

Pozavarovalnica Sava, d.d.
Dunajska 56, 1000 Ljubljana



In its 49th session on 14/11/2014, the management board of Sava Reinsurance Company d.d., Dunajska 56, Ljubljana, and the supervisory board in its 15th session on 18/11/2014 adopted the following

SHARE REPURCHASE PROGRAMME

I. LEGAL BASIS FOR THE ACQUISITION OF OWN SHARES

1. The decision of the general meeting authorizing the management to acquire and dispose of own shares

In the 28th general meeting held on 23/04/2014, the management board was given authorization to acquire and dispose of own shares (hereinafter: general meeting authorization).

2. Term of the authorization to acquire and dispose of own shares

Authorisation of the management board valid for a period of 36 months, i.e. until 23/04/2017.

3. Maximum number of own shares to be repurchased

The general meeting authorization is for acquiring own shares up to a total of 1.721.966 shares, representing 10 percent of the Company's share capital, including own shares that the Company already owns at the date of this authorization.

4. Methods of acquiring own shares

In accordance with the general meeting authorization, the Company may acquire its own shares, either by transactions on the regulated financial instruments market or outside the organised market.

5. Price of share repurchase

If the Company acquires shares through transactions in any organised securities market, the Company may do so at the current market price of shares.

Unless the company acquires shares in any organised securities market, the purchase price of shares so acquired may deviate from the 2-month average volume weighted official stock exchange price on the acquisition date by no more than +/-20 percent. The volume weighted official stock exchange price is the official closing price on a particular trading day of the Ljubljana Stock Exchange. If on a given day, no transaction took place in this share, the closing price shall be the closing price of the previous trading day.

6. Purposes of using own shares

Pursuant to the general meeting authorization, the Company may use the acquired own shares for the following purposes: (1) to exchange for minority interests in subsidiaries of the Sava Re Group or (2) to exchange for equity interests in other companies within the scope of implementing the acquisition strategy or (3) to sell to any strategic partner or (4) to implement procedures for admission of the Company's shares to at least one developed regulated securities market.

II. SHARE REPURCHASE PROGRAMME

1. Objective of the share repurchase programme

The Company adopted the share repurchase programme to make trading with own shares public and transparent, while giving due consideration to equal treatment of all shareholders, the protection of the shareholders' interests and the prevention of the risk of market abuse.

2. Funds for the repurchase of own shares

The Company will finance the repurchase of own shares from the surplus of liquid assets from own resources.

The Company will acquire own shares gradually in line with the possibilities permitted by the Company's capital adequacy.

3. Quantitative limit of the share repurchase

The Company will acquire own shares both in line with the quantitative limits as specified in the

general meeting authorization and with quantitative limits laid down by the Company's management.

4. Price limit of the share repurchase

The Company will acquire own shares both in line with the price limits as specified in the general meeting authorization and with resolutions of the Company's management having regard to due diligence.

5. Methods of acquiring own shares

In accordance with the general meeting authorization, the Company may acquire its own shares, either by transactions on the regulated financial instruments market or outside the organised market.

5.1 Acquisition of own shares through transactions on the regulated financial instrument market

5.1.1 Place of acquisition of own shares

The company will acquire its own shares in the regulated market **of the Ljubljana Stock Exchange, Slovenska cesta 56, 1000 Ljubljana, Slovenia.**

5.1.2 Method to acquire own shares on the regulated financial instrument market

The Company will acquire own shares within the scope of an open order for the share repurchase assigned to one or more members firms of the Ljubljana Stock Exchange (Ljubljanska borza d.d.), which will carry out share repurchase transactions systematically, transparently and independently of the Company and under no influence by the Company in respect of the times of purchase.

5.1.3 Member firms

During the time of carrying out an open order, the selected member firms of the stock exchange will not be allowed to have any inside information other than related to the execution of the purchase of own shares. The selected member firms will in this case be subject to the prohibition of trading based on inside information in accordance with Section 10 of the Financial Instruments Market Act (ZTFI Official Gazette of the Republic of Slovenia, No. 67/07, including amendments).

Before the order is placed, the selected member firms will sign a statement regarding the existence of any conflict of interests due to other investment services rendered.

5.1.4 Compliance with legislation

When acquiring own shares based on orders, the Company will observe the provisions of the Companies Act (Official Gazette of the Republic of Slovenia, No. 42/2006, including amendments), the provisions of the Market in Financial Instruments Act (ZTFI,) and certain

provisions of the EC Regulation No. 2273/2003 (Official Journal L 336; hereinafter "EC Regulation"), i.e. in respect of the amount of own shares to be acquired and restrictions set out in Article 6 of the EC Regulation.

With regard to the purpose of acquiring its own shares, it must be noted that the Company's general meeting granted the management board authorization to acquire and dispose of treasury shares for a wider range of purposes than provided for in the EC Regulation.

With regard to the determination of prices of own shares to be acquired, this is to note that the general meeting granted to the Company's management board authorization to acquire own shares at current market prices of such shares.

To avoid misinterpretations, the Company hereby declares that this share repurchase programme is not a share repurchase programme within the meaning of the EC Regulation. Notwithstanding the above, the Company hereunder undertakes to be bound by certain provisions of the EC Regulation as set out above.

5.1.5 Share repurchase transactions in the close period

The Company will repurchase own shares based on open orders on the regulated market uninterruptedly, i.e. also in a close period as specified by the Company's internal rules governing trading with POSR shares. Notwithstanding the preceding sentence, the Company will not undertake any repurchases of shares in these silent periods, which are determined by the Company in the financial calendar.

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5.2 Acquisition of own shares through transactions outside the regulated financial instrument market

5.2.1 Invitation to shareholders to tender

From time to time, the Company will acquire own shares through transactions outside the regulated financial instrument market, i.e. based on a procedure involving a public invitation to shareholders or a direct invitation to all shareholders to submit binding tenders for the repurchase of own shares.

5.2.2 Procedure for acquiring own shares

For the purpose of acquiring own shares outside the regulated market, the Company will authorize a member firm of the Ljubljana Stock Exchange, pre-defining conditions for transactions.

The procedure and content will be defined in detail in the invitation to placing binding tenders.

5.2.3 Publication of invitation to tender

In the case the management board decides to acquire own shares outside the regulated market, the Company will publish an invitation for making binding tenders, generally within a few days

of quarterly announcement of financials in order to allow equal participation for all interested shareholders and with a view to reduce the risk of impact on the basic prices, which determine the conditions for setting prices for the purpose of the repurchase.

The Company will published an invitation for making binding tenders, including details on the procedure, in softcopy on the website of the Ljubljana Stock Exchange, in the SEOnet information system (<http://seonet.ljse.si>) and on the Company's official website (<http://www.sava-re.si>).

The Company will also publish a short notice for shareholders on the invitation for making binding tenders in one daily newspaper with circulation on the entire territory of the Republic of Slovenia.

5.2.4 The member firm

While executing the order for acquiring own shares outside the regulated market, the selected member firm will not be permitted to have any inside information of the Company, other than those relating to the execution of the procedure. The selected member firm will in this case be subject to the prohibition of trading based on inside information in accordance with Section 10 of the ZTFI.

Prior to receiving the order for acquiring own shares outside the regulated market, the selected member firm will sign a declaration regarding the existence of any conflict of interests due to other investment services rendered.

5.2.5 The principle of equal treatment of all shareholders and protection of shareholders' interests

Equal treatment of all shareholders and the protection of shareholders' interests will be provided in the process of acquiring its own shares outside the regulated market.

5.2.6 Share repurchase transactions in the open period

The Company will carry out repurchases of own shares based on the procedure for acquiring own shares outside the organised market solely in the open window period, as specified in the Company's internal rules governing trading with POSR shares.

5.2.7 Share repurchase transactions during the procedure of acquisition of own shares outside the regulated market

During the procedure of acquiring own shares outside the regulated market, the Company will not repurchase own shares in the regulated market of financial instruments.

III. VALIDITY AND IMPLEMENTATION OF THE SHARE REPURCHASE PROGRAMME

The share repurchase programme has been adopted and applies throughout the term of the General Assembly's Power, i.e. until 23 April 2017.

The implementation of the share repurchase programme can be suspended and continued at any moment.

IV. PREVENTING THE RISK OF MARKET ABUSE IN SHARE REPURCHASE TRANSACTIONS

In order to make trading with own shares public and transparent, the Company will follow all relevant provisions relating to the prohibition of market manipulation and abuse of inside information as defined in the ZTFI.

When acquiring own stock, the Company will make an effort not to give any incorrect or misleading signs to the market through its transactions in respect of demand, supply or price per share and not to take the dominant position on the purchasing side. In addition, it will promptly publish all information that is inside information by its nature.

V. REPORTING OF THE COMPANY ON SHARE REPURCHASE TRANSACTIONS

1. Publication of information relating to own shares

The Company will keep the public regularly informed of any share repurchase transaction, i.e. within seven (7) days of the date of the execution of a transaction.

When the Company acquires a share of own stock amounting to or exceeding 5 or 10% of all voting shares or the share of own stock decreases to below one of the mentioned thresholds due to own stock transactions, the Company will inform the public immediately upon concluding the transaction, but no later than before trading starts on the first trading day that follows. The Company will publish a notice relating to own stock transactions on the website of the Ljubljana Stock Exchange, in the SEOnet information system (<http://seonet.ljse.si>) and on the Company's official website (<http://www.sava-re.si>).

2. Publication of information relating to changes in the total number of voting rights

At the end of each month in which a change in the total number of voting shares takes place due to own stock transactions, the Company will inform the public of the change and of the new total number of voting shares. The Company will publish a notice relating to a change in the total number of voting rights on the website of the Ljubljana Stock Exchange, in the SEOnet information system (<http://seonet.ljse.si>) and on the Company's official website (<http://www.sava-re.si>). In addition, the Company will inform shareholders on these issues at the first general meeting of shareholders.

VI. PUBLICATION OF THE SHARE REPURCHASE PROGRAMME

The Company has published the share repurchase programme in softcopy on the website of the Ljubljana Stock Exchange, in the SEOnet information system (<http://seonet.ljse.si>) and on the Company's official website (<http://www.sava-re.si>).

The share repurchase programme is available to the Company's shareholders in the Secretary's office at the Company's headquarters in Ljubljana, Dunajska cesta 56, every working day between 9:00 and 15:00.

Ljubljana, 18 November 2014

The management board of Sava Reinsurance Company