

STATEMENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE FOR PUBLIC JOINT-STOCK COMPANIES

The Management Board and the Supervisory Board of Sava Reinsurance Company hereby confirm that they operate in compliance with the Corporate Governance Code for Public Joint-Stock Companies of 8 December 2009 as adopted by the Ljubljana Stock Exchange, the Slovenian Directors' Association and the Managers' Association of Slovenia, which is available from the website of the Ljubljana Stock Exchange, Ljubljana (<http://www.ljse.si>) in Slovenian and English, except for the deviations expressly explained below.

The Supervisory Board

Recommendation 6.2.:

The Supervisory Board has two members who are employee representatives. They are employed with the Company and therefore have business ties with it. They were appointed already in 2011 by the Workers' Council in accordance with the applicable regulations.

Recommendation 8.4.:

To distribute materials and convene meetings, the Supervisory Board makes use of the post and couriers. The policy in use so far has not impeded the functioning of the Supervisory Board. If need arises, the Supervisory Board will start using information technology for the said purpose, as recommended by the Code.

Recommendation 8.8 and 8.9.:

The Company's Articles of Association or the Supervisory Board's resolutions do not stipulate requirements additional to those stipulated by the law for the position of a Management Board member. However, the Company as reinsurer is subject to special regulations, i.e., the Insurance Act, which stipulate additional requirements for the position of Management Board member. In addition, Management Board members must obtain a licence from the Insurance Supervision Agency before they can start their term of office. Such licence is being issued only in relation to carrying out the function of board member in a specific insurance or reinsurance company. In view of the strict regulatory framework, the Company is of the opinion that stipulating additional requirements is not necessary.

Recommendation 9, 9.1 and 9.3.:

The Supervisory Board does not evaluate the competence and efficiency of each individual Supervisory Board member because the Board functions as a whole. As a rule, the Supervisory Board meets in its full composition and adopts decisions jointly, which makes it difficult to evaluate the contribution of each individual member. Likewise, all members also participate in all Supervisory Board decision-making and other processes. In view of all this, the Company is of the opinion that evaluating the performance of each individual Supervisory Board member is not necessary.

Recommendation 13.1.:

As one member's four-year term of office expired prematurely in 2010, the Supervisory Board appointed, in April 2011, a standing five-member Nomination Committee as a special consulting body. This was tasked with selecting objectively and transparently candidate members of the Supervisory Board to be proposed to the General Meeting for election. However, the Supervisory Board has not appointed a standing personnel committee. Should need arise, the Nomination Committee can also be tasked with responsibilities of a personnel committee. The Supervisory Board carries out other duties within its terms of reference without a specific committee as this did not prove to be necessary.

2. Transparency

Recommendation 20.2.:

The Company does not have a single document including a communication strategy for the prevention of situations leading towards insider trading. The content of recommendation 20.2 is largely set out in internal acts or implemented in practice.

This statement relates to the period from adoption of the previous statement of compliance with the Corporate Governance Code for Public Joint-Stock Companies, i.e., 15 April 2011, up until 16 April 2012.

Ljubljana, 16 April 2012

The Management Board
of Sava Reinsurance Company d.d.

Zvonko Ivanušič, Chairman



Jošt Dolničar, Member



Srečko Čebren, Member



Mateja Treven, Member



The Supervisory Board
of Sava Reinsurance Company d.d.

Branko Tomažič, Chairman

