba pokojninskega in invalidskega zavarovanja, d. d.	NO	NO
		Rules on the Prevention, Detection and Investigation of Fraud, Violations and other Harmful Conduct and on the Protection of Whistleblowers	NO	NO
		Corporate governance of the Kapitalska družba Group	NO	NO
		Corporate Integrity Plan of Kapitalska družba, d. d.	NO	NO
		Instructions on lobbying of employees of Kapitalska družba pokojninskega in invalidskega zavarovanja d. d.	NO	NO

8.3.3 B3 – Energy and greenhouse gas emissions

The public procurement procedure for the supply of electricity in 2025 was conducted in accordance with the Regulation on Green Public Procurement. In line with the provisions of the Regulation, Kapitalska družba concluded a contract for the supply of electricity generated entirely from renewable sources. Energy obtained from environmentally friendly, renewable sources does not rely on fossil fuels in its production, and the use of renewable energy sources does not deplete the resource. Consequently, the environmental burden in terms of greenhouse gas emissions, harmful emissions and radioactive waste is reduced.

Table 18: B03.10 – Energy consumption in MWh

2025	Renewable energy sources	Non-renewable energy sources	Total
Thermal and electrical power	59.3	331.07	390.37
Fuel	0	5.14	5.14
Total energy consumption	59.3	336.21	395.51

Table 19: B03.20 – Carbon footprint in CO_2 (t)

	2025
S1-2 Mobile Scope 1 emissions – location-based	1.3
S2-1- Indirect emissions from electricity consumption – location-based	59.4
S2-2- Indirect emissions from heat energy consumption – location-based	36.1
S2-3- Indirect emissions from electricity consumption – market-based	71.0
S2-4- Indirect emissions from heat energy consumption – market-based	47.7
Total S2 - location-based	95.5
Total S2 - market-based	118.7
Total S1 and S2 - location-based	96.8
Total S1 and S2 - market-based	120.0

Table 20: B03.30 – CO_2e emission intensity

2025	Emission intensity in CO_2e (t) /EUR
Total S1 and S2 - location-based	0.0000075
Total S1 and S2 - market-based	0.0000093

Kapitalska družba calculates its carbon footprint for Scope 1 and Scope 2 emissions, but not for Scope 3. Nevertheless, in asset management and within the process of selecting financial investments, it reasonably takes into account the sustainability performance of issuers of financial instruments, which implies long-term sustainable operations with a positive approach to environmental, social and/or corporate governance (ESG) aspects.

The sustainability aspect is considered in the acquisition of financial investments where an external data source enabling its measurement is available to Kapitalska družba. Where multiple investments with similar characteristics and expected returns are assessed, preference in the investment decision is given to the investment with a better sustainability performance indicator, or, in the case of investments in units of collective investment undertakings, to those undertakings that define the consideration of sustainability aspects within their investment policy.

8.3.4 B4 – Air, water and soil pollution

Given its activities, the company does not report and is not obliged to report on pollutant emissions, as these are not generated in its activities.

8.3.5 B5 – Biodiversity

The activities of Kapitalska družba do not take place in or near sensitive areas of biodiversity.

8.3.6 B6 – Water

Table 21: B6.00 and B6.01 – Water withdrawal and consumption in m^3

	2025	2024
Water withdrawal	754.72	790.54
Water consumption	0	0

The average water consumption per employee in 2025 was 51.84 litres.

8.3.7 B7 – Resource use, circular economy and waste management

8.3.7.1 B07.00 – Circular economy principles and their application

Given the nature of asset management activities involving proprietary assets and a pension fund, there are limited opportunities at Kapitalska družba to implement circular economy principles.

It is worth noting the reuse of mobile phones, which employees purchase for personal use after the end of their business use in more than 90% of cases. A portion of desktop and laptop computers, as well as monitors withdrawn from operational use due to obsolescence, is also sold for reuse. The company has also established waste collection and separation practices, which employees consistently adhere to.

8.3.7.2 B07. 10 – Waste by category

Kapitalska družba only generates waste that is defined as non-hazardous by the European List of Waste. The total amount of this waste in 2025 was 60.02 m^3 - all taken for disposal.

Table 22: B07.10 Quantities of non-hazardous waste by European List of Waste categories in 2025

Type of disposal	Waste intended for disposal	Reused/ recycled waste	Total waste share
	m^3		%
15 01 06 – mixed packaging waste	13.94	0	23.06%
20 01 01 – paper and cardboard	17.87	0	29.56%
20 01 08 – biodegradable waste	9.13	0	15.10%
20 03 01 – municipal waste	19.52	0	32.28%
Total non-hazardous waste 2025	60.46	0	100.00%

When purchasing goods, Kapitalska družba strives to comply with the provisions of The Decree on green public procurement, not only in procurement procedures but also in record-keeping procedures. Accordingly, it designs tendering conditions for the purchase of goods in such a way that the goods have a lower environmental impact over their entire life cycle compared to conventional goods, that conserve natural resources, materials and energy, and that have the same or better functionalities. In 2025, when purchasing sanitary materials, Kapitalska družba ordered environmentally friendly products. It also makes every effort to ensure that the paper it buys is as environmentally friendly as possible (FSC-certified). In order to reduce the consumption of paper, Kapitalska družba introduced electronic commerce for work with the aim of fully introducing a paperless environment. The biggest step towards achieving this goal is the use of software sup-

port for the document system and archiving, which was introduced in early 2021 and is constantly being upgraded. Kapitalska družba strives to introduce electronic business even more widely through electronic confirmation and signing of documents, not only to reduce paper consumption, but also to optimise certain processes and minimise the companies carbon footprint.

8.3.8 B8 – Workforce – general characteristics

8.3.8.1 B08.00 – Type of employment

As at 31 December 2025, Kapitalska družba had 58 employees, all with permanent employment contracts. Full-time employee equivalent (FTE) is 57.25.

8.3.8.2 B08.01 – Gender of employees

Table 23: B08.01 – Gender of employees

31 December 2025	Number	Share
Female	39	67.24%
Male	19	32.76%
Total	58	100.00%

8.3.8.3 B08.02 – Employee Turnover

Employee Turnover rate in 2025 was 3.48%.

Table 24: B08.02 – Employee Turnover

Employee Turnover (number of employees and rate)	2025
Number of employees who left the company in 2025	2
Number of employees as at 1 January 2025	57
Number of employees as at 31 December 2025	58
Turnover rate in %	3.48%

8.3.9 B9 – Workforce – Health & Safety

8.3.9.1 B09.00 – Health & Safety

In 2025, Kapitalska družba recorded no occupational accidents or work-related illnesses.

Kapitalska družba takes care of a safe, flexible and healthy working environment and in doing so complies with all regulations in the field of occupational safety and health and thus ensures adequate working conditions. It regularly carries out tasks in the fields of occupational safety and health, fire protection and health management at work. Among the more significant activities carried out in this area, it is worth highlighting regular employee training in occupational health and safety, as well as the performance of supervisory inspections to verify compliance with fire protection measures.

Kapitalska družba is aware that maintaining and improving the health of employees is important, because only healthy and satisfied employees who work in a safe and stimulating work environ-

ment can be efficient and innovative and less likely to go on sick leave. Therefore it implements systematic targeted activities and measures to maintain and strengthen the physical and mental health of employees. This is achieved through a combination of improving work organisation and the working environment, with good interpersonal relations at the top of the agenda, as these have a decisive impact on employees‘ health and well-being. The company encourages employees to participate in activities for health protection and enhancement, including the option of organized kinesiological exercise for office workers. They also promote personal development of employees through educational programs.

Among the most important measures to ensure employees’ health protection is the possibility of enrolment in collective health insurance, with as many as 98% of employees covered. Through this insurance, Kapitalska družba provides employees with faster access to healthcare services, resulting in reduced sick leave and contributing to higher employee satisfaction and greater organisational commitment.

Kapitalska družba also provides collective accident insurance, which covers 95% of employees.

Another important aspect of ensuring and enhancing the future social security of employees is collective supplementary pension insurance, which Kapitalska družba as a responsible company that cares for its employees, provides to all employees on equal terms - by paying monthly premiums for all employees into the Life-Cycle Pension Fund (MKPS) operated by Modra zavarovalnica.

Among employees, both measures are considered as one of the most valued forms of motivation.

8.3.9.2 B09.01 – Family friendly company

Kapitalska družba is aware of the importance and benefits of an active, family-friendly policy in the company that enables work-life balance of employees. They represent a diverse workforce, the average age of employees is 48, including parents with young children and school-age children, who benefit most from the effects of the certificate. Balancing career development and family life has become part of the company‘s organizational culture, which is often a challenge today, as business and private life are increasingly intertwined. Kapitalska družba received the Family Friendly Company certificate in 2010, upgraded it with a full certificate, and after a successful audit of the three-year period since obtaining the full certificate, it received a special certificate of appreciation for spreading the culture of a family-friendly company in Slovenia. With the measures taken, the company wants to ensure short-term and long-term positive effects on the lives of employees. Kapitalska družba has adopted 13 measures within the framework of the Family Friendly Company certificate: communication with employees, opinion polls among employees, public relations, time account, children‘s time bonus, additional leave, management philosophy and concept, reintegration plan after a long absence from work, socialising between employees and management board, participation of relatives in the company‘s occasional work, gifting of a newborn child, children‘s New Year‘s eve gifts, and training for managers in the area of work-life balance. Among the most popular measures are the time account, children‘s time bonus (a day off on the first day of school in the first triad of primary school), gifting children and measures that have a direct immediate effect. In response to the changing needs of employees, a dedicated team for coordinating work–life balance is preparing a set of new measures to be implemented in 2026.

8.3.10 B10 – Workforce – pay, collective bargaining and training

In the area of labour relations, the company complies with the relevant legislation and the applicable industry collective agreement. A trade union with representative status is established within the company. In 2025, an agreement was concluded with the representative trade union on increasing employees’ basic gross salaries and on providing free use of the company’s available parking spaces.

In accordance with the Worker Participation in Management Act, a works council has been established within the company.

In 2025, all employees received a salary higher than the applicable minimum wage in the country. The share of employees covered by the collective agreement is 96.55% (56 employees out of a total of 58).

As already mentioned, Kapitalska družba provides all employees with collective supplementary pension insurance under the same conditions by paying monthly premiums into MKPS.

In 2025, Kapitalska družba paid all employees a maximum collective supplementary pension insurance premium in the amount of 5.844% of the gross salary, or a maximum of EUR 254.55 per month.

The cost of premiums paid to employees for voluntary supplementary pension insurance in MKPS for 2025 reached EUR 147 thousand.

All general acts relating to employees' rights and obligations are submitted to the trade union for opinion prior to their adoption. For matters defined by the Worker Participation in Management Act, either joint consultations are conducted or the matters are submitted to the works council for information. Employees have the right to both individual and collective participation in management, in particular with regard to co-decision-making or influencing the content and organisation of work, as well as the determination and implementation of activities aimed at improving working conditions and achieving successful business performance. Participation is carried out through employee representatives in the trade union and the works council, with whom regular meetings are held, and at least once a year also through a general meeting of employees.

8.3.10.1 B10.01 – Employee training

Kapitalska družba is aware that employees are the company's key capital and that qualified and motivated employees contribute the most to the company's successful operations. Existing work areas and the development of new business functions at Kapitalska družba are also upgraded through various forms of pre-planned training, tailored to the requirements of individual jobs, the specific areas of knowledge required by each employee and the company's development tasks. In 2025, employees received additional trainings by attending live lectures, workshops and seminars, by participating in online seminars (webinars) and by internal training, which is regularly provided for all employees. Special emphasis is placed on training for obtaining and maintaining licenses, especially in the field of asset management, valuation and internal auditing.

In 2025, employees participated in training in the areas of finance, accounting, taxes, corporate and portfolio asset management, real estate management, pension and disability insurance, personal data protection, public procurement, prevention of money laundering and terrorist financing, fraud prevention, legal content, content from the human resources field and the field of occupational health and safety, leadership skills, documentary material, sustainable business, use of artificial intelligence, information technology, information and cybersecurity, risk management and business communication. They also participated in various conferences. Employees also receive training in the use of software tools through the Coursera platform and attend English language course.

Employees also participated in SSH educational content, namely in the areas of strategic management of key personnel and talents for the company's success, artificial intelligence in practice, strengthening the security and resilience of companies in a tough global environment, and a national conference on resilience.

In 2025, in line with the training plan, Kapitalska družba delivered internal training courses in the areas of anti-money laundering and counter-terrorist financing, corporate and portfolio management, eligibility of investments for pension funds, insurance, as well as the use of Excel and Power BI tools. All employees attended training in cybersecurity and information security in the workplace, and a vitality and longevity workshop was also organised for all employees.

In total, 3,080 training hours were delivered in 2025. On average, each employee completed fifty-three training hours, with the average training cost per employee amounting to EUR 1,040. Internal training is also included in the total number of training hours.

Table 25: B10.01 – Training hours per employee in 2025

Gender	Number of hours
Male	52
Female	54
Average number of hours per employee	53

8.3.11 B11 – Convictions and fines for corruption and bribery

In 2025, Kapitalska družba was not convicted of violating legislation on corruption and bribery.

By adopting the Corporate Integrity Plan in July 2021, Kapitalska družba committed to the highest standards of corporate integrity. With the plan, it rounded off the integrity system, which it started building in 2019 by establishing a system for preventing, detecting and investigating fraud and other harmful practices and whistleblower protection. In 2023, after becoming subject to the Whistleblower Protection Act, Kapitalska družba upgraded its corporate integrity system with legislative requirements on whistleblower protection, internal whistleblowing channels for fraud, misconduct and other harmful practices, and the appointment of a trustee to receive and handle internal reports. In the design and implementation of corporate integrity activities Kapitalska družba in addition to the Whistleblower Protection Act and the Code of Management of Governance Code for Companies with Capital Assets of the State, is also guided by reference documents, namely the guidelines of the Commission for the Prevention of Corruption, the Slovenian Corporate Integrity Guidelines and anti-corruption principles for state-owned companies.

By identifying corporate integrity risks specific to the Company‘s business, defining measures to mitigate these risks, appointing a Corporate Integrity Officer and putting in place measures to protect whistleblowers, including the appointment of a trustee to receive and deal with internal fraud, the Company demonstrates zero tolerance for corruption and illegal and unethical conduct by its employees, the Company‘s management and members of the Supervisory Board.

Respect for human rights

The company has further strengthened its corporate social responsibility by signing the Commitment to Respect Human Rights in Business, thereby committing to the implementation of the relevant principles of the National Action Plan of the Republic of Slovenia on Business and Human Rights. This commitment is based on the Universal Declaration of Human Rights, adopted by the United Nations General Assembly in 1948, and other relevant international instruments relating to human rights in business activities. In accordance with its obligations under the Commitment, the company has appointed a Human Rights Officer. The company also devotes particular attention to the respect of labour-related rights and the right to freedom of association of employees. In regulating employment relationships, the company complies with labour legislation and the applicable collective agreement, maintains constructive and respectful social dialogue with the representative trade union and its union representatives, as well as with employee representatives in the works council, with a view to the bilateral regulation of relevant matters, and provides the representative trade union and the works council with timely information to which they are entitled under applicable legislation.

8.4 OTHER IMPORTANT ASPECTS OF SUSTAINABLE BUSINESS POLICY OF KAPITALSKA DRUŽBA, D. D.

Kapitalska družba is an important building block of the Slovenian pension system. Its role in both the provision of funds for compulsory pension insurance and the management of the SODPZ ensures a secure retirement for pensioners. The mission of Kapitalska družba is to provide additional funds for compulsory pension and disability insurance.

In 2025, the company paid occupational pensions to 559 occupational retirees in SODPZ and as of 31 December 2025, it managed the assets of 51,435 insured members.

8.4.1 Cooperation with stakeholders

Kapitalska družba places particular emphasis on cooperation with its main stakeholder groups: the Republic of Slovenia as an owner, SSH, trade unions, pensioners' associations, employers' associations, professional associations, investments, and also employees.

In the area of pension insurance, Kapitalska družba in cooperation with stakeholders such as the Ministry of Labour, Family, Social Affairs and Equal Opportunities, Economic and Social Council, trade unions, employers' associations, the Government of the Republic of Slovenia, FURS, the CRP and the ZPIZ, sets standards for quality and reliability. In the field of asset management, the company works closely with stakeholders: SSH, companies with capital investments of Kapitalska družba, the Slovenian Directors' Association, regulators and various financial institutions. The Government of the Republic of Slovenia also plays a special role as the legal representative of the owner, the Republic of Slovenia. The Company strives to maintain constructive relationships with all these stakeholders, based on professionalism, flexibility, punctuality and transparency. Kapitalska družba strives to maintain smooth operations and to foster relations with all stakeholders in a secure and accessible manner, including by conducting meetings of the company's bodies and other meetings via video conference calls and by introducing electronic business.

Stakeholders are involved in the operation of the company at various levels, including in the company's supervisory board and its commissions and the SODPZ board. Kapitalska družba strives to establish mutually beneficial relationships based on a high level of trust with stakeholders, partners and suppliers. Based on the systematic monitoring of the responses of key partners and suppliers, Kapitalska družba also introduces improvements and corrective measures.

8.4.2 Socially responsible investing activities

For investments in shares or debt securities of companies and financial institutions, Kapitalska družba takes into account the sustainability analyses or indicators of recognised institutions professionally engaged in the assessment or ranking of companies according to their level of sustainability in order to assess compliance with the sustainability criterion. When investing in government debt securities, Kapitalska družba takes into account, from a sustainability perspective, the level of governance of the issuing country, as expressed by the Worldwide Governance Indicators (WGI).

8.5 DEMONSTRATION OF THE IMPLEMENTATION OF THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Kapitalska družba perceives both great challenges and new business opportunities in sustainable business practices. As a responsible financial institution, it is committed to promoting sustainable business and creating long-term value for stakeholders. The company is aware that its actions have an impact on the environment, society and the economy, so it wants to manage these impacts in a responsible and transparent manner. Kapitalska družba prioritizes the eight United Nations goals throughout its operations: SDG 7, SDG 13, SDG 3, SDG 4, SDG 5, SDG 8, SDG 17 and SDG 16, which are described below.

Table 26: Demonstration of the implementation of the United Nations Sustainable Development Goals (SDGs)

Environmental Aspect (E - Environment) – Pollution Prevention and Control



ESG activities	Comment
Carbon footprint	In 2025, the carbon footprint in scope 1 and 2 was measured for the fourth time.
Digitalization and paperless operations	Conditions established for a gradual transition to paperless environment.
Compliance with the Green Procurement Decree	Ordering environmentally friendly products. Using paper made from responsibly sourced wood fibres.
Consistent separation of waste	Waste collection and separation by raising employee awareness.
Energy consumption	Taking into account the Decree on green public procurement, a contract has been concluded for the supply of electricity produced 100% from renewable sources.

Social aspect (S - Social) - Accountability towards stakeholders, those liable for payment, insured persons, employees and the wider environment



ESG activities	Comment
Responsible attitude towards the Broader Social Community	Co-financing of the public pension system. Providing occupational pensions and other rights to occupational pensioners. Contribution to the strengthening and further development of the second pension pillar.
Responsible attitude towards external stakeholders and insured persons	Cultivating good relations with partner institutions: trade unions, the Association of Pensioners' Societies (ZDUS), those liable for payment, insured and professional pensioners, and the Slovenian Directors' Association - ZNS. Ensuring professionalism, efficiency and transparency and establishing interactive communication channels.

ESG activities	Comment
Responsible attitude towards employees	Adapting to the various needs and career expectations of employees and in this way enable the holistic development of their skills. The prevailing form of permanent employment ensures high employee security. Dialogue with employees is carried out through the Workers' Council and the Company's trade union, as well as quarterly meetings with all employees. Activities based on the signed Commitment to Respect Human Rights in Business. Activities within the framework of the full „Family Friendly Company" certificate. "Open Doors Day" for employees' children. Maintaining contact with retired colleagues.
	Flexible working hours and the possibility of remote working (hybrid working method).
Designing current and future financial security	Equal treatment and equal opportunities regardless of gender and other personal circumstances. Compliance with the Collective Agreement for Insurance. Stimulating and fair remuneration regardless of gender. Adoption of the Diversity Policy for the Management and the Supervisory Board of Kapitalska družba, d. d.
	Inclusion of all employees in supplementary pension insurance and payment of the highest tax-deductible premium.
Diversity and equal opportunities	Promoting lifelong learning, functional and holistic education, knowledge sharing among employees and intergenerational cooperation. Pre-planned training tailored to the requirements of individual jobs, the specific areas of knowledge required by each employee, and the development tasks set.
Safety and health of employees	A wide range of occupational health and safety measures. Promoting a healthy and sustainable lifestyle and implementing activities and measures to maintain and strengthen the physical and mental health of employees through the „Workplace Health Promotion Plan". Emphasis on good interpersonal relationships, which have a decisive influence on the health and well-being of employees.
	Regular preventive medical examinations with a wide range of tests and the possibility of additional examinations.
	Implementing measures to strengthen health, including organized recreation for employees and organizing trainings about a healthy lifestyle.
	Ensuring employee health security with the possibility of inclusion in collective supplementary health insurance. Free vaccination of employees against influenza and tick-borne encephalitis (TBE).

Management aspect (G - Governance) - Business compliance and integrity



ESG activities	Comment
High standards of corporate governance	The management of Kapitalska družba is based on: Corporate Governance Code for Companies with Capital Assets of the State, Recommendations and Expectations of SSH, Corporate Governance Code of the Kapitalska družba Group, Guidelines of the Commission for the Prevention of Corruption, Slovenian Corporate Integrity Guidelines and Anti-Corruption Principles for State-Owned Companies. Adoption of the Corporate Integrity Plan. Identification of specific corporate integrity risks for the company's operations, definition of measures to mitigate these risks and appointment of a corporate integrity officer. Zero tolerance for corruption and illegal and unethical behaviour by employees, company management and members of the supervisory board. Accession to the Agreement on cooperation in the organization of the International Fraud Awareness Week in 2021, 2022, 2023, 2024 and 2025 whereby the company participates in the exchange of good practices and awareness-raising of all stakeholders with the common goal of all signatories to reduce corruption, financial crime and fraud in the Republic of Slovenia. Kapitalska družba has also been participating for many years as a sponsor of the corporate governance conference of the Slovenian Directors' Association.
Effective risk management	Risk management is integrated into business decision-making at all levels and takes place in accordance with the Rules on risk management of the Kapitalska družba Group.
Non-discrimination and respect for human rights and ethical principles and values of society.	Kapitalska družba operates in accordance with its values. Creativity and innovation of employees to solve challenges related to sustainable development. Activities based on the signed Commitment to Respect Human Rights in Business.

9

REPORT ON RELATIONS WITH SUBSIDIARIES

Kapitalska družba is the parent company in the insurance group, which includes the subsidiaries Modra zavarovalnica and Hotelske nepremičnine.[11] Kapitalska družba as the controlling company, is the 100% owner of Modra zavarovalnica. In the year 2025, there were no transactions between the controlling company and the subsidiary carried out under unusual market conditions. Kapitalska družba as the controlling company, is the 50% owner of the company Hotelske nepremičnine. In the year 2025, there were no transactions between the controlling company and the joint venture under unusual market conditions.

Leases of business premises

Modra zavarovalnica is a tenant of business premises owned by Kapitalska družba. The lease was signed in 2024 and runs until September 2029.

Provision of services in the field of information technology

Modra zavarovalnica and Hotelske nepremičnine use system infrastructure (servers, communication equipment, printing devices, system software, disk capacities, etc.) owned by Kapitalska družba. In addition, Kapitalska družba provides services related to information technology to its subsidiaries. The rental of system infrastructure and the provision of services in the field of information technology management are regulated in the contract on the provision of services in the field of information technology.

Pension plan funding contract

Kapitalska družba has a contract with Modra zavarovalnica on the financing of the pension plan for collective supplementary pension insurance implemented by the open-ended Life-Cycle Pension Fund (MKPS).

11 The company Hotelske nepremičnine is 50% owned by Kapitalska družba, while the remaining 50% is owned by Modra zavarovalnica. In the separate financial statements of Kapitalska družba, it is treated as a joint venture.

10

INDICATORS[12]

in EUR 000

	31 Dec 2025	31 Dec 2024
a) Equity financing ratio		
The indicator is calculated as the ratio between the equity balance and the balance of all liabilities.		
Numerator:		
Equity	1,745,380	1,441,103
Denominator:		
Liabilities	2,073,836	1,659,562
Equity financing ratio	**0.84**	**0.87**
b) Operating efficiency ratio		
Operating efficiency ratio indicator is calculated as the ratio between generated operating revenues and expenses.		
Numerator:		
Operating revenues	12,924	12,964
Denominator:		
Operating expenses	7,425	7,228
Operating efficiency ratio	**1.74**	**1.79**
c) Net return on equity		
The indicator shows net profit per unit of equity or ROE (Return On Equity) and is calculated as the ratio between annual profit and average equity balance.		
Numerator:		
Net profit or loss for the period	13,323	38,773
Denominator:		
Average equity	1,593,242	1,358,036
Return on equity (ROE)	**0.84%**	**2.86%**
d) Net return on equity before ZPIZ transfer		
The indicator shows net profit per unit of equity or ROE (Return On Equity) before the ZPIZ transfer and is calculated as the ratio between annual profit and the average equity balance before the ZPIZ transfer.		
Numerator:		
Net profit or loss for the period before the ZPIZ transfer	94,805	103,773
Denominator:		
Average equity before ZPIZ transfer	1,666,483	1,423,036
Return on equity (ROE) before ZPIZ payment	**5.69%**	**7.29%**

12 Indicators are not audited.

in EUR 000

	31 Dec 2025	31 Dec 2024
e) Total comprehensive return on equity		
The indicator is calculated as the ratio between the total comprehensive income of the financial year and the average equity for the year.		
Numerator:		
Total comprehensive income/(loss) for the year	303,956	162,964
Denominator:		
Average equity	1,593,242	1,358,036
Total comprehensive return on equity	**19.08%**	**12.00%**
f) Total comprehensive return on equity before ZPIZ transfer		
The indicator is calculated as the ratio between the total comprehensive income of the financial year and the average equity for the year before ZPIZ transfer.		
Numerator:		
Total comprehensive income for the financial year before ZPIZ transfer	385,438	227,964
Denominator:		
Average equity before ZPIZ transfer	1,666,483	1,423,036
Total comprehensive return on equity before ZPIZ transfer	**23.13%**	**16.02%**

11

CORPORATE GOVERNANCE STATEMENT

Pursuant to the sixth paragraph of Article 70 of the Companies Act (ZGD-1) and point 3.6 of the Corporate Governance Code for State-owned Companies, Kapitalska družba hereby declares the corporate governance statement for the period from 1 January 2025 to 31 December 2025.

I. Kapitalska družba, as a public limited company wholly owned by the Republic of Slovenia, is, pursuant to the provisions of the Ordinance on the strategy for the governance of the State's assets, required to apply, mutatis mutandis, the Corporate Governance Code for Companies with State Capital Investment (hereinafter: the Code), which sets out the principles, procedures and criteria governing the conduct of members of the management and supervisory bodies of companies in which the Republic of Slovenia is a shareholder. In addition, Kapitalska družba follows the valid Recommendations and expectations of Slovenian Sovereign Holding (SSH).

Kapitalska družba provides a declaration of compliance with the Code adopted by SSH and valid in 2025. The Code contains the principles and recommendations of good practice for the corporate governance code for companies with capital assets of the state. The text of the Code currently in force is publicly available on the website of Slovenian Sovereign Holding - SDH - Key SSH Asset Management Documents; https://sdh.si/en/asset-management/strategic-insight/key-ssh-asset-management-documents.

Management and Supervisory Board of Kapitalska družba declare that they voluntarily comply with the Code in their work and operations. Deviations from the individual recommendations of the Code are indicated and explained below:

Article 3.3 of the Code: The SOE shall set clear strategic objectives for its business and development, which must be long-term and sustainable.

Explanation: Given the specific purpose of its establishment and the envisaged transformation into a demographic fund, and taking into account the Ordinance on the Strategy for the governance of State Assets in the performance of its activities, Kapitalska družba is primarily responsible for fulfilling the legal obligation to provide funds to the ZPIZ and for the management of the SODPZ.

Article 3.4 of the Code: The Executive Management of a large and medium-sized enterprise with state capital assets shall formulate and approve their Corporate Governance Policy as a separate document which should contain at least the following elements:

- **a description of all principal governance policies of the company, which reflect the company's objectives, values, and obligations towards the wider social environment;**
- **the indication of which corporate governance code has been adopted by the company as its reference code, and if or to what extent this code is applied;**
- **a precise identification of stakeholder groups and relevant stakeholders, and a policy for communicating and engaging with each stakeholder group (owners, creditors, suppliers, customers, employees, the media, analysts, government authorities, local and wider community, etc.);**
- **the process for informing subsidiaries, shareholders or company members of the Group's strategy, goals and governance standards;**

- **the policy on transactions between the company and its related companies, including their members of the management and supervisory bodies;**
- **a commitment by the Supervisory Board to establish a system for identifying conflicts of interest and dependencies among members of the management body and supervisory body, which includes actions proposed for instances when changes in circumstances materially affect their relationship with the company;**
- **the commitment that the Supervisory Board will assess its own effectiveness and, based on this, adopt measures to improve its efficiency;**
- **an intention to create any committees of Supervisory Board and a definition of their roles;**
- **a clear system for the allocation of responsibilities and powers between members of the company's management and supervisory bodies;**
- **definition of the company's communication policy, which includes high-quality standards for the creation and disclosure of accounting, financial, and nonfinancial information. The communication policy can be a separate document. In such a case, the Corporate Governance Policy of the company refers to it in an appropriate manner;**
- **safeguarding the interests of employees in the company by defining the manner, content, and standards of employee operations and ensuring an adequate level of ethical conduct in the company, including the prevention of discrimination;**
- **areas of operation where the company adopts measures to respect human rights and equal opportunities.**

Explanation: Kapitalska družba in which SSH does not exercise a dominant influence has not yet adopted the Corporate Governance Policy as an independent document in 2025. Regardless of that, Kapitalska družba materially respects all essential guidelines of the provision in question regarding the management of the company.

Article 6.10 of the Code: The Supervisory Board shall prepare the Competence Profile for Supervisory Board members. Such Competence Profile shall reflect the Board's overall composition and be published on the company's web site. This profile shall define at least the necessary professional backgrounds and may also include additional competencies. The Board should periodically review and update this profile, especially prior to any expected appointments or alterations in the Supervisory Board's composition.

Explanation: Kapitalska družba applies the aforementioned provision mutatis mutandis, taking into account the mandatory provisions of the sixth paragraph of Article 51 of ZSDH-1 and the Articles of Association of the Company, which regulate the specific composition of the Supervisory Board of Kapitalska družba. Taking into account the aforementioned legal restrictions, the supervisory board could not prepare a competence profile for the members of the supervisory board from the point of view of the composition of the supervisory board, and the Diversity Policy also pursues the goal of complementarity of knowledge and experience and heterogeneity of the composition of the supervisory board.

Article 6.17 of the Code: If the General Meeting elects Supervisory Board members based on the Supervisory Board's proposal, the Board, in justifying its nomination, shall include information required by law and details about the candidate's memberships in other companies' management or supervisory bodies. The Supervisory Board shall also disclose any circumstances which might lead to a conflict of interest for the member, considering, among others, the circumstances listed in Annex 1 of CGCSOE. In its justification for nominating a candidate, the Supervisory Board must clearly disclose whether the individual meets the independence criteria set forth in CGCSOE and confirm that the candidate selection process adhered to the procedures outlined within CGCSOE.

Subsection 6.17.1 of the Code: In justifying its (election) proposal, the supervisory board also provides a description of the competence profile for the member of the supervisory board, as well as information about the candidate, which enables shareholders to assess the extent to which the candidate meets the characteristics of the required profile.

Explanation: The Company does not fully comply with the above provisions of article 6.17 and sub-section 6.17.1 of the Code due to the mandatory provisions of ZSDH-1 and the Company's Articles of Association, which provide for a special nomination procedure for members of the Company's Supervisory Board in the case of Kapitalska družba, as explained in previous explanation under article 6.10 of the Code.

Article 6.20 of the Code: All public companies with state capital assets and large non-public companies with states capital assets with more than one shareholder or company member and where SSH exercises less than the majority of all voting rights, should establish a Nomination Committee (permanent or temporary) as a special committee of the Supervisory Board. This committee should ensure appropriate mechanisms for the evaluation and selection of candidates for members of the Supervisory Board, and adequately address/manage any conflicts of interest which the Supervisory Board may have in preparing proposals for its composition. The Nomination Committee shall carry out the candidate selection procedures and propose a selection of candidates to the Supervisory Board. In other companies where the Nomination Committee is not required, the Supervisory Board itself may, if necessary, carry out the procedures for evaluating and selecting candidates for its members. In one-person companies, the Supervisory Boards shall not create voting proposals for members of the company's Supervisory Board, even if the terms of the members are expiring. In these companies, the founder shall make the appointment decision.

Subsection 6.20.8: Immediately after the announcement of the convening of the general meeting, which will elect new members of the supervisory board on the proposal of the supervisory board of the company with capital assets of the state, the chairman or secretary of the supervisory board of the company calls on the candidates proposed for election by the supervisory board to submit an application to the Human Resources Committee of SSH for accreditation and nomination. Candidates may also be invited to apply for accreditation and nomination by the Human Resources Committee of the SSH. The recommendation does not apply if the proposal of SSH candidates was the only recruitment route and the candidates have already been nominated by the SSH HR committee.

Explanation: Kapitalska družba does not fully comply with the recommendations from subsection 6.20.8 of the Code, since the general meeting of Kapitalska družba is represented by the Government of the Republic of Slovenia. In accordance with the provisions of ZSDH-1, three members of the supervisory board are appointed at the proposal of SSH, therefore, in accordance with the articles of association, the candidates for SSH representatives are proposed by the Management Board of the Slovenian Sovereign Holding, which informs the Supervisory Board about the selection. Two members are appointed on the proposal of national federations or organizations of pensioners and one member on the proposal of trade unions or confederations representative of the country. The procedure for the selection of shareholder candidates and their proposers is set out in detail in the Company's Articles of Association.

Article 6.23 of the Code: The company should take out Directors and Officers (D&O) liability insurance for the members of the Supervisory Board to protect the company's interests. The insurance should cover an extent that ensures the maximum possible compensation for any costs the company may incur due to events caused by the actions of the Supervisory Board members.

Explanation: Kapitalska družba implemented the recommendation from this point in 2025 in the second half of the year, and liability insurance was established in September 2025.

Article 7.7 of the Code: At least in large companies, a culture of talent recognition and skill development should be actively fostered not only at the second level but also throughout the deeper layers of the organization. Individual employee development plans should define career directions and identify critical competencies needed for current and future success of the organization. Executive Management shall be responsible for motivating employees, fostering a sense of responsibility among the employees and reinforcing desired behaviours. The remuneration system should be based on knowledge, performance, education, and the complexity of work.

Explanation: Kapitalska družba partially complies with the stated provision of the Code, as it has not yet adopted a development plan for all employees, but respects the other essential directions of the provision in question. Kapitalska družba adopted a succession policy in the form of a single document for the company's management and leadership personnel, which is intended to identify, record and train potential candidates within its employees who may be suitable candidates to take over management and leadership positions in the company (key personnel).

Article 7.9 of the Code: Executive Management should articulate the company's mission and vision, providing a clear explanation of how the company generates long-term value for its owners, how it contributes to stakeholders, and how it benefits the broader society and the environment. Executive Management shall formulate a

comprehensive long-term business strategy by considering the company's fundamental objectives, the purpose of its establishment, and its vision. This strategy should describe methods and ways of involving stakeholders in realizing the company's vision. A section of the company's business report should also be dedicated to reporting on the realization of the company's vision.

Subsection 7.9.2: The management should implement the relevant principles of the National Action Plan of the Republic of Slovenia for the Commitment to Respect Human Rights in the Economy. Based on a due diligence review of operations, management should set goals and implementation measures to ensure respect for human rights across the company's entire operations.

Subsection 7.9.3: Based on the company's long-term strategy, the management prepares a business plan for each financial year.

Explanation: Kapitalska družba partially complies with the aforementioned provision of the Code and its subsection 7.9.2 and 7.9.3, as it does not have a multi-year company strategy, but only an annual business plan that contains all the required elements. In addition, it cooperates with the competent ministry in the preparation of the Annual Capital Investment Management Plan of the Republic of Slovenia, which is designed for a three-year period. Regardless of the above, the company has adopted strategies for the management of its own assets and for the management of SODPZ.

Article 8.7 of the Code: SOEs shall establish a financial calendar prior to the onset of the new financial year, or no later than January of the current financial year. This calendar shall detail the projected dates for significant company announcements throughout the year, including shareholder meetings, dates for dividend distributions, and the release of annual and interim reports. The financial calendar shall be published and accessible to the public on web site of the company. The company shall design the financial calendar to meet the key expectations of SSH regarding reporting deadlines, particularly concerning the assessment of business performance in the current year and plans for the coming year.

Explanation: The Company cannot comply with this provision of the Code due to the specifics provided for Kapitalska družba by the ZSDH-1 (in accordance with Article 52(2) of the ZSDH-1, the Company's distributable profit cannot be used for distribution to shareholders, and the duties of the Company's General Meeting are performed by the General Meeting of SSH i.e., the Government of the Republic of Slovenia, in accordance with Article 51 of the ZSDH-1). In addition to the above, Kapitalska družba is not a company managed by SSH, but rather by the Government of the Republic of Slovenia. Considering the above, it participates in the preparation and aligns the Annual Capital Investment Governance Plan of the Republic of Slovenia with the Ministry of Finance.

The requirement from the third indent of Article 3.6.1 of the Code: Description of the company's business compliance and integrity system in accordance with the KKUDD and the SSH Recommendations and Expectations:

The company has adopted a Corporate Integrity Plan, which identifies risks in the area of corruption and unethical and illegal activities, and has appointed a Corporate Integrity Officer. It also has a system in place to prevent, detect and investigate fraud and other harmful practices, as well as to protect whistleblowers. Since 2023, after becoming subject to the Whistleblower Protection Act, this system includes all legal requirements regarding whistleblower protection, internal reporting channels for fraud, violations and other harmful conduct, and the appointment of a confidant for receiving and processing internal reports.

In the design and implementation of corporate integrity activities Kapitalska družba in addition to the Whistleblower Protection Act and the Code of Management of Governance Code for Companies with Capital Assets of the State, is also guided by reference documents, namely the guidelines of the Commission for the Prevention of Corruption, the Slovenian Corporate Integrity Guidelines and anti-corruption principles for state-owned companies.

By identifying corporate integrity risks specific to the company's business, defining measures to mitigate these risks, appointing a Corporate Integrity Officer and putting in place measures to protect whistleblowers, including the appointment of a trustee to receive and deal with internal fraud, the company demonstrates zero tolerance for corruption and illegal and unethical conduct by its employees, the company's management and members of the Supervisory Board.

II. Description of the company's main characteristics of internal control and risk management systems relating to the accounting reporting procedure

Explanation: Kapitalska družba manages risks and carries out internal control procedures at all levels. The purpose of internal controls is to ensure the accuracy, reliability, transparency and clarity of all processes and risk management related to accounting reporting.

Controls carried out in the Accounting and Controlling Sector, which is in charge of keeping books of account and compiling financial statements pursuant to the applicable accounting, tax and other regulations, include procedures ensuring:

- accuracy, reliability and completeness of accounting records,
- recording business events and preparing financial statements and reports in accordance with applicable legislation,
- reliable system for business and decision support,
- true and fair financial reporting.

The financial statements of Kapitalska družba for each financial year are also examined and audited by an external audit. Pursuant to the resolution of the General Meeting as at 22 August 2025, the company's financial statements for 2025 are audited by the audit company PricewaterhouseCoopers d. o. o., Ljubljana, which has been appointed as the Company's auditor for the financial years 2025, 2026 and 2027.

There are certain operational risks in the implementation of financial reporting, primarily in connection with employees, which are mostly assessed as materially insignificant risks or some as materially weak risks. They are managed through measures such as regular training, knowledge transfer between employees, ensuring replacements and successions of key personnel, and appropriate information flow. The risk of compliance with external regulations is also assessed as a low risk, which is also adequately managed by ongoing monitoring of legal and regulatory provisions and, if necessary, by obtaining appropriate explanations regarding unclear regulations from the legislator or external consultants.

Back-office Support Sector, for the purpose of financial reporting, ensures pricing of non-marketable securities independently of the Asset management Sector or the Accounting and Controlling Sector. Securities pricing is carried out in the sector using its own models or valuations, and for larger investments by ordering valuations from external certified corporate valuers. All bases for determining the prices of securities are submitted for review to an external auditor.

The internal audit department is located in the organizational structure of the company as an independent organizational unit, directly subordinate to the management board, but also functionally subordinate to the audit committee and the supervisory board. This provides the independence of its operations and separation from executive functions that are the subject of audit. The fundamental focus of Internal Auditing is to examine and provide assurance on the operations of the Company's internal control systems. An internal auditor assesses the efficiency of internal controls in terms of the management of risks that the Company is exposed to. In accordance with the annual work program adopted by the company's management and supervisory board, the internal audit carries out audits for individual areas of the company's operations. By proposing improvements to business processes and procedures in the company, the internal audit contributes to increasing the performance of the company's operations.

III. Important direct and indirect ownership of the Company's securities in terms of achieving a qualifying holding as laid down by the act regulating takeovers

Explanation: The sole shareholder of Kapitalska družba d. d., is the Republic of Slovenia, which is the holder of all 874,235 ordinary registered no-par value shares (100% holding in the share capital).

IV. Holders of securities that carry special control rights

Explanation: The company does not have any securities that would grant special control rights.

V. Restrictions on voting rights

Explanation: The sole shareholder of Kapitalska družba is the Republic of Slovenia, which is the holder of all 874,235 ordinary registered no-par value shares and has no restrictions on voting rights.

VI. The company rules on the appointment or replacement of members of the management/supervisory bodies and amendments to Articles of Incorporation

Explanation: The company's rules on the appointment and replacement of the members of the management and supervisory bodies and amendments to articles of association are set out in the company's Articles of Association.

The Supervisory Board of Kapitalska družba is appointed by the General Meeting of the Company. In compliance with Article 51(6) of ZSDH-1, the Supervisory Board is composed of six members. Three members of the Supervisory Board are appointed on the proposal of Slovenian Sovereign Holding – SSH, two members on the proposal of the pensioners' organisations at the state level and one member on the proposal of trade union associations or confederations which are representative of the area of the country. If stakeholders do not formulate a proposal for the appointment of Supervisory Board members as defined below, the missing members of the Supervisory Board are appointed at the discretion of the General Meeting of the company. The candidates from among the representatives of SSH are proposed by the Management Board of the Slovenian Sovereign Holding, which informs the Supervisory Board about the selection. The candidates from among the representatives of the pensioners are proposed by the pensioners' organisations and associations at the state level, which inform the Supervisory Board about the selection. The candidates from among the representatives of the trade unions are elected by the representatives (electors) of the representative government-level trade union associations or confederations, which inform the Supervisory Board about the selection. Any representative association or confederation has the number of representatives equal to the number of the representative trade unions it comprises. In addition to the representatives referred to in the previous sentence, the association or confederation elects another representative for every ten thousand members. The term of office of the Supervisory Board members is four years with the possibility of reappointment.

Members of the Management Board are appointed by the Supervisory Board on the basis of a public tender. One of the Members is appointed Chairman of the Management Board. The term of office of the Management Board members is four years with the possibility of re-appointment. The breach of the Articles of Association of Kapitalska družba representing a severe dereliction of duties may constitute cause for dismissal.

The Articles of Association and its amendments and supplements are adopted by the General Meeting of Kapitalska družba upon the proposal of the Management Board and Supervisory Board or at its own discretion.

VII. Authorisations to the Management, particularly authorisations to issue or purchase own shares

Explanation: The powers held by members of the management are laid down in the Company's Articles of Association. The Company's Management Board is not authorised to issue or purchase treasury shares.

VIII. Information on the operations and key competences of the Company's General Meeting and a description of the shareholders' rights and method of their enforcement

Explanation: The sole shareholder of the company exercises its rights arising from the ownership of shares at the company's general meeting. The General Meeting is the highest body of the company and acts pursuant to the provisions of ZGD-1 and ZSDH-1. In 2025, one general meeting of the company was held.

The General Meeting decides on the fundamental affairs of Kapitalska družba and in particular: adopts the company's Articles of Association and its amendments; adopts the annual report in the event that the Supervisory Board has not approved it or if the Supervisory Boards leaves the decision on the adoption of the annual report to the General Meeting; takes decisions regarding the use of distributable profit at the proposal of the Management and Supervisory Boards; takes decisions on discharging members of the Management and Supervisory Boards; appoints and dismisses members of the company's Supervisory Board; appoints the company's auditor; takes decisions regarding measures to increase or decrease share capital, unless laid down otherwise by the Articles of Association or the law; takes decisions on the dissolution of Kapitalska družba and its status changes, as well as on other matters in line with the law and Articles of Association.

IX. Information about the composition and operations of the management and supervisory bodies and their committees

Explanation: The governance and management of Kapitalska družba are based on legal provisions and the provisions of the Articles of Association. The company has a two-tier governance system, with the Management Board managing the company and the Supervisory Board supervising its operations.

a) Supervisory Board

The powers of the Supervisory Board are laid down in the Company's Articles of Association, while the method of its work is governed by the Supervisory Board's Rules of Procedure. A detailed description of the activities and the method of Supervisory Board operations in 2025 is provided in the Report of the Supervisory Board. In 2025, the Supervisory Board of Kapitalska družba operated in the following composition:

- Janez Tomšič, Chairman (until 20 October 2025)
- Boris Žnidarič, Deputy chairman
- Ladislav Rožič, Member (until 16 February 2025)
- Mirko Miklavčič, Member
- Boštjan Leskovar, Member (until 20 October 2025)
- Andreja Cedilnik, Member
- Mitja Brudar, Member (from 22 August 2025)
- Maja Menard, Member (from 21 October 2025), Chairman (from 23 October 2025)
- Krešo Šavrič, Member (from 21 October 2025)

In 2025, two Supervisory Board committees operated (Audit and Human Resources Committees), whose work is presented in the Supervisory Board Report.

In 2025, the Audit Committee of the Supervisory Board of Kapitalska družba operated until 22 October 2025 in the following composition: Andreja Cedilnik, Chairman, Boštjan Leskovar, Member (termination of mandate as at 20 October 2025), Mirko Miklavčič, Member, and Natalija Stošicki, External member. As of 23 October 2025, the composition of the audit committee was as follows: Andreja Cedilnik, Chairman, Mirko Miklavčič, Member, Krešo Šavrič, Member, and Natalija Stošicki, External member. The members of the Audit Committee appointed from among the members of the Supervisory Board shall be appointed for the period until the expiry of the term of office of the member of the Supervisory Board, unless the Supervisory Board decides otherwise by resolution. The term of the independent expert (external member) is not tied to the term of office of the members of the supervisory board, and the supervisory board can replace them at any time.

In the year 2025, until 12 March 2025, the Human Resources Committee of the Supervisory Board was composed of: Boštjan Leskovar, Chairman, Ladislav Rožič, Member (termination of mandate as at 16 February 2025), and Andreja Cedilnik, Member. From 13 March 2025 until 22 October 2025, the Human Resources Committee operated in the following composition: Boštjan Leskovar, Chairman (termination of mandate as at 20 October 2025), Andreja Cedilnik, Member, and Boris Žnidarič, Member. As of 23 October 2025, the Human Resources Committee operates in the following composition: Boris Žnidarič, Member, Andreja Cedilnik, Member, and Maja Menard, Member. Members of the Human Resources Committee, all of whom are also members of the Supervisory Board, are appointed for the period until the expiry of the term of office of the member of the Supervisory Board, unless the Supervisory Board decides otherwise by resolution.

b) Management Board

In accordance with ZSDH-1 and the company's articles of association, the management board has a minimum of two and a maximum of three members. Members of the Management Board are appointed by the Supervisory Board on the basis of a public tender for the period of four years. In 2025, Kapitalska družba was run by the Management Board composed of:

- Bachtiar Djalil, Chairman
- Gregor Bajraktarević, Member.

The Chairman of the Management Board and a member of the Management Board of Kapitalska družba were appointed by the Supervisory Board on the basis of a public tender, in accordance with the company's Articles of Association 1 and the provisions of ZSDH1.

The Management Board runs the company for the good of the company, independently and at its own responsibility. The members of the Management Board shall represent the Kapitalska družba independently and without limitation. The company's Articles of Association lay down the transactions and decisions for which the Management Board must obtain the approval of the Supervisory Board. The Management Board of Kapitalska družba is accountable to the Supervisory Board and the General Meeting, and in the conduct of its business it must act with the professional care of a good businessperson, protect business secrets of Kapitalska družba and comply with the non-competition clause.

In 2025, the Management Board exercised its responsibilities in accordance with the Management's Rules of Procedure, reported regularly to the Supervisory Board and, in accordance with the Articles of Association, fulfilled its obligations towards the shareholder, as defined by ZGD1 in ZSDH-1.

Table 27: Management's composition in the financial year 2025

Name and surname	Function (chairman, member)	Areas of work within the Management Board	First appointment to the function	Completion of the function/ term of office	Gender	Citizenship	Year of birth	Education	Professional profile	Membership in the supervisory boards of companies not related to the Company
Bachtiar Djalil	Chairman	Legal and Human Resources, Internal Audit, Risk Management, Finance and Accounting, General Affairs	1 January 2010	4 January 2027	M	RS	1975	BSc (Law), LL.M. (Groningen)	Corporate governance, pension and investment fund management, commercial and financial law	/
Gregor Bajraktarević	Member	Asset Management, IT and Business Processes, Pension Fund Management	6 February 2017	9 February 2027	M	RS	1975	MSc (Science)	Asset management, corporate governance, investment banking and corporate restructuring	/

Table 28: Composition of the Supervisory Board and committees in financial year 2025

Name and surname	Function (chairman, deputy chairman, member of the SB)	First appointment to the function	Completion of the function/term of office	Representative of capital/employees	Attendance in SB meetings compared to the total number of SB meetings	Gender	Citizenship	Year of birth	Education	Professional profile	Independence under point 6.6 of the Code (YES/NO)	Existence of a conflict of interest during the financial year (YES/NO)	Membership in supervisory bodies of other companies	Membership in committees (audit, HR, remuneration committee, etc.)	Chairman/Member	Attendance in committee meetings compared to the total number of meetings
Janez Tomšič	Chairman	21 October 2021	20 October 2025	Representative of capital	7/7	M	RS	1979	BSc (Law)	corporate governance, real estate management, commercial law	Yes	No	SID, d. d. (until 11 September 2025)	/	/	/
Boris Žnidaršič	Deputy	1 February 2015	1 February 2027	Representative of pensioners	9/9	M	RS	1948	PhD (Doctor of Science)	Master of Laws and PhD in Social Sciences, qualified university teacher	Yes	No	Krka, d. d. (until 21 August 2025)	HR	Member (Until 13 March 2025) Chairman (from 23 October 2025)	5/5
Ladislav Rožič	Member	31 January 2011	16 February 2025	Representative of the trade unions	0/0	M	RS	1957	MSc (Science)	finance, corporate governance	Yes	No	/	HR	Member (Until 16 February 2025)	0/0
Mirko Miklavčič	Member	2 February 2019	1 February 2027	representative of pensioners	9/9	M	RS	1947	BSc in labour relations	finance, corporate governance, insurance	Yes	No	/	Audit	Member	10/10
Boštjan Leskovar	Member	21 October 2021	20 October 2025	Representative of capital	7/7	M	RS	1973	MSc (Science)	finance, governance systems, corporate governance	Yes	No	/	HR Audit	Chairman (until 20 October 2025) Member (Until 20 October 2025)	3/3 8/8
Andreja Cedilnik	Member	31 August 2022	30 August 2026	Representative of capital	9/9	F	RS	1974	BSc (Economics)	finance, accounting, controlling, corporate governance	Yes	No	/	Audit HR	Chairman Member	10/10 5/5
Mitja Brudar	Member	22 August 2025	21 August 2029	Representative of the trade unions	3/3	M	RS	1970	MSc (Science)	finance, planning and analysis, management systems	Yes	No	/	/	/	/
Maja Menard	Member, Chairman from 23 October 2025	21 October 2025	20 October 2029	Representative of capital	2/2	F	RS	1976	PhD (Doctor of Science)	commercial law, corporate governance, EU law	Yes	No	/	HR	Member (From 23 October 2025)	1/1
Krešo Šavrič	Member	21 October 2025	20 October 2029	Representative of capital	2/2	M	RS	1974	BSc (Law)	corporate governance, real estate management, commercial law	Yes	No	/	Audit	Member (From 23 October 2025)	1/1

Table 29: External members of Supervisory Board committees in the financial year 2025

Name and surname	Committee	Attendance in committee meetings compared to the total number of meetings	Gender	Citizenship	Education	Year of birth	Professional profile	Membership in the supervisory boards of companies not related to the Company
Natalija Stošicki	Audit	9/10	F	RS	BSc (Enterprise sector)	1966	financial services expert	/

X. Description of the diversity policy regarding representation in the company's management and supervisory bodies

Kapitalska družba has a diversity policy with regard to representation in the company's management or supervisory bodies in terms of gender and other aspects such as age or education and professional experience. The Diversity Policy of the Management Board and Supervisory Board sets out the main principles for ensuring diversity in the Management Board and Supervisory Board of Kapitalska družba. The Diversity Policy promotes diversity in the membership of both bodies. Differences in knowledge, experience, professional qualifications, age, gender and other aspects of the members of the Management Board and the Supervisory Board can be used to the benefit of the company by the diverse composition of the bodies. The Diversity Policy aims to achieve greater diversity in the composition of the Management Board and the Supervisory Board, which contributes to the effectiveness of both bodies and has a positive impact on the development of the Company's business and reputation. Ensuring diversity in terms of gender, age, educational and professional background, professional profile, tenure allows for the exchange of different views and perspectives and a good understanding of current developments, with the aim of ensuring the long-term success and sustainability of the Company's business. The Management Board and the Supervisory Board and its human resource committee strive to achieve the goals of the Diversity Policy, each within the scope of their responsibilities. The commitment to the implementation of the Diversity Policy is also followed by the sole shareholder and other stakeholders, in particular when proposing the members of the Supervisory Board, as Article 51(6) of the ZSDH-1 provides for a legally defined interest-based composition of the Supervisory Board, according to which, out of a total of six members of the Supervisory Board, three members are appointed on the proposal of SSH, two members are appointed on the proposal of national pensioners' federations or organisations, and one member is appointed on the proposal of trade union federations or confederations, representative of the country. The aim shall be to have as equal a gender balance as possible and continuity of orientation so that not all members of the Management Board or Supervisory Board are replaced at the same time. The complementarity of the two bodies is also important.

Gregor BAJRAKTAREVIĆ

Member of the Management Board

Bachtiar DJALIL

Chairman of the Management Board

Ljubljana, 7 April 2026



ACCOUNTING
REPORT

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY

The Management Board of Kapitalska družba pokojninskega in invalidskega zavarovanja, d. d. hereby confirms the Company's financial statements for the year ending 31 December 2025 and the accompanying notes and disclosures to the financial statements.

The Management Board also confirms that the appropriate accounting policies were consistently applied in compiling the financial statements, that accounting estimates were made according to the principle of prudence and the diligence of a good manager, and that the financial statements present a true and fair view of the Company's financial assets and operating results for 2025.

The Management Board is also responsible for ensuring that accounting is conducted correctly and that appropriate measures are taken to secure property and other assets, and confirms that the financial statements, together with the notes, have been compiled on a going concern basis and in line with current legislation and the International Financial Reporting Standards (IFRS) as adopted by the EU.

The tax authorities may audit the Company at any time in the five years following the end of a year in which tax must be paid, which can result in an additional tax liability, default interest and fines for corporate income tax or for other taxes and levies. The Management Board is not aware of any circumstances which could lead to any material liabilities in this regard.



Gregor BAJRAKTAREVIĆ
Member of the Management Board



Bachtiar DJALIL
Chairman of the Management Board

Ljubljana, 7 April 2026

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AUDITOR'S REPORT

Independent Auditor's Report

To the Sole Shareholder of Kapitalska družba pokojninskega in invalidskega zavarovanja d. d.

Our opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Kapitalska družba pokojninskega in invalidskega zavarovanja d. d. (the "Company") as at 31 December 2025, and the Company's separate financial performance and separate cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

What we have audited

The Company's separate financial statements comprise:

- the separate statement of financial position as at 31 December 2025;
- the separate statement of profit or loss for the year then ended;
- the separate statement of other comprehensive income for the year then ended;
- the separate statement of changes in equity for the year then ended;
- the separate statement of cash flows for the year then ended; and
- the notes to the separate financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in *the Auditor's responsibilities for the audit of the separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements of the Auditing Act (ZRev-2) that are relevant to audits of financial statements in Slovenia and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the Auditing Act (ZRev-2) and the IESBA Code.

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The company is entered in the register of companies with the District Court of Ljubljana by decision Srg. 200110427 of 19 July 2001 under entry No. 12156800, and in the register of audit companies at the Agency for Public Oversight of Auditing under No. RD-A-014/94. The registered share capital amounts to EUR 34,802. The list of employed auditors with valid licenses is available at the company's registered office.

Translation note:

This version of our report is a translation from the original, which was prepared in Slovenian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Reporting on other information including the Business Report

Management is responsible for the other information. The other information comprises the Business Report but does not include the separate financial statements and our auditor's report thereon.

Our opinion on the separate financial statements does not cover the other information, including the Business Report.

In connection with our audit of the separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Business Report, we also performed procedures required by the Companies Act (ZGD-1). Those procedures include assessing whether the Business Report is consistent with the separate financial statements and whether the Business Report was prepared in accordance with the Companies Act (ZGD-1).

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Business Report for the financial year for which the separate financial statements are prepared is, in all material respects, consistent with the separate financial statements; and
- the Business Report has been prepared, in all material respects, in accordance with the requirements of the Companies Act (ZGD-1).

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Business Report and other information. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the separate financial statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with the International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement

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when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For and on behalf of PricewaterhouseCoopers d.o.o.

Refer to the original
signed Slovenian version

Primož Kovačič

Director, Certified auditor

7 April 2026

Ljubljana, Slovenia

Translation note:

This version of our report is a translation from the original, which was prepared in Slovenian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

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SEPARATE FINANCIAL STATEMENTS
FOR 2025

14.1 SEPARATE STATEMENT OF PROFIT OR LOSS

in EUR 000

	Note	2025	2024
1. Net sales revenue	1	12,810	12,203
2. Other operating revenue	2	114	761
Total operating revenue		**12,924**	**12,964**
3. Costs of materials and services	3	-1,970	-1,892
4. Labour costs	4	-4,405	-4,262
5. Write-downs in value	5	-1,041	-1,060
6. Other operating expenses	6	-9	-14
Total costs		**-7,425**	**-7,228**
Results from operating activities		**5,499**	**5,736**
7. Financial revenue			
a) Financial revenue from shares and interests in group companies	7.1	8,618	4,000
b) Financial revenue from shares in associates	7.1	3,413	3,144
c) Financial revenue from shares in other companies	7.1	92,746	110,011
d) Financial revenue from other investments and from loans	7.2	3,425	6,084
Total financial revenue	**7**	**108,202**	**123,239**
8. Financial expenses			
b) Financial expenses due to impairment and write down of other investments	8.1	-17,062	-2,289
c) Financial expenses from financial liabilities	8.2	-81,494	-65,010
Total financial expenses	**8**	**-98,556**	**-67,299**
Profit/loss before tax		**15,145**	**61,676**
9. Corporate income tax	9	-526	-2,293
10. Deferred tax	10	-1,296	-20,610
11. Net profit or loss for the period		**13,323**	**38,773**

The accompanying notes and disclosures form an integral part of the financial statements.

14.2 SEPARATE STATEMENT OF OTHER COMPREHENSIVE INCOME

in EUR 000

	2025	2024
Net profit or loss for the period	13,323	38,773
Other comprehensive income for the financial year	290,634	124,191
Items not to be reclassified subsequently to the profit or loss	290,917	124,357
Actuarial gains/losses within defined employee benefits plans	-7	12
Gains/losses in relation to changes in fair value of investments in equity instruments, measured at fair value through other comprehensive income	332,214	141,972
Tax on items subsequently not to be reclassified to profit or loss	-41,290	-17,627
Items that may be reclassified subsequently to profit or loss	-283	-166
Gains/losses in relation to investments in debt instruments, measured at fair value through other comprehensive income	-363	-212
Tax on items that may be reclassified subsequently to profit or loss	80	46
Total comprehensive income for the year	303,957	162,964

The accompanying notes and disclosures form an integral part of the financial statements.

14.3 SEPARATE STATEMENT OF FINANCIAL POSITION

in EUR 000

	Note	31 Dec 2025	31 Dec 2024
ASSETS			
A. Non-current assets			
I. Intangible assets and non-current deferred costs and accrued revenue	11	65,188	65,129
II. Property, plant and equipment	12	1,825	2,025
III. Investment property	13	13,986	14,708
IV. Long-term financial investments			
1. Long-term financial investments, excluding loans			
a. Shares and interests in group companies	14	152,200	152,200
b. Shares and interests in associates	14	91,821	84,720
c. Joint ventures	14	5,963	5,963
d. Other shares and interests	15	1,519,926	1,158,559
e. Other long-term financial investments	15	39,541	65,515
Total long-term financial investments, excluding loans		1,809,451	1,466,957
Total long-term financial investments		1,809,451	1,466,957
V. Non-current operating receivables	16	1,099	1,347
VI. Deferred tax assets	10	3,902	5,292
Total non-current assets		1,895,451	1,555,458
B. Current assets			
III. Short-term financial investments			
1. Short-term financial investments, excluding loans	15	18,380	18,709
Total short-term financial investments		18,380	18,709
IV. Current operating receivables			
1. Current operating receivables due from group companies		35	34
2. Current trade receivables		1,024	1,029
3. Current operating receivables due from others		2,645	599
4. Other current operating receivables		152,178	81,563
Total current operating receivables	16	155,882	83,225
V. Cash and cash equivalents	17	4,123	2,170
Total current assets		178,385	104,104
Total assets		2,073,836	1,659,562

in EUR 000

	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
A. Equity			
I. Called-up capital	18	364,810	364,810
II. Capital surplus	19	219,033	218,905
V. Reserves arising from valuation at fair value	20	818,361	527,727
VI. Retained earnings		329,853	290,888
VII. Net profit or loss for the year		13,323	38,773
Total equity		**1,745,380**	**1,441,103**
B. Provisions			
I. Provisions for pensions and similar obligations		333	307
II. Other provisions		7	54
Total provisions	**21**	**340**	**361**
C. Non-current liabilities			
I. Non-current financial liabilities		65,000	65,000
II. Non-current operating liabilities		52	50
Total non-current liabilities	**22**	**65,052**	**65,050**
III. Deferred tax liabilities	**10**	**110,352**	**69,235**
Total non-current liabilities		**175,404**	**134,285**
D. Current liabilities			
II. Current financial liabilities	22	151,978	81,483
III. Current operating liabilities			
2. Current trade payables		168	197
5. Current liabilities to the state		28	28
7. Other current operating liabilities		538	469
Total current operating liabilities	**22**	**734**	**694**
IV. Current tax liabilities	**9**	**0**	**1,636**
Total current liabilities		**152,712**	**83,813**
Total equity and liabilities		**2,073,836**	**1,659,562**

The accompanying notes and disclosures form an integral part of the financial statements.

14.4 SEPARATE STATEMENT OF CASH-FLOW

in EUR 000

	2025	2024
A. Cash flows from operating activities		
a) Net Profit or loss and adjustments		
Net profit or loss	13,323	38,773
Tax adjustment	1,822	22,903
Adjustments for depreciation of property, plant and equipment, amortisation of intangible assets, and depreciation of investment property	1,041	1,060
Adjustments for financial income	-108,202	-123,239
Adjustments for financial expenses	98,556	67,299
Operating profit before changes in net current assets and taxes	**6,540**	**6,796**
b) Changes in net current assets and provisions		
Opening less closing operating receivables	-72,409	-24,145
Closing less opening operating liabilities	68,899	17,507
Closing less opening operating provisions	-21	-548
Cash generated from operating activities	**-3,531**	**-7,186**
c) Net cash (disbursements) from operating activities	3,009	-390
B. Cash flows from investing activities		
a) Net receipts from investing activities		
Receipts from interest	1,060	3,434
Receipts from dividends	57,744	49,041
Receipts from decrease of long-term financial investments	5,171	38,017
Receipts from decrease of short-term financial investments	146,788	158,326
Total receipts from investing activities	**210,763**	**248,818**
b) Cash disbursements from investing activities		
Disbursements to acquire intangible assets	-104	-2
Disbursements to acquire plant, property and equipment	-38	-61
Disbursements to acquire investment property	-35	-38
Disbursements to acquire long-term financial investments	0	-183,165
Disbursements to acquire short-term financial investments	-130,288	-5
Total cash disbursements for investing activities	**-130,465**	**-183,271**
c) Cash from investing activities	80,298	65,547
C. Cash flows from financing activities		
a) Cash receipts from financing activities		
Cash receipts from paid-in capital	128	104
Total cash receipts from financing activities	**128**	**104**
b) Cash disbursements for financing activities		
Disbursements for payment of obligations to ZPIZ	-81,482	-65,000
Total cash disbursements from financing activities	**-81,482**	**-65,000**
c) Cash from financing activities	-81,354	-64,896
D. Closing balance of cash		
a) Net cash flow for the period	1,953	261
b) Opening balance of cash	2,170	1,909
c) Total closing balance of cash	4,123	2,170

The accompanying notes and disclosures form an integral part of the financial statements.

14.5 SEPARATE STATEMENT OF CHANGES IN EQUITY

in EUR 000

		Share capital	Capital surplus	Reserves arising from valuation at fair value	Retained earnings	Net profit or loss for the current period	Total
	Note	18	19	20			
A. 1.	Balance as at 31 December 2024	364,810	218,905	527,727	290,888	38,773	1,441,103
A. 2.	Balance as at 1 January 2025	364,810	218,905	527,727	290,888	38,773	1,441,103
B. 1.	Changes in equity – transactions with owners	0	128	0	0	0	128
d)	Entry of additional paying-up of the capital *(note 19)*	0	128	0	0	0	128
B. 2.	Total comprehensive income for the period	0	0	290,634	0	13,323	303,957
a)	Net profit or loss for the reporting period	0	0	0	0	13,323	13,323
d)	Changes in reserves arising from valuation of financial investments at fair value *(note 20)*	0	0	290,641	0	0	290,641
e)	Other components of the comprehensive income for the period *(note 20)*	0	0	-7	0	0	-7
B. 3.	Changes in equity	0	0	0	38,965	-38,773	192
a)	Distribution of the remaining part of the net profit of the comparative reporting period to other components of equity	0	0	0	38,773	-38,773	0
f)	Profits/losses from derecognition of equity investments measured at fair value through other comprehensive income *(note 15)*	0	0	0	192	0	192
C.	Closing balance as at 31 December 2025	364,810	219,033	818,361	329,853	13,323	1,745,380

The accompanying notes and disclosures form an integral part of the financial statements.

in EUR 000

		Share capital	Capital surplus	Fair value reserves	Retained earnings	Net profit or loss for the current period	Total
	Note	18	19	20			
A. 1.	Balance as at 31 December 2023	364,810	218,801	403,536	237,894	49,927	1,274,968
A. 2.	Balance as at 1 January 2024	364,810	218,801	403,536	237,894	49,927	1,274,968
B. 1.	Changes in equity – transactions with owners	0	104	0	0	0	104
d)	Entry of additional paying-up of the capital *(note 19)*	0	104	0	0	0	104
B. 2.	Total comprehensive income for the period	0	0	124,191	0	38,773	162,964
a)	Net profit or loss for the reporting period	0	0	0	0	38,773	38,773
d)	Changes in reserves arising from valuation of financial investments at fair value *(note 20)*	0	0	124,179	0	0	124,179
e)	Other components of the comprehensive income for the period *(note 20)*	0	0	12	0	0	12
B. 3.	Changes in equity	0	0	0	52,994	-49,927	3,067
a)	Distribution of the remaining part of the net profit of the comparative reporting period to other components of equity	0	0	0	49,927	-49,927	0
f)	Profits/losses from derecognition of equity investments measured at fair value through other comprehensive income *(note 15)*	0	0	0	3,085	0	3,085
g)	Other *(note 20)*	0	0	0	-18	0	-18
C.	Closing balance as at 31 December 2024	364,810	218,905	527,727	290,888	38,773	1,441,103

The accompanying notes and disclosures form an integral part of the financial statements.

14.6 STATEMENT OF DISTRIBUTABLE PROFIT

in EUR 000

	2025	2024
Net profit or loss for the year	13,323	38,773
Retained net profit/loss	329,853	290,888
Distributable profit	343,176	329,661

As at 31 December 2025, the company disclosed EUR 343,176 thousand in distributable profit (31 December 2024: EUR 329,661 thousand), the allocation of which will be decided by the general meeting of the company. In line with Article 52(2) of ZSDH-1 distributable profit of Kapitalska družba cannot be distributed to the shareholders.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS, COMPRISING MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION

15.1 GENERAL DISCLOSURES

Company Profile

Kapitalska družba is organised as a public limited company. The company is headquartered at Dunajska cesta 119 in Ljubljana, Slovenia. The sole shareholder is the Republic of Slovenia. The Company's share capital amounts to EUR 364,809,523.15, and is divided into 874,235 registered no-par value ordinary shares. Each no-par value share shall account for the same proportion and corresponding amount in the share capital. The rights of the sole shareholder, i.e. the Republic of Slovenia, are exercised by the Government of the Republic of Slovenia. Kapitalska družba does not have its own shares and the management board does not have the authority to issue or purchase them.

The activities of Kapitalska družba are defined by law and by the Company's Articles of Association. On the basis of the Standard Classification of Activities, according to the Company's Articles of Association and entry in the Companies Register, the main activity performed by Kapitalska družba is pension funding and it also performs other activities related to asset management and services related to support to asset management: other financial intermediation, activities ancillary to pension funding, trade in own property, lease of own property, software supply and consultancy, data processing, network data services, other computer related activities, accounting and bookkeeping services, tax consultancy, market research and public opinion polling, business and other management consultancy, activities of holding companies, publishing of journals and periodicals, and other educational services.

Amendments to the Articles of Association and the Rules on Appointing the Management Board and the Supervisory Board

The Articles of Association and its amendments and supplements are adopted by the General Meeting of Kapitalska družba upon the proposal of the Management Board and Supervisory Board or at its own discretion. In 2025, the General Meeting adopted a new, updated Article of Association.

Members of the Management Board are appointed by the Supervisory Board on the basis of a public tender. One of the Members is appointed Chairman of the Management Board. The term of office of the Management Board members is four years with the possibility of re-appointment. The breach of the Articles of Association of Kapitalska družba representing a severe dereliction of duties may constitute cause for dismissal.

The Company's Management Board is not authorised to issue or purchase treasury shares.

The Supervisory Board of Kapitalska družba is appointed by the General Meeting of the Company. In compliance with Article 51(6) of ZSDH-1, the Supervisory Board is composed of six members. Three members of the Supervisory Board are appointed on the proposal of Slovenian Sovereign Holding – SSH, two members on the proposal of the pensioners' organisations at the state level and one member on the proposal of trade union associations or confederations which are representative of the area of the country. If stakeholders do not formulate a proposal for the appointment of Supervisory Board members as defined below, the missing members of the Supervisory Board are appointed at the discretion of the General Meeting of the company. The candidates from among the representatives of SSH are proposed by the Management Board of the Slovenian Sovereign Holding, which informs the Supervisory Board about the selection. The candidates from among the representatives of the pensioners are proposed by the pensioners' organisations and associations at the state level, which inform the Supervisory Board about the selection. The candidates from among the representatives of the trade unions are elected by the representatives (electors) of the representative government-level trade union associations or confederations, which inform the Supervisory Board about the selection. Any representative association or confederation has the number of representatives equal to the number of the representative trade unions it comprises. In addition to the representatives referred to in the previous sentence, the association or confederation elects another representative for every ten thousand members. The term of office of the Supervisory Board members is four years with the possibility of reappointment.

Information about the controlling company

Kapitalska družba does not have a controlling entity.

Data on consolidation

Kapitalska družba, as the parent company, is required to prepare consolidated financial statements in which it consolidates Modra zavarovalnica and Hotelske nepremičnine. The consolidated financial statements of the Kapitalska družba Group for 2025 had not yet been prepared as at the date of approval of the separate financial statements. Once prepared and approved, they will be presented in a separate document, the Consolidated Annual Report of the Kapitalska družba Group for 2025.

The Annual Report of Kapitalska družba for 2025 should be read in conjunction with the Consolidated Annual Report of the Kapitalska družba Group for 2025, which will be prepared following the completion of the Annual Report of Kapitalska družba for 2025 and the annual reports for 2025 of both companies consolidated by Kapitalska družba.

The consolidated Annual Report of the Kapitalska družba Group will be published at https://www.kapitalska-druzba.si/o-kapitalski-druzbi/letna-porocila/ by the end of August 2026.

Subsidiaries

Basic information about Modra zavarovalnica, d. d.

Company name	Modra zavarovalnica, d. d.
Registered seat	Dunajska cesta 119, Ljubljana
Registration number	6031226
VAT ID	SI21026912

As at 31 December 2025, the sole shareholder of Modra zavarovalnica is Kapitalska družba. The company's share capital amounts to EUR 152,200,000, and is divided into 152,200,000 registered no-par value ordinary shares. Each share represents an equal stake and an associated amount in the share capital.

Modra zavarovalnica is performing the activities within the group of life insurance products pursuant to the Insurance Act (ZZavar-1) and the decision issued by the Insurance Supervision Agency (AZN) allowing the company to perform insurance transactions for the following types of insurance:

- accident insurance – Article 7, paragraph 2, item 1 of ZZavar-1
- life insurance – Article 7, paragraph 2, item 19 of ZZavar-1

The activities of Modra zavarovalnica are determined by law and the company's Articles of Association. According to the Articles of Association and in line with its purpose, Modra zavarovalnica performs the following activities:

Activity code	Activity name
65.110	Life insurance
65.120	Non-life insurance (only the insurance business under the classes of insurance involving accident and health insurance)
65.300	Pension funding
66.210	Risk and damage evaluation
66.220	Activities of insurance agents and brokers
66.290	Other activities auxiliary to insurance and pension funding
66.300	Fund management activities

Kapitalska družba is not subject to any restrictions related to the payment of dividends to which it is entitled as the controlling company. Kapitalska družba is also not obligated to provide financial support to the company in the future. Kapitalska družba is not exposed to any additional risks arising from its interests in the subsidiary.

Joint venture information

Basic information about Hotelske nepremičnine, d. o. o.

Company name	Hotelske nepremičnine, d. o. o.
Registered seat	Dunajska cesta 119, Ljubljana
Registration number	8290130000
VAT ID	SI86977334

As at 2 October 2018, Kapitalska družba and Modra zavarovalnica founded Hotelske nepremičnine. The share capital of the latter equals EUR 25,000 and each founder holds a 50% interest. The company was founded for the purchase of property, namely of the San Simon resort.

Employee data

At the end of 2025, Kapitalska družba had 58 employees inclusive of the two members of the Management Board (31 December 2024: 57). In 2025, the Company had 57.54 employees on average (2024: 58.65).

Table 30: Number of employees by level of education

	Number of employees	
Education level	**31 Dec 2025**	**31 Dec 2024**
Level 8 (8/1, 8/2)	13	13
Level 7	25	26
Level 6 (6/1, 6/2)	12	13
Level 5	8	5
Total	58	57

15.2 MATERIAL ACCOUNTING POLICY INFORMATION

Basis for preparation of financial statements

Separate financial statements for 2025 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, and the Companies Act. The consolidated financial statements of the Kapitalska družba Group for 2025 have not yet been prepared as of the date of approval of the separate financial statements.

In the group financial statements of the Kapitalska družba Group, the companies Modra zavarovalnica and Hotelske nepremičnine will be fully consolidated.

The separate financial statements for 2025 must be read together with the consolidated financial statements when they are published, in order to provide complete information about the financial position of the Kapitalska družba Group as at 31 December 2025 and about its financial performance and cash flows for the year then ended.

The data in the financial statements are based on authentic book-keeping documents and books of account kept in accordance with the prescribed legislation. The following two underlying accounting assumptions were considered in the course of preparing the financial statements: going concern and accrual. The following quality characteristics have been observed in the formulation of accounting policies: comprehensibility, suitability, reliability, and comparability.

The financial statements are prepared under the assumption of a going concern.

Unless stated otherwise, all amounts in the financial statements and notes thereto are expressed in EUR thousand.

Statement of compliance

The financial statements of Kapitalska družba are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

In its financial statements, Kapitalska družba applied all IFRSs and IFRICs required in 2025. It did not apply any standard or interpretation before its application became obligatory in 2025.

Procedure for the Adoption of the Annual Report

The Annual Report is compiled by the Management Board of the Company, which submits it for approval to the Supervisory Board. The Management Board and the Supervisory Board also decide on the use of net profits for creation of the Company‘s reserves according to the provisions of the

Companies Act. Such use of profit is included in the statements for the current year, while the distribution of distributable profit is decided by the Company's General Meeting. In line with Article 52(2) of ZSDH-1 distributable profit of Kapitalska družba cannot be distributed to the shareholders.

Foreign Currency Translation

The financial statements of the Company are presented in the Euro (EUR), which is the functional and reporting currency of the Company. Foreign currencies are translated into euros using the ECB reference exchange rate or, for currencies for which the ECB does not publish reference rates, the exchange rate published by the Bank of Slovenia. Transactions in foreign currencies are translated into euros at the exchange rate prevailing on the transaction date at initial recognition. At subsequent measurement, monetary items denominated in foreign currencies are translated at the closing rate at the reporting date, with the resulting effects recognised in the income statement. Non-monetary items measured at historical cost in a foreign currency are translated at the exchange rate on the transaction date, while non-monetary items measured at fair value are translated at the exchange rate on the date when the fair value was determined.

Intangible Assets

Intangible assets are initially recognized at cost, and the cost model is used for subsequent measurement. The useful life of an individual intangible asset is finite, and amortization is recognized in the income statement. Intangible assets generated within the Company, except from development costs, are not capitalised. Costs represent expenses of the period in which they are incurred.

A recognised intangible asset is impaired if its carrying amount exceeds its net recoverable amount.

Asset	Depreciation rate in %
Software	20.00–33.33

The amortisation of intangible assets is accounted for under the straight-line basis over the estimated useful life of the assets, which is three or five years for software.

Gains or losses arising on elimination or disposal of an intangible asset are recognized in the profit or loss statement when the fixed asset is eliminated or disposed.

Property, plant and equipment

Buildings and equipment are carried at cost, less depreciation and impairment losses. Depreciation is accounted for under the straight-line basis over the estimated useful life of the assets:

Asset	Depreciation rate in %
Buildings	3.00–3.33
Equipment	16.67–50.00
Building parts	6.00

Every year an impairment test is carried out on property, plant and equipment. Tangible fixed assets are impaired if their carrying amount exceeds their recoverable amount.

Land, buildings or equipment are derecognised when the relevant asset is sold or when the Company no longer expects economic benefits from the asset's continuing use. Gains and losses arising from derecognition of the asset are included in the profit or loss statement in the year of derecognition of the individual asset.

The residual value of the assets, their estimated useful lives and/or the amortisation or depreciation method are revised and, if necessary, changed upon the compilation of the financial statements.

An item of property, plant and equipment whose individual value does not exceed EUR 500, may be expensed in the period in which they are incurred.

Maintenance costs and increase in fixed assets value

Maintenance costs relate mainly to buildings. Maintenance costs are the costs arising from the conclusion and execution of transactions required to maintain the conditions allowing the use and the achievement of the primary purpose of the building. Maintenance comprises all works according to the regulations on building of facilities and functioning of fire protection systems and other protection and rescue measures. Maintenance costs are recognised in profit or loss in the period in which they are incurred.

Criteria for distinction between maintenance costs and increase in fixed assets value

Maintenance costs include the costs of maintaining a fixed asset useful during its useful life and represent ongoing maintenance and repairs. Investments in existing fixed assets that increase future economic benefits increase the value of fixed assets.

Investment property

Investment properties that meet the conditions for recognition are initially measured at cost, and the cost model is used for subsequent measurement. The depreciation rate of investment property is between 3.00 and 3.33 percent annually and the estimated useful life is 33.33 or 30 years. The depreciation rate of parts of investment property is 6.00 percent annually and the estimated useful life is 16.67 years.

Every year an impairment test is carried out on investment property. Investment properties are impaired if their carrying amount exceeds their recoverable amount.

Gains and losses from the disposal or elimination of investment property are recognized in the profit or loss statement.

Investment properties at individual locations represent individual cash-generating units.

Financial assets

Classification and measurement of financial assets

The Company classifies financial assets based on the business model for managing them and the contractual cash flow characteristics of the financial asset. After initial recognition, they are measured at:

a. amortised cost (AC),

b. fair value through other comprehensive income (FVOCI) or

c. fair value through profit or loss (FVTPL).

For equity instruments that the Company does not own for the purpose of trading and that are managed in an active corporate manner due to the size of the ownership interest, the Company makes an irrevocable election at initial recognition to present subsequent changes in fair value in other comprehensive income. It therefore measures such financial assets at fair value through other comprehensive income and only recognizes dividends from these investments in the profit or loss statement.

The Company discloses investments in the equity of other companies that are of the same type and of the same issuer using the weighted average price method, separately for each group of investments. Investments in debt financial assets are stated according to the classification of financial investments as follows:

- financial assets measured at fair value through profit or loss using the weighted average price method,
- financial assets measured at amortised cost are stated at amortised cost,
- financial assets measured at fair value through other comprehensive income are disclosed using the FIFO method.

Assessment of contractual cash flows

If a financial asset is held within a business model whose objective is to collect contractual cash flows, or within a business model in which the objective is achieved by collecting contractual cash flows and by selling financial assets, the company must assess whether the contractual cash flows from the financial asset represent solely payments of principal and interest on the outstanding principal amount. For this purpose, it performs the so-called SPPI test (Solely Payments of Principal and Interest). If this condition is not met, the financial asset is measured at fair value through profit or loss, irrespective of the business model.

Gains and losses on financial assets

A gain or a loss on a financial asset that is measured at fair value through profit or loss is recognised in profit or loss. Translations of financial assets expressed in foreign currencies are also recognised in profit or loss.

Gain or a loss on debt instruments measured at fair value through other comprehensive income are recognised directly in equity as increases or decreases in the fair value reserve. Translation effects on debt instruments denominated in foreign currencies are recognised in profit or loss. Upon derecognition of a debt instrument, the profit or loss accumulated in the reserves arising from fair value measurement is recognized in the profit or loss statement.

Profit or loss from financial investments in the equity of other companies that are measured at fair value through other comprehensive income is recognised directly in equity as an increase or decrease in fair value reserves, including the translation of investments denominated in foreign currencies. Upon derecognition of a financial investment, the profit or loss accumulated in fair value reserves is recognised in retained earnings.

For financial assets, measured at amortised cost, a gain or loss is recognised in profit or loss when such assets are revalued for impairment or derecognised. Translation effects on financial assets denominated in foreign currencies are also recognised in profit or loss.

Investments in Subsidiaries, Associates and Joint Ventures

Subsidiaries that are directly or indirectly directed or controlled by Kapitalska družba are measured in the separate financial statements at cost, less any impairment losses.

Associates, in which Kapitalska družba has significant influence, are measured in the separate financial statements at fair value through other comprehensive income.

Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. In the separate financial statements, Kapitalska družba measures joint ventures at cost, less any impairment losses.

Modification of cash flows and derecognition of a financial asset

The company derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and the transfer meets the criteria for derecognition.

If a new agreement has been concluded on the contractual cash flows of a financial asset or these have changed in some other way and the renegotiation or changes do not lead to derecognition, the Company must recalculate the gross carrying amount of the financial asset and recognise the profit or loss from the change in the profit or loss.

Measurement and grouping of exposures for credit loss assessment

The company classifies exposures into three stages, namely:

a. Stage 1 - exposures for which there has not yet been a significant increase in credit risk, expected credit losses are measured based on a 12-month period
b. Stage 2 - exposures for which the credit risk has increased significantly in the period from initial recognition to the reporting date, expected credit losses are recognized for the entire life of the financial instrument;
c. Stage 3 - exposures in a position of significantly impaired payment worthiness and “default”, for which expected credit losses are also recognized for the entire life of the financial instrument.

The company classifies all exposures into stage 1 upon initial recognition, unless they are purchased or issued financial assets that are defined as unpaid exposures, i.e., purchased or originated credit-impaired financial assets (POCI). Such exposures are classified in the third stage.

Upon subsequent measurement, the Company assesses whether the credit risk of exposure has increased significantly since initial recognition until the reporting date.

For trade receivables, the company uses the number of days past due as the criterion for staging. A receivable is automatically classified in Stage 2 when the payment is more than 30 days past due, and in Stage 3 when the payment is more than 90 days past due.

The company assesses significant increase in credit risk considering all reasonable and supportable information at the level of an exposure. A significant increase in credit risk can also be assessed by the company at the exposure group level, but only when appropriate and demonstrable information (factors or indicators) cannot be obtained at the individual exposure level without excessive cost and effort, or cannot be assessed at the individual exposure level.

The assessment of a significant increase in credit risk is based on clearly defined quantitative and qualitative criteria which may vary for individual exposure groups, i.e., relevant portfolios, groups of portfolios, or elements of portfolios.

The basic criterion considered by the Company for classification into stages is the credit rating or internal rating of a particular financial instrument. The internal rating is defined by use of an algorithm in the information system and is based on international credit ratings, or, in the absence of international credit ratings, it is determined internally. The Company uses the Bloomberg Credit Rating as the primary source for determining the internal credit rating.

The Company regularly checks the international ratings of investment grade financial instruments and financial instruments with non-investment grade rating in the accounting period.

The Company measures the expected losses on a debt financial instrument by using the approach that reflects the following:

- an unbiased and probability-weighted amount, determined by evaluating the range of possible outcomes,
- the time value of money and
- appropriate and demonstrable information about past events, current conditions and forecasts regarding future economic circumstances that are available without excessive cost and effort at the reporting date.

The company classifies exposures by groups according to common credit risk characteristics into the following segments:

- government,
- companies and
- financial institutions.

For classification into stages, the company uses its own methodology for estimating expected credit losses, based on risk parameters:

- exposure at default (EAD),
- probability of default (PD) and
- loss given default (LGD).

The estimates of the risk parameters that the Company takes into account when assessing expected credit losses are based on past events, current conditions and forecasts regarding future economic circumstances.

In the event that the Company does not have sufficient data to provide reliable estimates of the risk parameters for calculating expected credit losses, it can use commercially available data (e.g. data from credit rating agencies) or a combination of own and external data.

In cases where the Company does not have sufficient data about a particular investment or transaction, it may use:

- parameters of a controlling company,
- parameters of a comparable financial instrument,
- parameters of an individual country, if a unit of the central/regional/local level of the country, a public sector entity or a central bank is the issuer of the financial instrument.

The Company uses EAD risk parameters as derived from amortization plans (using contractual cash flows). EAD risk parameters are not adjusted for the impact of macroeconomic risk factors.

EAD risk parameter represents an estimate of exposure at a future default date, taking into account expected changes in exposure after the reporting date, including the repayments of principal and interest. It is the expected credit exposure at a specific time.

The Company applies its own PD risk parameter for each segment (country, company, financial institutions) and for each credit rating.

For the calculation of PD risk parameters, the Company uses data obtained from the reports of the credit rating agency S&P, separately for governments, companies and financial institutions. Historical PD by individual rating (credit rating) is used for the calculation.

For exposures to central governments and central banks, financial institutions, regional governments or local governments, and to public sector entities, the Company uses Moody's issuer-weighted average recovery rates (LGD – country). For exposures to companies, the Company uses Moody's issuer-weighted average recovery rates (LGD – companies).

The company has experienced an increase in credit risk and a deterioration in the macroeconomic environment, which has led to an increase in probabilities of default (PD) according to the model used, while losses given default (LGD) for government bonds and banks have slightly decreased.

In order to consider the economic cycles in calculating the probability of default, the Company takes into account forecasts of future economic performance and an adjustment for the economic cycle for the first three years in all classes of investments (government and corporate bonds and bonds of financial institutions).

Determining fair value of financial investments

The fair value of financial investments is the price that would be received for the sale of an asset or paid for a transfer of a liability in an ordinary transaction between market participants at the measurement date. Fair value measurement in case of this type of transaction is based on the assumption that the transaction is executed on the principal market or in the absence of the same on the most advantageous market.

Upon investment acquisition, the Company determines one of the following as the principal market for that investment:

- stock exchange market (for equity and debt instruments and ETFs), or
- over-the-counter market or OTC[13] (applies to debt investments).

On the date of measurement of the fair value of the financial investment, the company re-examines the principal market identified at the time of purchase and determines whether the market for the financial investment is active.

In case of stock exchange market, the assumption of active market is fulfilled if the average amount of individual investment traded in a day over the last 180 days from the date of fair value measurement exceeds EUR 0.5 million by taking into account the number of trading days (in case of Ljubljana Stock Exchange the average daily turnover of EUR 0.1 million is taken into account). If the stock exchange market is active, the last known listed price is used for fair value measurement. If the stock market is less liquid, the last known listed price not older than 90 days is used for fair value measurement. In other cases, the fair value of an investment is determined using a valuation technique.

In case of an OTC market, the assumption of an active market is met if the CBBT[14] price was published for at least half of the trading days over the last 30 days up to the valuation date. If the OTC market is active, the last known CBBT price is used for fair value measurement. If the OTC market is less liquid, the last known CBBT price not older than 90 days is used for fair value measurement. If the CBBT price is not available, the BVAL price[15], if available, is used for fair value measurements. In other cases, the fair value of an investment is determined using a valuation technique.

For bonds, a valuation model is used which includes benchmark against the current fair value of another instrument with similar main characteristics.

Treasury and commercial bills of Slovenian issuers for which no (active) market exists and which pass the SPPI test are measured at amortised cost, considering the effective interest rate.

Value of shares can be estimated using the following valuation techniques: market-based valuation approach, income approach and, in certain cases, asset approach. Valuation is based on the

13 OTC (Over-The-Counter) market, transactions involving securities and agreed bilaterally between two parties outside the organised market.

14 Composite Bloomberg Bond Trader is Bloomberg's real-time data on individual bond prices. Bloomberg calculates the price of an individual bond based on a weighted average of prices (indicative as undertaking) from a large number of quote providers.

15 Bloomberg Valuation Service is Bloomberg's data on the end-of-day value of an individual bond. Bloomberg calculates the value of the bond based on trade price data and binding quotes, with most BVAL prices determined using a model.

most recent information on a company's performance, which must not be older than 6 months from the fair value measurement date to which the value estimate will be applied. Market data and parameters used in the valuation process must include the most recent information and must be compliant with the date the estimated value will be applied to. If 6 months old information on the Company's performance cannot be obtained, or if the information does not suffice for valuation, the value can be exceptionally estimated by using older data, which however must not be older than 12 months. When applying the market approach, comparative companies should be selected taking into account their comparability in the context of industry, size, growth potential, the availability of historical data on operations and other possible elements affecting comparability of individual companies.

In measuring fair value, Kapitalska družba uses the unadjusted price, when an active market exists.

For valuation, the company uses as unadjusted, quoted price exclusively the closing quote on stock exchange or closing CBBT or BVAL price.

Criteria for classification of financial investments into the levels of the fair value hierarchy

Financial investments measured at fair value are classified into fair value levels based on the inputs and assumptions used in measuring fair value, namely:

- level 1 inputs are quoted (unadjusted) market prices in active markets for the investments which the company can access as at the measurement date;
- level 2 inputs are inputs that are not quoted prices included in level 1 and which can be directly or indirectly observed; level 2 inputs include the following:
  - quoted prices for similar investments in active markets,
  - quoted prices for identical or similar investments in less liquid markets,
  - inputs other than quoted prices that are observable for the asset or liability, for example: interest rates and yield curves observable at commonly quoted intervals (implied volatiles, credit spreads, etc.),
  - inputs corroborated by market;
- level 3 inputs are unobservable inputs:
  - BVAL price (the Bloomberg Valuation Service),
  - fair values obtained based on internal or external valuations taking into account level 3 inputs.

Financial investments are classified into levels based on the characteristics of the input used to determine fair value of investments and on the assessment whether the principal market is active.

Classification of Equity Investments

Table 31: Classification of equity investments when the stock market is the principal market (listed equity investments)

Level 1	Equity investments with fair value measured on the basis of the quoted prices in active markets.
Level 2	Equity investments with fair value measured on the basis of the quoted prices in less liquid markets.
	Equity investments for which quoted prices are not available and their fair value is measured using a valuation technique (taking into account level 2 inputs).
Level 3	Equity investments for which quoted prices are not available and their fair value is measured using a valuation technique (taking into account level 3 inputs) or based on the prices provided by third parties.
	A quoted price older than 90 days can be used if the materiality criterion is not met.

Table 32: Classification of unlisted equity investments

Level 1	–
Level 2	Equity instruments with fair value measured using a valuation technique (taking into account level 2 inputs).
Level 3	Equity investments with fair value measured using a valuation technique (taking into account level 3 inputs) or based on the prices provided by third parties

Classification of Debt Investments

Debt security investments that are not measured at fair value in the statement of financial position are also classified into the levels of the fair value hierarchy. These normally include bonds at amortised cost measured at fair value for disclosure purposes. The same rules as for debt securities measured at fair value in the statement of financial position apply to these securities.

Table 33: Classification of debt financial investments if the stock market is the principal market

Level 1	Debt investments with fair value measured on the basis of quoted prices in active markets.
Level 2	Debt investments with fair value measured on the basis of the quoted prices in less liquid markets.
	Debt securities measured using a valuation technique (taking into account level 2 inputs).
Level 3	Debt securities measured using a valuation technique (taking into account level 3 inputs) or prices provided by third parties.
	Quoted price older than 90 days may be used if the materiality criterion is not fulfilled.

Table 34: Classification of debt financial investments if the OTC market is the principal market

Level 1	Debt investments with fair value measured on the basis of CBBT price in active markets.
Level 2	Debt investments with fair value measured on the basis of CBBT price in less liquid markets.
	Debt investments with fair value measured on the basis of transaction price in less liquid markets.
	Debt securities without a CBBT price in (in)active markets and for which the fair value is measured using a valuation technique (taking into account level 2 inputs).
Level 3	Debt securities without a CBBT price in (in)active markets and for which the fair value is measured at BVAL price, using a valuation technique (taking into account level 3 inputs) or prices provided by third parties.

In exceptional cases, debt securities whose principal matures in the current year and for which there is no market price, CBBT price or BVAL price that would be less than 90 days old, are valued at the last known price and classified in level 3 of the value hierarchy.

Commercial papers of Slovenian issuers which are measured at the amortized value model, are classified in level 2 of the value hierarchy.

Classification of target funds

Table 35: Classification of target funds

Level 1	Target funds with fair value measured on the basis of quoted prices in active markets or on the basis of the published value of the asset unit, which is determined on the basis of market prices.
Level 2	Target funds with fair value measured on the basis of quoted prices in less liquid markets.
Level 3	Target funds for which the stock market price is not achievable and whose fair value is measured on the basis of the published asset unit value, which is not determined on the basis of market prices.

Classification of loans and deposits

Bank deposits are disclosed at amortised cost in the statement of financial position unless they do not pass the SPPI test. Deposits with the maturity of up to 1 year are measured using the initial or contractual interest rate for the purposes of disclosing fair value. For the purposes of disclosing fair value of deposits with the maturity of over 1 year, their fair value is estimated using the reference yield curve. These deposits are classified within Level 2.

Non-current assets (disposal groups) held for sale

Non-current assets (disposal groups) held for sale are those whose carrying amount is justifiably expected to be settled predominantly through selling and not through further use. Such an asset (or group) is measured at the lower of its carrying amount before classification or fair value less costs to sell. Upon reclassification, amortization ceases.

Operating receivables

Operating receivables also include accrued revenue and deferred costs, the majority of which relate to short-term deferred costs arising from transfers to ZPIZ (see section 15.2 *Material accounting policy information* in *Financial liabilities*).

Cash and cash equivalents

Cash and cash equivalents comprise bank balances, call deposits and short-term deposits with contractual maturity of up to three months.

Equity

The company's total equity consists of called-up capital, capital reserves, profit reserves, retained earnings, reserves arising from fair value valuation, and net profit or loss for the period.

The company's share capital in the amount of EUR 364,810 thousand is made up entirely of ordinary shares. It is divided into 874,235 ordinary registered no-par value shares, each of which has an equal share and corresponding amount in the share capital.

The sole shareholder of Kapitalska družba is the Republic of Slovenia. Kapitalska družba has no treasury shares.

Profit reserves are designed according to ZGD-1. In line with Article 52(2) of ZSDH-1 distributable profit of Kapitalska družba cannot be distributed to the shareholders.

The costs directly related to the issue of new shares, net of tax effects, are charged to capital.

Fair value reserves

Reserves from valuation at fair value arise from the effects of valuation of financial assets at fair value through other comprehensive income and actuarial gains and losses arising from severance pay upon retirement. In the statement of financial position, the amounts of these reserves are adjusted for the amount of deferred tax.

Provisions

The Company establishes non-current provisions:

- when the guaranteed value of assets of the SODPZ fund exceeds the actual value of assets belonging to an individual insured member of SODPZ, namely in the amount of the established deficit, i.e. the sum of differences between the guaranteed assets of the insured member and the actual value of the assets of the insured member,

- if a legal action is filed against Kapitalska družba or if the company estimates a claim is very probable and it is more likely than not that the company will be unsuccessful in the claim,
- for termination benefits upon retirement and jubilee awards, calculated on the basis of assumption on the expected employee fluctuation, years of service and expected years until retirement, taking into account individual and collective employment contracts as well as the Company's internal regulations, using the projected unit credit method.

Provisions are derecognised when the options that led to the creation of the provisions have been used up, or there is no longer a need for them. Provisions can only be used for items of the type for which they were originally recognised.

Operating liabilities

Operating liabilities comprise trade payables for acquired assets or services, and liabilities to employees, the state, etc.

Financial liabilities

Obligation to pay ZPIZ

ZSDH-1 defines the maximum annual liability of Kapitalska družba for the provision of ZPIZ funds. Namely, Kapitalska družba, on the basis of the provisions of the third paragraph of Article 52 of ZSDH-1, is obliged to transfer, every year by September 29 at the latest, EUR 50 million to ZPIZ, primarily for the purposes of indexing pensions, or a proportionally lower amount, if the amount for indexation of pensions is lower. Notwithstanding the third paragraph of Article 52 of the ZSDH-1, on the basis of the Act Regulating the Implementation of the Budgets of the Republic of Slovenia for 2026 and 2027 (ZIPRS2627), Kapitalska družba must transfer each year to the ZPIZ - in the years 2026 and 2027 - an amount that equals 50 percent of the total comprehensive income, as derived from the audited financial statements for the previous financial year, but not less than EUR 65 million. The obligation to pay ZPIZ is recognized as a financial liability, namely for 2026 as a short-term financial liability in the amount of EUR 151,978 thousand, and for 2027 as a long-term financial liability in the amount of EUR 65 million. At the same time, current and non-current deferred costs and accrued revenue are recognized in the same amount.

Notwithstanding the third paragraph of Article 52 of the ZSDH-1, Kapitalska družba was required to transfer EUR 81.5 million to ZPIZ in 2025 based on the Act Regulating the Implementation of the Budgets of the Republic of Slovenia for 2025 and 2026 (ZIPRS2526) (2024: EUR 65 million based on the Act Regulating the Implementation of the Budgets of the Republic of Slovenia for 2024 and 2025). The ZPIZ transfer is recognized in the statement of profit or loss as a financial expense in the year to which it relates.

Revenue

The Company recognises revenue in an amount that reflects the expected consideration to which the Company will be entitled in exchange for the promised goods or services. The company considers the terms of the contract and all relevant facts and circumstances.

The company's key revenue streams are as follows:

1. Revenues from fees

Kapitalska družba is entitled to an entry and exit fee, an annual management fee for the management of the SODPZ pension fund and to the costs of paying out occupational pensions.

a. Entry Fee

The Company charges entry fees for the performance of its activities in accordance with the pension scheme. This means that the assets collected and transferred to an individual pension fund are reduced by the amount of the entry fees and the fund manages the assets attributable to the net premium. The entry fees are charged in the percentage of the premium at the time of the payment.

b. Management fee

The Company manages the SODPZ pension fund and charges a management fee, which means that the monthly value of assets of the fund is reduced by the cost of management fees. The management fee is calculated as a percentage of the average value of the fund's net assets, determined as the arithmetic mean of the net value of the fund's assets on the conversion day of the current year.

c. Exit Fee

In accordance with the pension scheme, the Company is entitled to exit fees, whereby the redemption value is reduced by the exit fees and the net value is paid to the individual who terminated the scheme. Exit fees are calculated in a percentage of the redemption value when the policy is paid.

d. Income from costs of paying out occupational pensions

In line with the pension scheme, the Company is entitled to the income arising from the costs of paying out occupational pensions. This income is calculated as a percentage of the monthly amount of occupational pensions.

2. Revenue from lease payments

The revenue from lease of investment property is recognised on a straight-line basis over the duration of individual lease contract.

Financial revenue

3. Interests

Interest income and expense on financial instruments measured at amortised cost and financial assets at fair value through other comprehensive income is recognised in profit or loss statement for all debt instruments using the effective interest method. Interest income on financial assets at fair value through profit or loss is recognised in profit or loss statement using the contractual interest rate. Interest on debt securities is disclosed in the Company's statement of financial position together with financial investments.

4. Dividends

Dividends are recognised in the statement of profit or loss when the Company obtains the right to payment. In the event of any commission refunds by the managers of ETFs in the Company's portfolio or in the event of receiving the so-called adjustment premiums, these are recognised as income similar to dividends.

5. Revenue from sale of investments

Revenue from the sale of financial assets (gains on the disposal of financial assets) is accounted for and recognised as at the trading day.

6. Revenue from revaluation of financial investments

Investment revaluation gains relate to financial investments measured at fair value through profit or loss from increases in fair value or reversals of impairment.

Costs

Costs of materials and services

Costs of materials and services are classified by primary types and are recognised in the period in which they are incurred. The Company does not classify costs by functional type, because the entire Company represents a single functional type.

Employee benefits

Labour costs include gross wages and salaries payable to employees, gross wage and salary compensation charged to the enterprise, benefits in kind, gifts and gratuities to employees, termination benefits paid to employees, and all benefits charged to the payer in respect of the items listed above. The Company recognises these costs as current period expenses.

Expenses

Expenses are recognised if a decrease of economic benefits in the accounting period relates to a decrease of an asset or an increase of a debt, and this decrease can be measured reliably. Expenses are thus recognised together with decrease of assets or increase of debts.

Financial expenses

Financial expenses comprise expenses for financing, mostly interest expenses. Financial expenses from revaluation arise in association with the revaluation and impairment of financial investments. Expenses from the disposal of financial investments (losses on the disposal of investments) are accounted for and recognised on the trading day. Financial expenses also include expenses from recognised credit losses from financial assets.

Financial expenses also include payments that the company makes to the ZPIZ in accordance with the legislation, namely in the financial year to which they relate (Chapter 15.2 *Material accounting policy information* in *Financial liabilities*).

Taxes

Current tax

Current tax assets and liabilities in respect of present and past periods are recognised at amounts which the Company expects to pay to the tax authorities or receive from them. Current tax assets or liabilities are measured using the tax rates enacted at the reporting date.

Deferred tax

Deferred income tax assets and liabilities are accounted for using the liability method in the statement of financial position. Only deferred tax assets and liabilities arising from temporary differences are recognised.

A deferred tax asset is recognised also for unused tax losses and unused tax credits carried forward to the next period, if it is probable that future taxable profit will be available, against which the unused tax losses and unused tax credits can be utilised.

On the date of the statement of financial position, deferred tax assets are revised and impaired on account of those tax assets for which it is no longer probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are recognised using the tax rate applicable when the asset is expected to be realised or liabilities settled. Tax rates (and tax regulations) enacted or close to enactment at the date of the statement of financial position are used.

Deferred tax assets and liabilities may be offset if, and only if, the company has a legal right to offset the assessed tax assets and liabilities and these assets and liabilities relate to the income tax attributable to the same tax jurisdiction.

Deferred tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity.

Cash flow statement

The cash flow statement is compiled under the indirect method from the data included in the statement of financial position on the first and last days of the financial year, profit or loss statement data, and additional data necessary for the adjustment of revenue and expenditure and for the appropriate breakdown of significant items.

Significant accounting judgements and estimates

The preparation of financial statements in accordance with IFRS requires the use of certain estimates and assumptions by management that affect the value of the company‘s assets and liabilities and the amount of revenue and expenses.

The adequacy of the used assumptions and estimates is checked annually at the end of the financial year.

Significant judgements relate to:

- expected credit loss model for financial assets,
- determining the fair value of non-marketable financial and non-financial assets.

Expected credit loss model for financial assets

For assessment of credit losses, the company uses the expected credit loss model meaning that an impairment is recognised even before the loss occurs. The expected credit loss model incorporates the historical data on the recoverability and the macroeconomic forecasts as well as other internal and external factors indicating the debtor’s future solvency.

The basis for the formation of impairments is the data on the probability of default (PD), loss given default (LGD) and exposure at default (EAD). Data are obtained from international statistics publications of the Moody’s and S&P credit agencies (PD and LGD) as well as the internal IT system holding current data on EAD.

For the purposes of impairment, all financial assets are classified into three stages or phases that describe the credit quality of the financial asset (subsection *Measurement and grouping of exposures for credit loss assessment*).

The company classifies individual financial assets into stages based on international or internal credit ratings and the number of days overdue. In addition, investments in portfolios are regularly monitored with an internal Early Warning System (EWS).

In order to determine the expected credit losses (ECL) based on forward-looking information, the company calculates the correlation coefficients for a period of three years that it obtains based on international macroeconomic indicators for the following three years and the data on the default rate provided by S&P. Select macroeconomic indicators were selected for the calculation, i.e. those with the maximum statistical information value and are relevant for economic cycle forecasting. The company observes the average historical PD value for the period longer than three years because it is difficult to explain deviations from average PD values over a longer time period.

Fair value measurement of non-marketable financial and non-financial assets

Financial assets

The company classifies investments in the fair value hierarchy as described in the note Criteria for classification of financial investments into the levels of the fair value hierarchy. Management pays particular attention to assessing the fair value of investments in the second and third levels of the fair value hierarchy. The second level mainly includes equity instruments (31 December 2025: EUR 77,278 thousand or 31 December 2024: EUR 93,674 thousand) and units of target funds (31 December 2025: EUR 84,936 thousand or 31 December 2024: EUR 50,798 thousand), while the third level includes equity instruments (31 December 2025: EUR 95,228 thousand or 31 December 2024: EUR 88,477 thousand).

The estimates of asset fair value mainly depend on the current and expected macroeconomic situation in the EU and other relevant markets where the Company operates and that affect the future cash flow projection, the interest rates influencing the required return both on debt and equity capital, and the stock prices, which also influence the estimated fair value of the financial instruments.

The entire fair value hierarchy of financial assets and the valuation methods and discount rates or capitalization rates used in the valuation of individual equity instruments are disclosed in Note 15. g) Fair value hierarchy.

For investments in target funds where the main market is not a regulated market, the source of fair value may be information on the value of the unit or net asset value of the share of assets sent or published by the target fund manager. In the event that additional payments (for example, capital calls) or payouts (for example, distributions) have occurred in the period from the last receipt or publication of the value of the unit or the net asset value of the share to the valuation date and the latest new value of the unit or the net asset value of the share was not shown in the notification of the target fund manager for these payments, the new value of the unit or the net asset value of the share shall be determined by adjusting the obtained or last published value of the unit or the net asset value of the share for additional payments and payouts.

Non-financial assets

As at the date of statement of financial position, the management assesses whether there is objective evidence that a non-financial asset or a group of non-financial assets should be impaired.

The Company establishes the existence of impartial evidence of impairment for a non-financial asset based on an assessment of signs of impairment from publicly available data and information from internal reporting on:

- a significant increase in the cash requirements to operate and maintain it,
- a significant deterioration of actual net cash flows or operating profit,
- a significant decrease in the planned net cash flows or operating profit or a significant increase in the planned loss,
- operating losses or net cash outflows from the asset, if the amounts for the period under consideration are combined with the projected amounts for the future.

The impairment test in 2025 and 2024 showed that no impairment of non-financial assets was required. The key assumptions used in estimating the fair value of investment property are disclosed in Note 13. *Investment property*.

Amendments to standards and interpretations

Standards or interpretations of the International Accounting Standards Board (IASB), which were approved by the EU and implemented by Kapitalska družba

- **Amendments to IAS 21 — Lack of Exchangeability** (issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). The amendments did not have a significant impact on the company's separate financial statements.

IASB standards or interpretations that were approved by the EU and not early implemented by Kapitalska družba

- **Changes in Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7** (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026). As at 30 May 2024, the International Accounting Standards Board (IASB) issued amendments to IFRS 9 and IFRS 7 for:
  a) clarifying the date of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through electronic money transfer systems,
  b) clarifying and providing further guidance on assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion,
  c) adding new disclosures for certain instruments with contractual terms that may change cash flows (such as certain instruments with features linked to achieving environmental, social, and governance (ESG) objectives) and
  d) updating disclosures for equity instruments measured at fair value through other comprehensive income (FVOCI).

The company estimates that the amendments will not have a significant impact on the company's separate financial statements.

- **Annual Improvements to IFRS Accounting Standards** (issued in July 2024 and effective for annual periods beginning on or after 1 January 2026). The company estimates that the amendments will not have a significant impact on the company's separate financial statements.
- **Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7** (issued on 18 December 2024, and effective for annual periods beginning on or after 1 January 2026). The company estimates that the amendments will not have a significant impact on the company's separate financial statements.
- **IFRS 18 – Presentation and Disclosures in Financial Statements** (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB issued IFRS 18, a new standard on the presentation and disclosure in financial statements, with a focus on updates to the profit or loss statement. The key new concepts introduced in IFRS 18 relate to:

a) the structure of the profit or loss statement,

b) required disclosures in the financial statements for certain performance metrics reported outside the company's financial statements (i.e., performance metrics determined by management),

c) and enhanced principles on aggregation and disaggregation applicable to primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many existing principles in IAS 1 are retained with limited changes. IFRS 18 will not affect the recognition or measurement of items in the financial statements, but it may change what a company reports as its „operating result." IFRS 18 will be used for annual reporting periods beginning on or after 1 January 2027, and it also applies to comparative information.

IASB standards or interpretations not yet approved by the EU

- **IFRS 19 – Subsidiaries without Public Accountability: Disclosures** (issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027).
- **Amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures** (issued on 21 August 2025 and effective for annual periods beginning on or after 1 January 2027).
- **Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Translation into a Hyperinflationary Presentation Currency** (issued on 13 November 2025 and effective for annual periods beginning on or after 1 January 2027).

Given that the mentioned standards have neither been adopted nor are in effect, the company is still assessing the potential impacts of these changes on the separate financial statements.

Risk Management

Risk management is a key element in the execution of Kapitalska družba's activities. Particularly in the economic crisis, risk management proved to be a very important area, since successful and stable operations are conditional on efficient risk management. The use of standard methodologies of risk management ensures the qualitative evaluation of all types of risk, a timely response and the reduction of risk exposure.

Kapitalska družba observes legal regulations in the forefront while also regulating risk management through internal acts such as the Rules on risk management, which include in addition to individual risk description, internal risk management organisation, measures and methods used to mitigate the risks, as well as procedures of control and responses to individual risks. Coordination and monitoring of the risk management process at Kapitalska družba is carried out within the Back-office Support Sector. On the basis of the risk inventory and updated risk assessments as well as the assessment of consequences of loss events, the Company in 2025 updated the register of risks to which the Company is or could be exposed in the course of operations. As part of the risk register, the Corporate Integrity Plan of Kapitalska družba, d. d. ("Načrt korporativne integritete Kapitalske družbe, d. d.") has been established, detailing the risks of corruption and illegal and unequal conduct.

In the course of its operations, Kapitalska družba is exposed to financial, operational and strategic risks. Financial risks, described in more detail in section 15.3.3 *Risk Management of financial assets*, include the important market risks (the risk of changes in securities prices, interest rate risk and currency risk) as well as credit and liquidity risk.

Risk of securities price change

The risk of securities price change is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the regulated mar-

kets in financial instruments. The risk of securities price change is managed by regular monitoring of the financial position of the issuers, the market situation and macroeconomic indicators that affect the movement in the general level of market prices and by maximum possible dispersion of investments to eliminate most of the non-systematic risk. The dispersal of a part of investments abroad decreases the dependence of Kapitalska družba's portfolio of long-term investments on the movement of prices on the Slovenian capital market.

The monitoring and measurement of risk is carried out on a weekly basis through the calculation of value at risk (VaR) applied to the portfolio as a whole as well as separately for equity and debt securities portfolios. The beta indicator is also calculated for equity securities, as a measure of systematic risk.

Interest rate risk

The very nature of investments in debt instruments exposes Kapitalska družba to interest rate risk resulting from the risk that investment values will fluctuate due to changes in market interest rates. The exposure to interest rate risk is regularly measured by the modified duration indicator. The company's internal committees monitor the fluctuation in interest rates and market forecasts and analysis on a weekly basis, providing investment recommendations on this basis.

Kapitalska družba endeavours to minimise risks arising from interest rates by restructuring the portfolio based on market conditions, by reducing the average maturity of debt portfolios, by classifying investments in the group of investments at amortised cost, by disposing of debt securities with fixed interest rates and by purchasing securities with variable rate of interest, or vice versa, depending on the expected movement in market interest rates.

Currency risk

In managing a portion of its underlying assets invested in foreign currencies, Kapitalska družba is also exposed to the risk of changes in foreign exchange rates. Currency risk is monitored and managed on a daily basis. The basis for measuring currency risk is the monitoring and calculation of exposure to individual currencies by taking into account the currency in which the underlying instrument is denominated initially, and also monitoring changes in the exchange rates of the securities that make up a particular instrument or investment fund.

Credit risk

Credit risk refers to debt securities, money-market instruments and deposits and entails the possibility of investments being repaid only in part or not at all. The management of credit risk is implemented by careful selection of business partners, regular monitoring of companies' operations and by establishing and complying with investment limits with regard to permitted exposure of individual investments. Credit risk is also managed by diversification of investments and by ongoing monitoring of credit spreads and credit ratings of investments or investment issuers or contractual partners. According to internal acts, the business partners' and assets' credit rating is determined by ratings assigned by Standard & Poor's, Fitch and Moody's, and in-house analyses. The maximum permissible exposure to the high yield debt securities and units or shares of open-ended investment funds that invest in these debt securities (in a share greater than 50% of the value of the assets of this fund) is determined.

With regards to investments in deposits, debentures and certificates of deposits, Kapitalska družba has developed an internal model for determination of limits of such investments in individual banks. Internal limits set for individual banks are reviewed and updated quarterly to account for changes in credit ratings and the capital amount.

To identify and monitor credit risk, Kapitalska družba has adopted the Methodology for classifying, measuring and estimating the value of credit losses of financial instruments (subsection *Measurement and grouping of exposures for credit loss assessment*).

Liquidity risk

Liquidity risk includes the risk related to the liquidity of the capital market or investment and the risk of solvency of Kapitalska družba. Due to the low liquidity of the Slovenian capital market, liquidity risk is encountered in a major portion of investments of Kapitalska družba in association with domestic equity and debt securities, with the highest risk posed by non-listed investments. By dispersing a portion of investments abroad, Kapitalska družba is able to reduce liquidity risk by investing only in highly liquid foreign instruments. Investment liquidity requirements have been adopted and an illiquid investment limit has been set. Moreover, liquidity risk is managed by daily monitoring of the inflows and outflows of the Company and precise matching of maturity of assets and liabilities.

Operating risk

Operational risk is the risk of a loss due to inappropriate internal processes or incorrect action by people or defective functioning of systems within the Company or as a result of external events and actions. Operational risk also includes legal and documentary risk as well as the risks arising from trading procedures, settlement and valuation of assets and liabilities.

Kapitalska družba manages operational risk through a system of authority, internal controls and by defining business processes and ensuring the suitable employee qualifications. In order to minimise operational risk, Kapitalska družba established a system of recording loss events and regular monitoring of the implementation of measures adopted. The Internal Audit Department conducts regular audits of business processes and by making recommendations contributes to the improved internal controls and risk mitigation.

Operational risks are mostly assessed as materially insignificant, except for some risks related to the operation of information systems and incorrect actions by people, which are assessed as materially low-risk and the risk of cyber-attacks, which is assessed as a material moderate risk.

Strategic risk

Strategic risk is the risk of a loss owing to incorrect business decisions, inappropriate organisation and strategy of the Company and insufficient response to the changes in the business environment. Significant strategic risks include legislative, tax and political risks, resulting from the state's discretionary right to adopt decisions, and may lead to changes in the business and tax environment. These risks also influence the processes involved in the sale of companies where Kapitalska družba holds interests, the amount of liabilities to the pension budget and consequently the management of financial assets.

The Management Board, who is in charge of formulating appropriate organisation and strategy of the Company, must adopt all measures suitable for achieving the strategic goals as well as to preserve and strengthen the Company's reputation. An appropriate supervision system is provided for managing this risk, enabling monitoring of the implementation of business objectives defined in the business strategy. Good communication is ensured with all stakeholders and works in accordance with the contractual provisions. Strategic risks are also managed by regular monitoring and participation in the drafting of legal bases and by outsourcing external consultants (tax consultants, auditors, legal consultants, IT consultants, etc.).

Strategic risks are mostly assessed as materially insignificant, except for some risks related to the Company's organisation and strategy, which are assessed as materially low-risk and legislative, tax and political risk, which is assessed as a materially moderate.

Risks related to investments where Kapitalska družba holds a significant share

Kapitalska družba devotes special attention to the management of risks, which arise from investments where the company holds a significant share. Kapitalska družba for the first time adopted the Corporate Governance Code of the Group in March 2012 (hereinafter: the Group Code), which includes the Group's governance policies and as such provides the basis for efficient management of the Group. The adopted Group Code, which defines standards that are complied with and abided by all companies in the Kapitalska družba Group, lays down new guidelines on risk management. Corporate governance of the Kapitalska družba Group is carried out by functional areas. The Group Code precisely defines the types and methods of reporting by subsidiaries and their deadlines. The operations of the companies constituting the Kapitalska družba Group are monitored by the Asset Management Department. The manager may report to the Management Board, at its meeting, or to the Kapitalska družba Group college about any specificities in the operations and/or major deviations from the planned results and, if needed, propose appropriate measures to the Management Board.

In December 2014, SSH adopted and later amended several times the Corporate Governance Code for Companies with State Capital Investment, which is also used by Kapitalska družba in order to standardize its operations. Every year, Kapitalska družba also updates the basis for Kapitalska družba's voting at general meetings of companies. The purpose of these positions is to increase the efficiency and transparency of equity investment management and they form an element of reducing risks arising from equity investments.

15.3 NOTES AND DISCLOSURES TO THE FINANCIAL STATEMENTS

15.3.1 Notes to the Statement of Profit or Loss

1. Net sales revenue

in EUR 000

	2025	2024
Income from asset management	10,301	9,758
management fee	8,612	8,139
entry fee	1,638	1,571
exit fee	13	16
income from costs of paying out occupational pensions	38	32
Revenue from lease payments	2,357	2,325
Other income	152	120
Total	12,810	12,203

All net sales revenue were generated on the domestic market.

Other sales revenues are mainly revenues from IT services provided to Modra zavarovalnica and Hotelske nepremičnine.

2. Other operating revenue

in EUR 000

	2025	2024
Provisions	47	529
for not achieving the guaranteed return *(note 21)*	7	529
for onerous contracts *(note 21)*	40	0
Other operating revenue	67	232
Total	114	761

Other operating revenue in 2025 mainly relates to income from compensation received amounting to EUR 62 thousand (2024: EUR 78 thousand). In 2024, in addition to compensation received, Kapitalska družba also received a top-up of severance payment in the amount of EUR 147 thousand in connection with the squeeze-out of minority shareholders in 2022.

3. Costs of materials and services

in EUR 000

	2025	2024
Costs of material	-120	-139
Energy	-70	-91
Small inventory	-9	-7
Office equipment and specialised literature	-31	-30
Other costs of materials	-10	-11
Costs of services	-1,850	-1,753
Transport services	-44	-46
Services in relation to maintenance of business premises and fixed assets	-515	-512
Rents	-205	-225
Employees' work-related costs	-69	-64
Payment transactions and bank services, and insurance premiums	-259	-171
Intellectual and personal services	-183	-216
Fairs, advertising and entertainment	-74	-62
Services rendered by individuals	-137	-140
Other services	-364	-317
Total	-1,970	-1,892

Costs of material decreased in 2025 compared to 2024, largely due to lower energy prices (electricity), while costs of services increased mainly as a result of higher payment transaction and banking fees, as well as higher insurance premiums.

The costs of other services include the costs of supervision, tenders and announcements, membership fees, training of members of supervisory bodies, services and technical inspections of company vehicles, compensation for building land, maintenance of the KDD register, and other services provided by external contractors.

a) Costs of audit

In 2025 and 2024, the costs of auditing the annual report amounted to EUR 45 thousand including VAT. For other assurance and tax advisory services, Kapitalska družba did not pay any amounts to the auditor in the years presented. Likewise, in 2025 it did not pay any amounts for other non-audit services, whereas in the 2024 financial year it paid EUR 3 thousand including VAT for a presentation on sustainability reporting.

4. Labour costs

in EUR 000

	2025	2024
Payroll costs	-3,269	-3,191
Compensations for salaries/wages	-53	-75
Supplementary pension insurance	-148	-143
Holiday allowance, reimbursements and other receipts	-364	-313
Employer's contributions on salaries, wage compensation, bonuses, reimbursements and other receipts	-552	-524
Provisions for termination benefits upon retirement and jubilee benefits *(note 21)*	-19	-17
Total	-4,405	-4,262

Labor costs were higher in 2025 compared to 2024, mainly due to the adjustment of salaries for all employees to the growth of consumer prices, promotions, and the introduction of the long-term care contribution, which began to be calculated in July 2025.

The number of employees as at 31 December 2025 according to level of education and the average number of employees in 2025 are shown in section 15.1 *General disclosures* under *Employee data*.

5. Write-downs in value

in EUR 000

	2025	2024
Amortisation/Depreciation	-1,041	-1,060
Amortisation of intangible fixed assets	-46	-46
Depreciation of buildings	-161	-160
Depreciation of equipment and spare parts	-78	-100
Computers and computer equipment	-61	-87
Other equipment	-17	-13
Depreciation of investment property	-757	-754
Commercial property	-663	-663
Parking spots	-39	-39
Parts of investment property	-55	-52
Total	-1,041	-1,060

Amortisation of intangible fixed assets relates to the amortisation of software.

Depreciation of buildings represents the depreciation of offices owned and used by Kapitalska družba in the "Stekleni dvor" commercial building, which the company uses for its own activities.

6. Other operating expenses

Other operating expenses in 2025 in the amount of EUR 9 thousand represent an additional payment to SODPZ for the pay-out of redemption value of assets whose redemption value is lower than the guaranteed asset value of the insured member of SODPZ (2024: EUR 14 thousand).

The company did not create provisions for not achieving the guaranteed return of the SODPZ in 2025 and 2024, but released them in both years *(note 21)*.

7. Financial revenue

in EUR 000

	2025	2024
Financial revenue from shares and interests in group companies, associates and other companies *(note 7.1)*	104,777	117,155
Financial revenue from other investments and from loans *(note 7.2)*	3,425	6,084
Total	108,202	123,239

Financial revenue from shares decreased in 2025 compared to 2024 mainly due to lower revenue from the valuation of financial investments at fair value through profit or loss.

7.1. Financial revenue from shares and interests in group companies, associates and other companies

in EUR 000

	2025	2024
Dividends and shares in profits	57,892	49,228
Revenue from valuation of investments at fair value through profit or loss	43,466	56,318
Revenue from disposal of investments at fair value through profit or loss	3,402	4,704
Revenue from exchange differences	0	6,895
Revenue from acquisition of abandoned securities	17	11
Total	104,777	117,155

Dividends and shares in profits includes dividends from domestic companies in the amount of EUR 53,119 thousand (2024: EUR 45,239 thousand) and dividends from foreign companies in the amount of EUR 4,773 thousand (2024: EUR 3,989 thousand).

Revenue from the valuation of investments at fair value through profit or loss in the amount of EUR 43,466 thousand (2024: EUR 56,318 thousand) is the result of positive trends in the financial markets in 2025.

Revenue from acquisition of abandoned securities amounting to EUR 17 thousand (2024: EUR 11 thousand) is recognised in accordance with Article 48a of ZNVP-1, which stipulates that KDD shall credit all book-entry securities cancelled by the holders to a special account held by Kapitalska družba.

7.2. Financial revenue from other investments and from loans

in EUR 000

	2025	2024
Interest revenue	1,894	4,525
thereof interest income calculated using the effective interest method	1,414	1,558
Revenue from valuation of investments at fair value through profit or loss	1,150	1,037
Revenue from sales	338	522
financial investments measured at fair value through profit or loss	161	522
financial investments measured at fair value through other comprehensive income	176	0
Revenue from exchange differences	43	0
Total	3,425	6,084

a) Interest income

in EUR 000

	2025	2024
Bonds	1,730	2,081
at fair value through other comprehensive income (using effective interest method)	681	948
at amortised cost (using effective interest method)	569	556
at fair value through profit or loss	480	577
Other financial investments	164	2,444
at fair value through profit or loss	0	2,390
at amortised cost (using effective interest method)	164	54
Total	1,894	4,525

8. Financial expenses

in EUR 000

	2025	2024
Financial expenses due to impairment and write-down of investments *(note 8.1)*	-17,062	-2,289
Financial expenses from financial liabilities *(note 8.2)*	-81,494	-65,010
Total	-98,556	-67,299

8.1. Financial expenses due to impairment and write-down of investments

in EUR 000

	2025	2024
Interest expenses	-3	-3
thereof interest expenses calculated using the effective interest method	-3	-3
Expenses from valuation of investments at fair value through profit or loss	-1,644	-1,500
Expenses from disposals	-893	-673
financial investments measured at fair value through profit or loss	-893	-673
financial investments measured at fair value through other comprehensive income	0	0
Expenses from credit losses	-423	-46
financial investments measured at fair value through other comprehensive income	-423	-46
Expenses from mutual funds	-22	0
Expenses from exchange differences	-14,077	-66
Total	-17,062	-2,289

8.2. Financial expenses from financial liabilities

in EUR 000

	2025	2024
Interest expenses *(note 21)*	-12	-10
thereof interest expenses calculated using the effective interest method	0	0
Expenses for ZPIZ	-81,482	-65,000
Total	-81,494	-65,010

The company transferred EUR 81.5 million to ZPIZ in 2025 (2024: EUR 65 million).

a) Exchange rate gains/losses

in EUR 000

	2025	2024
Exchange differences gains	279	7,070
Exchange differences losses	-14,313	-242
Net exchange rate gains/losses	-14,034	6,828

Net exchange rate gains/losses in 2025 were negative in the amount of EUR 14,034 thousand and are mainly the result of the decrease in the value of the US dollar against the Euro, while in 2024 they were positive in the amount of EUR 6,828 thousand due to the increase in the value of the US dollar against the Euro.

b) Result from financing

in EUR 000

	2025	2024
Financial revenue	108,202	123,239
Financial expenses	-98,556	-67,299
Net result from financing	**9,646**	**55,940**

9. Income tax

in EUR 000

	2025	2024
Profit or loss for the period before tax	15,145	61,676
Increases in retained earnings	194	2,874
Decreases in retained earnings	-2	-325
Total	**15,337**	**64,225**
Expenses not recognised for tax	3,330	2,236
Provisioning	-32	-32
Untaxed revenue	-53,140	-45,219
Tax relief	0	-182
Tax losses	0	-10,605
Total	**-34,505**	**10,423**
Tax rate	22%	22%
Income tax	0	2,293
Effective tax rate	0%	3.6%

In both years presented, the largest portion of untaxed revenue is exempt domestic dividends received and paid.

As at 31 December 2025, Kapitalska družba had no liability for corporate income tax as it reported tax losses (31 December 2024: EUR 2,293 thousand). However, in 2025, the company recognized EUR 508 thousand in tax paid on foreign dividends (2024: EUR 534 thousand) and EUR 18 thousand in corporate income tax for previous years (2024: EUR 0 thousand) in the statement of profit or loss.

The Management Board believes that the calculation of the tax liability for 2025 is appropriate, based on the views presented below and in accordance with the opinions of tax advisors. It is however possible that the competent tax authorities would have a different position on certain issues, which could result in a difference between the tax liabilities disclosed in the financial statements and the amount assessed by the tax authorities. Kapitalska družba paid EUR 81,482 thousand to ZPIZ in 2025. These payments were included under financial expenses from other financial liabilities in the profit or loss statement and as tax allowable expenses in the calculation of tax liability.

The effective tax rate, which is the ratio between the calculated income tax and the profit or loss of the accounting period before taxes, was not calculated because Kapitalska družba reported a tax loss in 2025.

10. Deferred tax

in EUR 000

	Statement of financial position		Statement of profit or loss	
	31 Dec 2025	31 Dec 2024	2025	2024
Deferred tax liabilities, of which:				
Revaluation of investments measured at fair value through other comprehensive income	110,893	69,683	0	0
Total deferred income tax liabilities	110,893	69,683	0	0
Deferred income tax assets, of which:				
Loss brought forward to be used as tax allowance	3,890	5,274	-1,383	-20,478
Value adjustment of receivables	0	1	-1	1
Value adjustment of investments	541	448	93	-129
Provisions	12	17	-5	-4
Total deferred income tax assets	4,443	5,740	-1,296	-20,610
Netting of assets and liabilities	541	448	–	–
Deferred income tax assets after netting	3,902	5,292	–	–
Deferred income tax liabilities after netting	110,352	69,235	–	–

In November 2024, amendments to the Corporate Income Tax Act were adopted, which, among other things, limited the carry-forward of tax losses to subsequent tax periods to only five years. Previously, the carry-forward of tax losses was not limited in time. As a result, when preparing the financial statements for 2025, Kapitalska družba estimated the amount of tax losses that it is expected to be able to use in the next five years and reduced deferred tax assets from tax losses by EUR 1,383 thousand. The deferred tax asset relating to this item as of 31 December 2025 amounts to EUR 3,890 thousand (31 December 2024: EUR 5,274 thousand), and the unused tax loss is EUR 553,673 thousand (31 December 2024: EUR 537,072 thousand).

Other effects in the profit or loss relate to changes in credit losses, provisions and unpaid dividends.

a) Changes in deferred tax recognised directly in equity

in EUR 000

Changes in deferred tax	2025	2024
Balance as at 1 January	69,683	52,101
Changes during the year	41,210	17,582
Balance as at 31 December	110,893	69,683

The increase in deferred tax liabilities in 2025 in the amount of EUR 41,210 thousand is the result of the revaluation of investments measured at fair value through other comprehensive income (2024: EUR 17,582 thousand).

15.3.2 Disclosures to the Statement of Financial Position

11. Intangible assets and non-current deferred costs and accrued revenue

in EUR 000

	2025			2024		
	Software and licenses	Non-current accrued revenue and deferred costs	Total	Software and licenses	Non-current accrued revenue and deferred costs	Total
Cost						
Cost as at 1 January	1,859	65,047	66,906	1,896	65,000	66,896
Additions	104	65,048	65,152	44	65,047	65,091
Disposals	-73	-65,047	-65,120	-81	-65,000	-65,081
Cost as at 31 December	1,890	65,048	66,938	1,859	65,047	66,906
Value adjustment						
Value adjustment as at 1 January	1,777	0	1,777	1,812	0	1,812
Disposals	-73	0	-73	-81	0	-81
Amortisation/Depreciation *(note 5)*	46	0	46	46	0	46
Value adjustment as at 31 December	1,750	0	1,750	1,777	0	1,777
Carrying amount						
Carrying amount as at 1 January	82	65,047	65,129	84	65,000	65,084
Carrying amount as at 31 December	140	65,048	65,188	82	65,047	65,129

Intangible assets have not been pledged as security.

Non-current deferred costs and accrued revenue as of 31 December 2025 in the amount of EUR 65,000 thousand relate to the accrued liability to ZPIZ, which matures in 2027 (31 December 2024: EUR 65,000 thousand, which matures in 2026).

12. Property, plant and equipment

in EUR 000

	2025			2024		
	Buildings	Other plant and equipment	Total	Buildings	Other plant and equipment	Total
Cost						
Cost as at 1 January	5,044	1,634	6,678	5,029	1,599	6,628
Additions	0	50	50	15	46	61
Disposals	0	-15	-15	0	-11	-11
Cost as at 31 December	5,044	1,669	6,713	5,044	1,634	6,678
Value adjustment						
Value adjustment as at 1 January	3,187	1,466	4,653	3,027	1,377	4,404
Disposals	0	-3	-3	0	-11	-11
Amortisation/Depreciation *(note 5)*	161	77	238	160	100	260
Value adjustment as at 31 December	3,348	1,540	4,888	3,187	1,466	4,653
Carrying amount						
Carrying amount as at 1 January	1,857	168	2,025	2,002	222	2,224
Carrying amount as at 31 December	1,696	129	1,825	1,857	168	2,025

The items of property, plant and equipment have not been pledged as security.

13. Investment property

in EUR 000

	Buildings	
	2025	2024
Cost		
Cost as at 1 January	26,453	26,415
Additions	35	38
Cost as at 31 December	26,488	26,453
Value adjustment		
Value adjustment as at 1 January	11,745	10,991
Amortisation/Depreciation *(note 5)*	757	754
Value adjustment as at 31 December	12,502	11,745
Carrying amount		
Carrying amount as at 1 January	14,708	15,424
Carrying amount as at 31 December	13,986	14,708

The value of investment property was assessed by a certified property valuer as of 30 September 2024 and amounts to EUR 19,495 thousand. Kapitalska družba estimates that values of investment property could also be used as at 31 December 2025. The fair value of each individual investment property exceeds its carrying amount, therefore no impairment is required. As at 31 December 2025, the total estimated value of investment properties exceeds their carrying amount by EUR 5,509 thousand.

The valuation of investment properties was carried out using the market comparison method for the valuation of parking spaces and using the income-based valuation method using the income capitalization method for the valuation of business premises. The following assumptions were used:

	Capitalisation rate (in %)	Deduction for vacancy (in %)	Deduction for recoverability (in %)
Commercial service premises	7.78	5.00	0.50
Office spaces	8.08	7.50	1.00

Investment property is not pledged.

Rental income from investment property and costs related to investment property

in EUR 000

	2025	2024
Rental income from investment property *(note 1)*	2,357	2,325
Costs related to investment property	801	788

14. Investments in subsidiary, associated companies and joint venture

Investment in subsidiary as at 31 December 2025:

in EUR 000

Subsidiary	Registered office	Equity stake (%)	Voting rights (%)	Equity as at 31 Dec 2025	Net profit/ loss for 2025
Modra zavarovalnica, d. d.	Dunajska cesta 119, Ljubljana	100.00	100.00	438,375	1,049

The investment in Modra zavarovalnica is measured at cost and as of 31 December 2025 and 31 December 2024 amounts to EUR 152,200 thousand. An impairment test was carried out, showing that the investment need not be impaired.

Investments in associates as at 31 December 2025 include:

in EUR 000

Associate	Registered office	Equity stake (%)	Voting rights (%)	Equity as at 31 Dec 2025[16]	Net profit/ loss for 2025[17]
Gospodarsko razstavišče, d. o. o.	Dunajska cesta 18, Ljubljana	29.51	29.51	17,674	118
HIT, d. d.	Delpinova ulica 7a, Nova Gorica	20.32	33.33	74,598	6,585
Loterija Slovenije, d. d.	Gerbičeva ulica 99, Ljubljana	25.00	25.00	24,149	8,924
Sava, d. d.	Dunajska cesta 152, Ljubljana	29.05	29.05	173,587	11,058
Terme Čatež, d. d.	Čatež ob Savi, Topliška cesta 35, Brežice	23.82	23.79	n.a.	n.a.
Terme Olimia, d. d.	Zdraviliška cesta 24, Podčetrtek	24.79	24.79	n.a.	n.a.

Investments in shares and interests in associated companies are measured at fair value through other comprehensive income and as of 31 December 2025 amount to EUR 91,821 thousand (31 December 2024: EUR 84,720 thousand).

Changes in investments in associates

in EUR 000

	2025	2024
Carrying amount as at 1 January	84,720	73,413
Revaluation and other increases	7,101	11,307
Carrying amount as at 31 December	91,821	84,720

In 2024, Kapitalska družba increased the capital of the company Sava, d. d., in the amount of EUR 11,190 thousand through a partial conversion of a financial receivable.

Investment in joint venture as at 31 December 2025:

in EUR 000

Joint venture	Registered office	Equity stake (%)	Voting rights (%)	Equity as at 31 Dec 2025	Net profit/ loss for 2025
Hotelske nepremičnine, d. o. o.	Dunajska cesta 119, Ljubljana	50.00	50.00	12,512	584

16 The data for the equity of Gospodarsko razstavišče, d. o. o., HIT, d. d., Loterija Slovenije, d. d., and Sava, d. d. are unaudited.
17 The data for the net profit or loss of Gospodarsko razstavišče, d. o. o., HIT, d. d., Loterija Slovenije, d. d., and Sava, d. d. are unaudited.

The investment in the share of the company Hotelske nepremičnine is measured at cost and as of 31 December 2025 and 31 December 2024 amounts to EUR 5,963 thousand. An impairment test was carried out, showing that the investment need not be impaired.

Due to its ownership in subsidiaries and associated companies and joint ventures, Kapitalska družba is not exposed to the risk of providing financial resources for the operations/capital adequacy of these companies or the risk of participating in covering their potential liabilities.

At the end of 2025, Kapitalska družba verified, assessed and appraised the companies' value as at 31 December 2025, based on external appraisals and using internal valuation models and internal valuations and taking into account the most recent available data on companies' performance in 2025.

15. Financial investments, excluding loans

in EUR 000

	Non-current		Current	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Other shares and interests	1,519,926	1,158,559	0	0
Other financial investments	39,541	65,515	18,380	18,709
Total	1,559,467	1,224,074	18,380	18,709

Other shares and interests also include units of target funds in the amount of EUR 475,762 thousand (31 December 2024: EUR 444,234 thousand).

The company classifies financial assets in accordance with the accounting policies disclosed in the subsection *Classification and measurement of financial assets*. They are additionally classified as non-current and current. Non-current financial assets are those that will be paid or settled more than twelve months after the reporting period, while current financial assets are those that will be paid or settled within twelve months after the reporting period.

Financial assets in the table below also include investments in associates, which are disclosed in Note 14.

in EUR 000

	Non-current		Current		Total	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Financial investments measured at fair value through profit or loss	534,765	506,173	4,314	17,373	539,079	523,546
Equity instruments	29,288	24,461	0	0	29,288	24,461
Debt instruments	29,715	37,478	4,314	17,373	34,029	54,851
Units of target funds	475,762	444,234	0	0	475,762	444,234
Financial investments measured at fair value through other comprehensive income	1,112,329	792,366	7,580	528	1,119,909	792,895
Equity instruments	1,106,697	774,584	0	0	1,106,697	774,585
Debt instruments	5,632	17,782	7,580	528	13,212	18,310
Financial investments measured at amortized cost	4,194	10,255	6,486	808	10,680	11,063
Debt instruments	4,194	10,255	6,486	808	10,680	11,063
Total	1,651,288	1,308,794	18,380	18,709	1,669,668	1,327,504

a) Changes in financial investments, excluding loans

The tables also include investments in associates *(note 14)*.

in EUR 000

	Financial investments measured at fair value through profit or loss	Financial investments measured at fair value through other comprehensive income	Financial investments measured at amortized cost	Total
1 January 2025	523,546	792,894	11,063	1,327,503
Acquisitions	131,067	0	500	131,567
Disposals	-116,804	-5,174	0	-121,978
Maturity and interest payments	-30,735	-723	-1,027	-32,485
Revaluation and other changes	32,006	332,911	144	365,061
31 December 2025	539,079	1,119,909	10,680	1,669,668

in EUR 000

	Financial investments measured at fair value through profit or loss	Financial investments measured at fair value through other comprehensive income	Financial investments measured at amortized cost	Total
1 January 2024	456,981	645,698	10,544	1,113,223
Acquisitions	183,275	11,195	1,200	195,670
Disposals	-76,416	-6,595	0	-83,011
Maturity and interest payments	-108,079	-3,202	-1,192	-112,473
Revaluation and other changes	67,785	145,798	511	214,094
31 December 2024	523,546	792,894	11,063	1,327,503

Other changes include accrued interest, exchange rate differences and changes in expected credit losses.

b) Presentation of financial investments and cash and cash equivalents by type of interest rate

in EUR 000

	31 Dec 2025	31 Dec 2024
Debt instruments	57,921	84,224
fixed interest rate	57,921	84,224
variable interest rate	0	0
Cash and cash equivalents	4,123	2,170
fixed interest rate	4,123	2,170
Total	62,044	86,394

c) Top ten investments in equity instruments measured at fair value through other comprehensive income as at 31 December 2025

The investments in the table below also include the associated companies of Kapitalska družba.

ISIN code	Value in EUR
SI0031102120	709,085,090
SI0031102153	178,163,448
SI0031101346	50,153,688
SI0031117318	34,515,358
SI0031104290	33,048,338
SI0031117813	21,530,944
SI0031113143	17,568,987
SI0031105024	17,559,235
SI0031107954	13,019,777
SI0031100637	8,278,340
Other	23,774,066
Total	1,106,697,270

In 2025, the company derecognized equity instruments with a total fair value on the date of sale of EUR 232 thousand (31 December 2024: EUR 5,600 thousand). The total effect from the sale of equity instruments at fair value through other comprehensive income amounts to EUR 192 thousand (31 December 2024: EUR 3,085 thousand) and is recognised in profit or loss carried forward. Dividends from investments measured at fair value through other comprehensive income amount to EUR 43,415 thousand (31 December 2024: EUR 39,889 thousand).

d) Overview of financial assets and cash and cash equivalents according to carrying amount and fair value

in EUR 000

	Carrying amount		Fair value	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Financial investments measured at fair value through profit or loss	539,079	523,546	539,079	523,546
Financial investments measured at fair value through other comprehensive income	1,119,909	792,894	1,119,909	792,894
Financial investments measured at amortized cost	10,680	11,063	10,840	11,511
Cash and cash equivalents	4,123	2,170	4,123	2,170
Total	1,673,791	1,329,673	1,673,951	1,330,121

Kapitalska družba measures its financial assets at fair value, which equals the market value of the investment. The carrying amount and fair value are different only for financial investments measured at amortised cost.

e) Fair value hierarchy

in EUR 000

31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	1,395,696	163,617	99,675	1,658,988
Financial investments measured at fair value through profit or loss	437,182	97,450	4,447	539,079
Equity instruments	18,177	11,111	0	29,288
Debt securities	32,626	1,403	0	34,029
Units of target funds	386,379	84,936	4,447	475,762
Financial investments measured at fair value through other comprehensive income	958,514	66,167	95,228	1,119,909
Equity instruments	945,302	66,167	95,228	1,106,697
Debt securities	13,212	0	0	13,212
Financial assets measured at amortised cost with fair value disclosed	5,966	520	4,354	10,840
Debt securities	5,966	520	4,354	10,840
Total	1,401,662	164,137	104,029	1,669,828

in EUR 000

31 December 2024	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	1,078,761	145,813	91,867	1,316,441
Financial investments measured at fair value through profit or loss	461,110	59,046	3,390	523,546
Equity instruments	17,554	6,907	0	24,461
Debt securities	53,510	1,341	0	54,851
Units of target funds	390,046	50,798	3,390	444,234
Financial investments measured at fair value through other comprehensive income	617,650	86,767	88,477	792,894
Equity instruments	599,340	86,767	88,477	774,584
Debt securities	18,310	0	0	18,310
Financial assets measured at amortised cost with fair value disclosed	6,126	4,307	1,078	11,511
Debt securities	6,126	4,307	1,078	11,511
Total	1,084,887	150,120	92,945	1,327,952

The fair value valuation of certain shares at Level 2 of the fair value hierarchy was made using the method involving a comparison with the comparable listed companies.

Material investments were valued by external certified appraisers of companies and qualified persons.

Investments with smaller values were valued by qualified persons based on the comparable companies' method and the net asset value method.

Assessment of fair value of individual investments in level 3 of fair value hierarchy for shares or business stakes was carried out applying return-based method of assessing the value of the company, by applying the discounted cash flow method and by applying the asset-based method of assessing the value of the company as well as by applying the net asset value method (adjusted carrying amounts).

The assessment of the fair value of certain shares is made on the basis of valuation models that take into account subjective variables not publicly available on markets. Certain data for valuation are obtained from the Bloomberg system and other financial sources, whereas in some cases an important source is the data and documents about the past and expected future performance that Kapitalska družba received from individual companies.

Gains on investments classified in Level 3 of the fair value hierarchy relate to dividends, coupons received and profits from the sale of investments.

Type of financial investment	Valuation method	Non-market investment as at 31 December 2025	
		Company	Discount rate/yield capitalisation rate in %
Equity instruments	Discounting the free cash flows	Elektro Ljubljana, d. d.	10.4
		Elektro Celje, d. d.	10.5
		Elektro Gorenjska, d. d.	9.5
		Elektro Maribor, d. d.	10.5
		Elektro Primorska, d. d.	10.6
		HIT, d. d.	10.5
		Terme Olimia, d. d.	13.6 and 13.5
		Loterija Slovenije, d. d.	10.53
		Gospodarsko razstavišče, d. o. o.	8.5 and 8.6
		Sava turizem, d. d.	8.1 and 7.8
		TKI Hrastnik, d. d.	10.7
		Talum, d. d.	8.9
	Net asset value method	Sava, d. d., PS za avto, d. o. o., Plinhold, d. o. o.	/
	Fair value of consideration for prohibition of disposal	Casino Bled, d. d., Casino Portorož, d. d.	/
Debt securities	Bloomberg BVAL	Bonds SIJ8, GB02, GE03, IN02, KBM12	/
Units of target funds	Quarterly publication of fund unit value	ALFI PE, ALFI PE GROWTH SIS, MS PE, ALFI PE III, NLB SKLADI-ZELENI PREHOD I, SGF III	/

Type of financial investment	Valuation technique	Non-market investment as at 31 December 2024	
		Company	Discount rate/yield capitalisation rate in %
Equity instruments	Discounting the free cash flows	Elektro Ljubljana, d. d.	5.58
		Elektro Celje, d. d.	8.14
		Elektro Gorenjska, d. d.	8.14
		Elektro Maribor, d. d.	8.14
		Elektro Primorska, d. d.	8.14
		HIT, d. d.	12.19
		Terme Olimia, d. d.	8.9
		Loterija Slovenije, d. d.	10.4
		Gospodarsko razstavišče, d. o. o.	8.4
		Sava turizem, d. d.	7.9 and 7.3
		TKI Hrastnik, d. d.	10.9
		Talum, d. d.	12.0 and 12.1
	Net asset value method	Sava, d. d., PS za avto, d. o. o., Plinhold, d. o. o.	/
	Fair value of consideration for prohibition of disposal	Casino Bled, d. d., Casino Portorož, d. d.	/
Debt securities	Bloomberg BVAL	Bond SIJ8	/
Units of target funds	Quarterly publication of fund unit value	ALFI PE, ALFI PE GROWTH SIS	/

f) Changes in investments in level 3

in EUR 000

	Equity instruments	Debt securities	Units of target funds	Total
Balance as at 1 January 2025	88,477	1,078	3,390	92,945
Disposals	-34	0	-764	-798
Maturity	0	0	0	0
Acquisitions	0	0	1,642	1,642
Revaluation	5,947	-544	179	5,582
Reclassifications	838	3,820	0	4,658
Balance as at 31 December 2025	95,228	4,354	4,447	104,029

in EUR 000

	Equity instruments	Debt securities	Units of target funds	Investment in financial receivable	Total
Balance as at 1 January 2024	75,133	3,130	3,840	28,416	110,520
Disposals	-145	0	-1,084	0	-1,229
Maturity	0	-1,927	0	-28,416	-30,343
Acquisitions	11,191	0	0	0	11,191
Revaluation	875	0	634	0	1,509
Reclassifications	1,423	-125	0	0	1,298
Balance as at 31 December 2024	88,477	1,078	3,390	0	92,945

The acquisition of equity instruments in the amount of EUR 11,190 thousand relates to the increase in the investment in an associated company upon conversion of the investment in a financial receivable into an equity interest. The financial receivable, including accrued interest, was partially repaid in 2024 and partially converted into an equity interest *(note 14)*.

g) Transition between levels of the fair value hierarchy of financial assets

in EUR 000

31 December 2025	From Level 1 to Level 2	From Level 2 to Level 1	From Level 2 to Level 3	From Level 3 to Level 2
Financial investments measured at fair value through profit or loss	22,723	3,096	0	0
Equity instruments	0	0	0	0
Debt securities	0	0	0	0
Units of target funds	22,723	3,096	0	0
Financial investments measured at fair value through other comprehensive income	111	50,585	1,082	56
Equity instruments	111	50,585	1,082	56
Financial assets measured at amortised cost with fair value disclosed	0	0	3,820	0
Debt securities	0	0	3,820	0
Total	22,834	53,681	4,902	56

in EUR 000

31 December 2024	From Level 1 to Level 2	From Level 2 to Level 1	From Level 2 to Level 3	From Level 3 to Level 2
Financial investments measured at fair value through profit or loss	2,197	4,707	0	1,341
Equity instruments	0	30	0	0
Debt securities	0	0	0	1,341
Units of target funds	2,197	4,677	0	0
Financial investments measured at fair value through other comprehensive income	27,971	110,193	1,426	4
Equity instruments	27,971	110,193	1,426	4
Financial assets measured at amortised cost with fair value disclosed	0	0	1,078	0
Debt securities	0	0	1,078	0
Total	30,168	114,900	2,504	1,345

Transitions between levels of the fair value hierarchy of assets in 2025 and 2024 were made mainly due to changes in the average value of investment turnover on stock markets.

h) Effective interest rate by investment groups

	2025	2024
Financial investments measured at amortized cost	9.14%	5.32%
Financial investments measured at fair value through other comprehensive income	1.36%	3.21%

16. Operating receivables

in EUR 000

	Non-current		Current		Total	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Operating receivables due from Group companies	0	0	35	34	35	34
Operating receivables due from domestic customers	0	0	1,024	1,029	1,024	1,029
Operating receivables due from others	1,099	1,347	2,645	599	3,744	1,946
Accrued revenue and deferred costs	0	0	152,178	81,563	152,178	81,563
Total	1,099	1,347	155,882	83,225	156,981	84,572

The largest part of operating receivables is represented by accrued revenue and deferred costs, which as at 31 December 2025, in the amount of EUR 151,978 thousand relate to current deferred expenses from the ZPIZ transfer for 2026 (31 December 2024: EUR 81,482 thousand for 2025). As of 31 December 2025, operating receivables due from others in the amount of EUR 1,029 thousand relate to receivables from the sale of financial investments (31 December 2024: EUR 1,286 thousand), of which EUR 772 thousand are recognized as long-term receivables (31 December 2024: EUR 1,029 thousand), and EUR 257 thousand as short-term receivables (31 December 2024: EUR 257 thousand). Other operating receivables due from others relate primarily to payments into the reserve fund and receivables from securities transactions.

The majority of operating receivables due from domestic customers are receivables from SODPZ from services provided by the company as a fund manager (31 December 2025: EUR 852 thousand and 31 December 2024: EUR 860 thousand).

As at 31 December 2025 and 31 December 2024, Kapitalska družba had no credit losses from operating receivables.

The Company's operating receivables are not subject to material risk.

a) Breakdown of operating trade receivables by maturity

in EUR 000

	Not due	Overdue				
		Up to 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	From 181 to 365 days
31 December 2025	1,023	1	0	0	0	0
31 December 2024	1,027	2	0	0	0	0

17. Cash and cash equivalents

in EUR 000

	31 Dec 2025	31 Dec 2024
Bank balances	473	570
Cash assets on demand	3,650	1,600
Total	4,123	2,170

18. Called-up capital

	31 Dec 2025	31 Dec 2024
Share capital (in EUR 000)	364,810	364,810
Ordinary shares (number)	874,235	874,235

The share capital of EUR 364,810 thousand is represented by 874,235 ordinary registered non-par value shares, each with an equal share and corresponding amount in the share capital. Kapitalska družba has no treasury shares.

19. Capital reserves

in EUR 000

	2025	2024
Balance as at 1 January	218,905	218,801
Increase in capital reserves	128	104
Balance as at 31 December	219,033	218,905

In 2025, the capital reserves increased by EUR 128 thousand on account of additional assets received in accordance with the Ownership Transformation of Companies Act (2024: EUR 104 thousand).

20. Changes in fair value reserves and deferred taxes in equity

in EUR 000

	2025	2024
Balance as at 1 January – Gross fair value reserves	597,410	455,637
Deferred taxes	69,683	52,101
Balance as at 1 January – Net fair value reserves	527,727	403,536
Changes during the year – Gross increase in reserves	332,589	144,650
Changes during the year – Gross decrease in reserves	-745	-2,877
Balance as at 31 December - Gross fair value reserves	929,254	597,410
Adjustments (criteria: 8%, 6 months)	-425,195	-280,671
Balance as at 31 December - Gross after adjustment	504,059	316,739
Balance as at 31 December – Deferred tax	110,893	69,683
Balance as at 31 December – Net fair value reserves	818,361	527,727

In 2025, reserves arising from fair value measurement increased by EUR 290,634 thousand (2024: EUR 124,191 thousand). The increase is a result of a positive valuation of financial assets measured at fair value through other comprehensive income in the amount of EUR 331,851 thousand (2024: EUR 141,761 thousand), an increase in deferred tax liabilities in the amount of EUR 41,210 thousand (2024: EUR 17,582 thousand) and an increase in actuarial losses from provisions for severance pays upon retirement in the amount of EUR 7 thousand (2024: decrease in actuarial losses in the amount of EUR 12 thousand). The change in actuarial losses is a result of additional provisions formed in the amount of EUR 8 thousand (2024: EUR 6 thousand) and a decrease in actuarial surplus in the amount of EUR 1 thousand.

21. Provisions

in EUR 000

	Provisions for pensions and similar liabilities	Other provisions	Total
1 January 2025	307	54	361
Newly created provisions	35	0	35
Utilisation	-9	0	-9
Reversal of provisions	0	-47	-47
31 December 2025	333	7	340

in EUR 000

	Provisions for pensions and similar liabilities	Other provisions	Total
1 January 2024	326	583	909
Newly created provisions	33	0	33
Utilisation	-52	0	-52
Reversal of provisions	0	-529	-529
31 December 2024	307	54	361

In 2025, the company increased pension and employee jubilee benefits by EUR 35 thousand (2024: increase by EUR 33 thousand), of which EUR 19 thousand was recognized in labour costs (2024: EUR 17 thousand), EUR 10 thousand in financial expenses for interest (2024: EUR 10 thousand) and EUR 7 thousand in other comprehensive income (2024: EUR 6 thousand).

An actuary calculation for provision for termination benefits upon retirement and jubilee rewards is made under the following assumptions:

- 3.89% annual discount rate, which was the yield of 10-year corporate bonds with high rating in the Euro area in the end of December 2025 (3.52% in 2024),
- the currently applicable amount of post-employment and jubilee benefits specified in internal acts,
- staff turnover, primarily depending on their age (up to 30 years old: 6.0%, 31-40 y.o.: 3.0%, 41-50 y.o.: 2.0%, 51-60 y.o.: 1.0%),
- mortality based on the most recent mortality tables for the Slovenian population from 2007,
- wage growth of 2.9% annually (2024: 2.6%).

In 2025, the company released provisions for onerous contracts and legal disputes in the amount of EUR 40 thousand and provisions for failure to achieve the guaranteed return for SODPZ in the

amount of EUR 7 thousand (2024: EUR 529 thousand). Thus, at the end of 2025, the balance of provisions for failure to achieve the guaranteed return for SODPZ amounts to EUR 7 thousand (31 December 2024: EUR 54 thousand). At the end of 2025, the company has no provisions for onerous contracts and legal disputes.

22. Financial and operating liabilities

in EUR 000

	Non-current		Current		Total	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Financial liabilities	65,000	65,000	151,978	81,483	216,978	146,483
Trade payables	0	0	168	197	168	197
Operating liabilities from advances	4	3	0	0	4	3
Liabilities to the state	0	0	28	28	28	28
Other operating liabilities	48	47	538	469	585	516
Total	65,052	65,050	152,712	82,177	217,764	147,227

Financial liabilities in the amount of EUR 216,978 thousand (31 December 2024: EUR 146,482 thousand) are the company's obligation for transfer in accordance with ZIPRS2627 (31 December 2024: ZIPRS2526), namely a non-current financial liability in the amount of EUR 65,000 thousand for the transfer in 2027 (31 December 2024: EUR 65,000 thousand for the transfer in 2026) and a current financial liability in the amount of EUR 151,978 thousand for the transfer in 2026 (31 December 2024: EUR 81,482 thousand for the transfer in 2025).

Non-current operating liabilities in the amount of EUR 48 thousand relate to the liability for the payment of variable remuneration for the Management Board based on business performance, which will be paid in 2027 (31 December 2024: EUR 47 thousand), and in the amount of EUR 4 thousand (31 December 2024: EUR 3 thousand) to security deposits received from tenants of business premises.

Current operating liabilities are primarily liabilities for salaries and liabilities to suppliers.

a) Maturity structure of financial and operating liabilities

in EUR 000

	Maturity				
31 December 2025	Up to 1 year	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Financial liabilities	151,978	65,000	0	0	216,978
Operating liabilities	735	48	1	2	786
Trade payables	168	0	0	0	168
Operating liabilities from advances	1	0	1	2	4
Liabilities to the state	28	0	0	0	28
Other operating liabilities	537	48	0	0	585
Total	152,713	65,048	1	2	217,764

in EUR 000

	Maturity				
31 December 2024	Up to 1 year	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Financial liabilities	81,483	65,000	0	0	146,483
Operating liabilities	694	48	0	2	744
Trade payables	197	0	0	0	197
Operating liabilities from advances	0	1	0	2	3
Liabilities to the state	28	0	0	0	28
Other operating liabilities	469	47	0	0	516
Total	82,177	65,048	0	2	147,227

As at 31 December 2025 and 31 December 2024, Kapitalska družba has no loans.

15.3.3 Risk management of financial assets

Important risks that Kapitalska družba is exposed to, along with risk management measures and criteria, are detailed in chapter 15.2 *Material accounting policy information*. Kapitalska družba estimates that the financial assets are exposed to credit, market (interest rate, currency, price) and liquidity risk.

a) Credit risk

Credit risk refers to debt securities, money-market instruments and deposits and entails the possibility of investments being repaid only in part or not at all. The credit rating of investments and business partners is determined by taking into account the credit ratings of the agencies Standard & Poor's, Fitch and Moody`s, and in-house analysis. The highest exposure equals the book value of financial instruments. Equity securities are exempt from the analysis because they do not carry direct credit risk.

Table 36: Net exposure of financial assets to credit risk without considering potential collateral (security)

in EUR 000

31 December 2025 Internal rating	Method of measuring expected loss rate	Credit rating	Bonds	Other	Total
Secure investments	12-month expected losses	AAA	7,602	0	7,602
		AA	7,382	0	7,382
		A	28,935	0	28,935
		BBB	12,265	4,120	16,385
Less safe investments	12-month / lifetime expected losses	BB	1,204	0	1,204
		C	533	0	533
		No credit rating	0	3	3
Units of target funds				475,762	475,762
Total			57,921	479,885	537,806

in EUR 000

31 December 2024 Internal rating	Method of measuring expected loss rate	Credit rating	Bonds	Other	Total
Secure investments	12-month expected losses	AAA	7,319	0	7,319
		AA	10,927	6,983	17,910
		A	33,641	0	33,641
		BBB	16,227	9,136	25,363
Less safe investments	12-month / lifetime expected losses	BB	1,193	0	1,193
		B	964	0	964
		No credit rating	0	4	4
Units of target funds				444,234	444,234
Total			70,271	460,357	530,628

Financial assets were classified into the stated groups based on the credit ratings. Secure investments include investments with a credit rating of AAA to BBB, while less safe investments include investments with a credit rating of BB to C (bonds) and investments that do not have credit ratings. Category "Other" includes units of target funds and cash. Units of target funds do not have a credit rating and amount to EUR 475,762 thousand (31 December 2024: EUR 444,234 thousand).

Table 37: Changes in loss allowance for investments measured at amortised cost and investments measured at fair value through other comprehensive income

in EUR 000

2025	Stage 1	Stage 2	Stage 3	Total
Loss allowance as at 1 January	14	47	0	61
Transfer between stages	0	-47	473	426
Transfer from stage 2 to stage 3	0	-47	473	426
bonds	0	-47	473	426
Derecognition of financial assets in the period	-1	0	0	-1
bonds	-1	0	0	-1
Acquisition of financial assets in the period	0	0	0	0
bonds	0	0	0	0
Other changes	-2	0	0	-2
Loss allowance as at 31 December	11	0	473	484

in EUR 000

2024	Stage 1	Stage 2	Total
Loss allowance as at 1 January	15	0	15
Transfer between stages	-3	47	44
Transfer from stage 1 to stage 2	-3	47	44
bonds	-3	47	44
Derecognition of financial assets in the period	-1	0	-1
bonds	-1	0	-1
Acquisition of financial assets in the period	1	0	1
bonds	1	0	1
Other changes	2	0	2
Loss allowance as at 31 December	14	47	61

Other changes are the result of changes in risk parameter estimates in accordance with the methodology and changes due to exchange rate differences and accrued interest.

Table 38: Changes in gross carrying amount and loss allowance for investments measured at amortised cost and investments measured at fair value through other comprehensive income

in EUR 000

	Gross carrying amount		Loss allowance	
	2025	2024	2025	2024
Balance as at 1 January	31,027	31,333	61	15
Transfer between stages	0	0	426	44
Transfer from stage 1 to stage 2	0	0	0	44
Transfer from stage 2 to stage 3	0	0	426	0
Derecognition of financial assets in the period	-5,754	-3,134	-1	-1
Acquisition of financial assets in the period	2,552	2,819	0	1
Other changes	195	9	-2	2
Balance as at 31 December	28,020	31,027	484	61

Table 39: Geographical concentration of credit risk exposure of financial assets

in EUR 000

Region	31 Dec 2025	31 Dec 2024
Slovenia	26,892	30,495
EU (excluding Slovenia)	32,210	51,451
USA	0	798
Other	2,942	3,650
Units of target funds	475,762	444,234
Total	537,806	530,628

Without taking the ETF units into account, the share of financial assets exposed to credit risk in Slovenia increased from 35% to 43% in 2025.

b) Currency Risk

Table 40: Currency composition of financial assets

in EUR 000

Currency	31 Dec 2025	in %	31 Dec 2024	in %
EUR	1,603,985	87.6	1,264,602	85.0
USD	218,485	11.9	214,930	14.4
Other currencies	9,484	0.5	8,304	0.6
Total	1,831,954	100	1,487,836	100

Table 41: Currency risk of financial assets

in EUR 000

Change of the USD exchange rate by +/- 10%	31 Dec 2025	31 Dec 2024
Impact on statement of profit or loss	+/– 21,849	+/– 21,493
Impact on other comprehensive income	+/– 0	+/– 0
Total	+/– 21,849	+/– 21,493

The currency structure of financial assets is presented considering the currency in which the underlying instrument is denominated. In 2025, the currency risk increased due to higher exposure to investments in US dollars, whereby in the case of investments in investment fund units, the effect of changes in exchange rates of securities representing investments of ETFs is not taken into account.

c) Interest rate risk

Interest rate risk is associated with debt investments that respond to changes in the level of market interest rates. These include investments, the income from which is linked to variable interest rates, and debt instruments where interest income is linked to a fixed interest rate but their market value changes upon any fluctuation of the level of market interest rates. The exposure to interest rate risk is regularly measured by the modified duration indicator.

Table 42: Analysis of investment sensitivity to changes in market interest rates – change in interest rates by 100 basis points

in EUR 000

31 December 2025	Interest rate change	Sensitivity of interest income	Effect on fair value	Total
Financial assets measured at fair value through profit or loss	+/– 1%	+/– 0	–/+10,290	–/+10,290
Financial assets measured at amortised cost	+/– 1%	+/– 0	–/+ 0	–/+0
Financial assets measured at fair value through other comprehensive income	+/– 1%	+/– 0	–/+169	–/+169
Total		+/– 0	–/+10,459	–/+10,459

in EUR 000

31 December 2024	Interest rate change	Sensitivity of interest income	Effect on fair value	Total
Financial assets measured at fair value through profit or loss	+/– 1%	+/– 0	–/+10,409	–/+10,409
Financial assets measured at amortised cost	+/– 1%	+/– 0	–/+0	–/+0
Financial assets measured at fair value through other comprehensive income	+/– 1%	+/– 0	–/+340	–/+340
Total		+/– 0	–/+10,749	–/+10,749

The calculation of the interest revenue sensitivity was made by taking into account the investments subject to variable interest rate, whereas the impact on fair value was calculated by taking into account the investments subject to fixed interest rate, including investments in bond investment funds. If market interest rates had changed by 100 basis points, the value of the investments as at 31 December 2025 would have changed by EUR 10,459 thousand (31 December 2024: EUR 10,749 thousand). Interest rate risk decreased in 2025 due to lower exposure to investments sensitive to changes in market interest rates.

Market risk

Market risk represents the possibility of the value of equity securities to change due to the changes in market indexes and market prices of specific equity instruments. For equity securities, beta indicator is calculated as a measure of systematic risk. The value-at-risk (VaR) indicator is also monitored.

Table 43: Market risk of the equity securities portfolio and ETFs with investments in equity securities

in EUR 000

Change by +/- 10%	Index change		Price change	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Impact on statement of profit or loss	+/–31,955	+/–30,607	+/–35,132	+/–32,924
Impact on other comprehensive income	+/–45,524	+/–1,404	+/–100,962	+/–66,420
Total	+/–77,479	+/–32,012	+/–136,094	+/–99,344

The impact assessment takes into account market equity investments, excluding bond ETFs. The impact on profit or loss arises from investments, measured at fair value through profit or loss, and the impact on other comprehensive income arises from investments at fair value, measured through other comprehensive income. The risk related to changes in the benchmark index is calculated using the beta coefficient relative to a global equity index, while the risk related to price changes reflects a ±10% change in the prices of marketable investments. Market risk relating to equity securities and target funds with investments in equity securities increased in 2025 due to the higher value of the equity portfolio and a higher beta coefficient, primarily associated with domestic market equity investments.

Table 44: Overview of financial assets according to marketability

in EUR 000

	31 Dec 2025	31 Dec 2024
Securities traded on the regulated market	1,544,516	1,204,481
Financial investments measured at fair value through profit or loss	514,223	494,979
Financial investments measured at amortized cost	7,461	7,844
Financial investments measured at fair value through other comprehensive income	1,022,832	701,658
Securities not traded on the regulated market	283,315	281,185
Financial investments measured at fair value through profit or loss	24,856	28,567
Financial investments measured at amortized cost	3,219	3,219
Financial investments measured at fair value through other comprehensive income	255,240	249,399
Cash and cash equivalents	4,123	2,170
Total	1,831,954	1,487,836

As at 31 December 2025, investments traded on regulated securities markets comprised 84.3% (31 December 2024: 81.0%) of the total financial assets of Kapitalska družba (this group also includes OTC investments or interbank market investments). Financial assets measured at fair value through other comprehensive income which are not traded on regulated market include non-marketable shares and stakes.

d) Liquidity risk

Liquidity risk represents the possibility of liabilities not being settled upon maturity. Risk is managed by daily monitoring of the inflows and outflows, and precise matching of maturity of assets and liabilities. As at 31 December 2025, Kapitalska družba recorded a total of EUR 1,624,143 thousand of surplus of expected non-discounted cash inflows over outflows (31 December 2024: EUR 1,351,093 thousand). The shortfall in expected undiscounted cash flows in periods of less than one year and over one year to five years will be covered by the sale of investments with maturities over five years and inflows from investments without maturities and their sale.

Table 45: Expected actual non-discounted cash flows

in EUR 000

31 December 2025	Maturity			No maturity	Total
	Less than 1 year	From 1 to 5 years	Over 5 years		
Investments in securities	19,506	28,158	16,944	1,769,910	1,834,518
Financial investments measured at fair value through profit or loss	4,620	17,568	16,944	505,049	544,181
Financial investments measured at amortized cost	7,224	4,552	0	0	11,776
Financial investments measured at fair value through other comprehensive income	7,662	6,038	0	1,106,698	1,120,398
Financial investments at cost	0	0	0	158,163	158,163
Cash and cash equivalents	4,123	0	0	0	4,123
Operating receivables	3,704	1,099	0	0	4,803
Total assets	27,333	29,257	16,944	1,769,910	1,843,444
Operating liabilities	2,271	52	0	0	2,323
Financial liabilities	151,978	65,000	0	0	216,978
Total operating and financial liabilities	154,249	65,052	0	0	219,301
Difference	-126,916	-35,795	16,944	1,769,910	1,624,143

in EUR 000

31 December 2024	Maturity			No maturity	Total
	Less than 1 year	From 1 to 5 years	Over 5 years		
Investments in securities	19,497	49,971	23,807	1,401,443	1,494,718
Financial investments measured at fair value through profit or loss	17,746	20,172	23,807	468,695	530,420
Financial investments measured at amortized cost	1,028	11,158	0	0	12,186
Financial investments measured at fair value through other comprehensive income	723	18,641	0	774,585	793,949
Financial investments at cost	0	0	0	158,163	158,163
Cash and cash equivalents	2,170	0	0	0	2,170
Operating receivables	1,662	1,347	0	0	3,009
Total assets	23,329	51,318	23,807	1,401,443	1,499,897
Operating liabilities	2,271	50	0	0	2,321
Financial liabilities	81,483	65,000	0	0	146,483
Total operating and financial liabilities	83,754	65,050	0	0	148,804
Difference	-60,425	-13,732	23,807	1,401,443	1,351,093

The “No maturity” column includes stocks, shares, and investment coupons.

e) Contingent assets and liabilities

Table 46: Contingent assets and liabilities

in EUR 000

	31 Dec 2025	31 Dec 2024
Contingent assets	7,674	7,674
Contingent liabilities	11,482	754

As at 31 December 2025, Kapitalska družba had a contingent receivable due from company Kompas Shop, d. d., in the amount of EUR 7,674 thousand, which is being claimed in a non-contentious procedure (31 December 2024: EUR 7,674 thousand).

The contingent liabilities relate to the commitment of Kapitalska družba to purchase units of target funds.

15.4 OTHER DISCLOSURES

a) Remuneration of the members of the Management Board, Supervisory Board and employees with executive employment contracts

The members of the company's bodies are listed in the introductory part of the Annual Report, under Chapter 2 *Presentation of Kapitalska družba, d. d.*

In 2025, remunerations paid for carrying out the responsibilities and duties of members of the Management Board, Supervisory Board, and employees with executive employment contracts to which the tariff section of the collective agreement does not apply, amounted to EUR 1,229 thousand.

Table 47: Remuneration by category of beneficiaries in 2025

in EUR

Category of beneficiaries	Receipt amounts
Management Board members	383,617
Members of the Supervisory Board	102,017
Employees with individual contracts	743,245
Total	1,228,879

No advances, loans or collateral were approved to members of the Management Board, the Supervisory Board and employees with individual contracts by Kapitalska družba in 2025.

b) Remuneration of Members of Management and Supervisory Boards

Remuneration of the members is regulated by ZSDH-1. Pursuant to fifth paragraph of Article 51 of ZSDH-1, the same conditions and criteria as apply to the members of the Management Board of SSH apply to the members of the Management Board of the Kapitalska družba. By mutatis mutandis application of Article 46 of ZSDH-1, the receipts of the Management Board members are set by the Supervisory Board, without considering the provisions of the act governing the remuneration of supervisory body members of companies with majority ownership held by the

Republic of Slovenia or self-governing local communities. The employment contracts made with the Management Board members are consistent with the said legal basis. The basic salary of the members of the Management Board was determined by the Supervisory Board and is fixed for the entire duration of the contract, whereby, at the proposal of the members of the management board, taking into account the change in the average gross salary paid in the Kapitalska družba Group, it may be adjusted once a year, after the data on the average salary in the Kapitalska družba Group for the previous business year are known, provided that the supervisory board agrees to the adjustment. The basic pay of the members of the Management Board of Kapitalska družba was calculated and paid in 2025 taking into account the above criteria. Pursuant to the contract, each member of the Management Board is entitled to attend training at home and abroad up to 15 days per year paid by Kapitalska družba, as specified in the adopted Business and Financial Plan of Kapitalska družba.

Table 48: Remuneration of members of the Management Board in 2025

in EUR

Name and surname	Fixed remuneration	Variable income	Benefits	Cost reimbursement	Insurance premiums (PDPZ)	Other additional payments	Total gross	Deferred income
Bachtiar Djalil (Chairman)	165,985	21,360	466	2,175	3,055	3,157	**196,196**	42,374
Gregor Bajraktarević (Member)	158,001	20,279	399	2,532	3,055	3,157	**187,421**	39,904
Total	**323,986**	**41,638**	**864**	**4,706**	**6,109**	**6,314**	**383,617**	**82,278**

Fixed income of the members of the Management Board includes gross salary receipts. Variable income includes a performance bonus, which equals up to 30% of the annual basic gross salary for the business year, taking into account the performance criteria. The variable remuneration received by the management board refers to the first part of the remuneration from business performance for 2024 based on a combination of quantitative and qualitative criteria. Benefits include benefits from the collective accident insurance as well as liability insurance. Cost reimbursements include reimbursement of meal and travel and/or accommodation expense and/or per diems. Insurance premiums (PDPZ) represent payments of the voluntary supplementary pension insurance premium. Other payments include pay for (summer) holiday allowance and winter holiday allowance. Deferred remuneration comprises the second part of the payment of variable remuneration for 2023, which will be paid in 2026. The second part of the payment of variable remuneration for 2024 will be paid in 2027.

Table 49: Remuneration of the members of the Supervisory Board in 2025

in EUR

Name and surname	Fixed remuneration – payment for performance of duties	Fixed remuneration – attendance fees	Benefits	Cost reimbursement	Total gross
Janez Tomšič (Chairman of the Supervisory Board, until 20 October 2025)	13,268	1,760	96	0	**15,124**
Boris Žnidarič (Deputy chairman; Member of the HR Committee from 13 March 2025, Chairman of the HR Committee from 23 October 2025)	14,221	2,915	144	62	**17,342**

in EUR

Name and surname	Fixed remuneration – payment for performance of duties	Fixed remuneration – attendance fees	Benefits	Cost reimbursement	Total gross
Ladislav Rožič (Member of the Supervisory Board; Member of the HR Committee, until 16 February 2025)	2,865	0	0	0	2,865
Boštjan Leskovar (Member of the Supervisory Board; Chairman of the HR Committee, Member of the Audit Committee, until 20 October 2025)	13,268	4,092	96	602	18,058
Mirko Miklavčič (Member of the Supervisory Board; Member of the Audit Committee)	13,750	3,927	144	946	18,767
Andreja Cedilnik (Member of the Supervisory Board; Chairman of the Audit Committee, Member of the HR Committee)	16,500	4,807	144	112	21,563
Mitja Brudar (Member of the Supervisory Board, from 22 August 2025)	3,025	550	144	129	3,848
Maja Menard (Member of the Supervisory Board from 21 October 2025; Chairman of the Supervisory Board and Member of the HR Committee from 23 October 2025)	2,125	275	96	17	2,513
Krešo Šavrič (Member of the Supervisory Board from 21 October 2025, Member of the Audit Committee from 23 October 2025)	1,542	275	96	26	1,938
Total	80,564	18,601	958	1,894	102,017

Fixed remuneration of the Supervisory Board members includes payments for the performance of duties of the Supervisory board (basic and extra pay for participation in the Supervisory board committees) and session fees for attending the meetings of the Supervisory board and its committees. Credit ratings include credit ratings from liability insurance. Cost reimbursements include reimbursement of travel expenses.

Table 50: Remuneration of the external members of the Supervisory Board's committees in 2025

in EUR

Name and surname	Fixed remuneration – payment for performance of duties	Fixed remuneration – attendance fees	Cost reimbursement	Total gross
Natalija Stošicki (External member of the Audit Committee)	3,600	1,892	224	5,716

Fixed income of the external members of the Supervisory Board committees consists of the remuneration for the performance of duties and attendance fees for the attendance at the Supervisory Board committees' meetings. Cost reimbursements include reimbursement of travel expenses.

Table 51: Remuneration of the members of the management and supervisory bodies arising from the performance of duties in the subsidiary Modra zavarovalnica in 2025

in EUR

Name and surname	Fixed remuneration – payment for performance of duties	Fixed remuneration – attendance fees	Benefits	Cost reimbursement	Total gross
Bachtiar Djalil	16,264	2,721	57	75	19,117

Fixed income consists of the remuneration for the work performed and attendance fees at the meetings. Fringe benefits include benefits from the liability insurance of members of the Supervisory Board. Cost reimbursements include reimbursement of travel expenses.

c) Activities of the Supervisory Board and committees of Kapitalska družba

The Supervisory Board held nine meetings in 2025 and its members attended the meetings regularly.

The Audit Committee of the Supervisory Board held ten meetings. Its members attended the meetings regularly; external member Natalija Stošicki was not able to attend one meeting for justifiable reasons.

The HR Committee held five meetings. All members attended all sessions.

d) Information about encumbrances

Pursuant to paragraph 5 of Article 48.a of ZNVP-1, Kapitalska družba also acquired registry securities that were encumbered with a pledge, which has two legal bases. Firstly, on the basis of a legal transaction with entry in the central register of book-entry securities, and secondly, on the basis of a seizure or entry of an enforcement order in the central register of book-entry securities, all in the amount of EUR 25 thousand.

The remaining assets owned by Kapitalska družba are free from mortgages, pledges or other encumbrances.

Fixed assets are not under finance lease nor have they been acquired for the purpose of trading.

e) Related-party transactions

In 2025, Kapitalska družba didn't make any significant transactions with its related parties, that would not be concluded under normal market conditions.

f) Important events after the date of the statement of financial position

From the end of 2025 until the date of approval of the financial statements for publication, Kapitalska družba had no business events that could have a significant impact on its financial statements for 2025.

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