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Pursuant to Article 296 of the Slovenian Companies Act, the management board of Pozavarovalnica Sava, d. d., Ljubljana, Dunajska 56,

*hereby calls*

**the 31st General Meeting of Shareholders  
of Pozavarovalnica Sava, d. d., Ljubljana (Sava Reinsurance Company or Company)**

to be held on **Tuesday, 30 August 2016**, at 13:00 in the Horus Hall of the Austria Trend Hotel Ljubljana, Dunajska cesta 154, 1000 Ljubljana.

**Agenda and proposed resolutions:**

**1. Opening of the meeting, establishment of quorum and appointment of meeting bodies**

The general meeting establishes whether a quorum is present, and meeting bodies are appointed as necessary in order for the general meeting to transact business. The general meeting will be attended by a notary, who will be present by invitation.

**2. Presentation of the 2015 annual report, including the auditor's opinion; presentation of the written report of the supervisory board on its activities, including its opinion on the audited annual report; information on the remuneration of the members of the management and supervisory bodies; presentation of the 2015 annual report on internal auditing, including the opinion of the supervisory board thereon; and the management board's report on own shares**

The general meeting takes note of the approved audited annual report for the 2015 financial year, including the auditor's opinion and the report of the supervisory board on its activities with an opinion on the audited annual report. The general meeting takes note of the information on the remuneration of the members of the management and supervisory bodies received for the performing of their functions in the 2015 financial year. The general meeting takes note of the 2015 annual report on internal auditing, including the opinion of the supervisory board thereon; and of the management board's report on the purchase of own shares.

**3. Appropriation of distributable profit and granting of discharge to the management and the supervisory boards for 2015**

**PROPOSED RESOLUTION**

3.1 Distributable profits of € 20,763,434.71 as at 31 December 2015 shall be appropriated as follows:

€ 12.398.156,80 shall be appropriated for dividends. The dividend shall be € 0.80 gross per share and shall be paid to the shareholders entered in the shareholders' register two business days after the date of the general meeting. Dividends shall be paid within 60 days of the passing of said resolution.

The remaining distributable profit of € 8.365.277,91 shall not be appropriated.

**PROPOSED RESOLUTION**

3.2. The general meeting hereby discharges the management board from liability for the financial year 2015.

**PROPOSED RESOLUTION**

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3.3 The general meeting hereby discharges the supervisory board as composed in 2015 from liability for the financial year 2015.

#### **4. Briefing of the general meeting on the change in supervisory board members representing employee interests**

The general meeting takes note of the fact that the term of office of Andrej Gorazd Kunstek and Martin Albreht, members of the supervisory board representing employee interests, expired on 10 June 2015.

The supervisory board takes note of the workers' council appointment of Andrej Gorazd Kunstek and Helena Dretnik as new members of the supervisory board (employee representatives) for a term of four years. The newly elected members began their term of office on 11 June 2015.

The general meeting takes note of the resignation tendered by Helena Dretnik, resigning as a member of the supervisory board (employee representative), as of 19 February 2016.

The supervisory board takes note of the workers' council appointment of Mateja Živec as a new member of the supervisory board employee representative in place of Helena Dretnik for a term of office running from 1 April 2016 to 11 June 2019.

#### **5. Amendments to the Articles of Association**

##### **PROPOSED RESOLUTION:**

The Company's articles of association shall be amended so that:

**(1) Article 4. a be deleted,**

**(2) paragraph 1 of Article 10 be deleted,**

**(3) Article 17 be amended so that paragraphs 2 and 3 be added to paragraph 1, with the following wording:**

A supervisory board member may resign from the function of supervisory board member with a notice period which commences on the date the management board receives a written notice of resignation and lasts until the date of appointment of a new (alternate) member of the supervisory board, but which cannot last more than three months.

In exceptional cases and for duly substantiated reasons (e.g. prolonged illness or other prolonged absence, potential conflict of interest) as shall be indicated in the notice of resignation, a supervisory board member may resign without a notice period.

**(4) Article 26 be amended to read:**

The chairperson and members of the management board shall have full capacity to contract and shall comply with all statutory requirements as well as with the following conditions:

- they must have a university degree;
- they must be proficient in at least one global language; and
- they must have at least five years of professional experience in key positions.

**(5) Article 27 be amended to read:**

The Company shall be represented by:

- the chair of the management board together with one management board member,
- a management board member together with either the chair of the management board or another management board member.

No member of the management board has authority to represent the Company independently across the entire scope and scale of the Company's operations.

**(6) Article 31 be amended to read:**

Data and communications that are important to the Company or its shareholders shall be published via the SEO-net information system of the Ljubljana Stock Exchange and on the Company's official website.

The Company shall publish notices convening the general meeting and information or communications subject to legal obligation to publish via the SEO-net information system of the Ljubljana Stock Exchange, and on the Company's official website, and on the AJPES website for publication under the Slovenian Companies Act (ZGD); or in printed form, in the daily newspapers Delo or Dnevnik or in the Official Gazette of the Republic of Slovenia.

Decisions regarding the publication of any other data relevant to shareholders and the Company and about the manner and form of said publication shall be at the discretion of the management board.

**(7) Article 35 be amended to read:**

Upon every amendment of the articles of association, such articles of association shall enter into force on the date of their entry into the register.

**6. Remuneration of members of the supervisory board and its committees**

PROPOSED RESOLUTION:

- (1) Members of the supervisory board shall receive an attendance fee for each meeting attended, which is the same for all supervisory board members and amounts to € 275 gross. Each member of any supervisory board committee shall receive an attendance fee for each committee meeting attended in the amount of 80 percent of the attendance fee set for supervisory board meetings. Attendance fees for correspondence sessions shall be 80 percent of the amount for regular sessions. Without prejudice to the above and irrespective of the number of sessions attended, every member of any supervisory board committee is entitled to receive, in any one financial year, attendance fees of up to 50 percent of the annual basic remuneration for performing the function of supervisory board member. Without prejudice to the above and irrespective of the number of supervisory board or committee sessions attended, every supervisory board member who is a member of any supervisory board committee is entitled to receive, in any one financial year, attendance fees relating to supervisory board as well as committee sessions of up to 75 percent of the annual basic remuneration for performing the function of supervisory board member.

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- (2) In addition to attendance fees, each supervisory board member shall receive basic remuneration for performing their function in the amount of € 13,000 gross per year. The supervisory board chair shall also receive an additional 50 percent of the basic remuneration for performing the function of supervisory board member, while the vice-chair or deputy chair of the supervisory board shall receive an additional 10 percent of the basic remuneration for performing the function of supervisory board member. Each member of any supervisory board committee shall receive an additional remuneration for performing their function of 25 percent of the basic remuneration of a supervisory board member. The chair of any committee shall be entitled to receive an additional remuneration for performing the function in the amount of 37.5 percent of the basic remuneration for performing the function of supervisory board member. Without prejudice to the above and irrespective of the number of committees they serve on or chair, any member of any supervisory board committee is entitled to receive, in any financial year, additional remuneration for committee membership of up to 50 percent of the basic annual remuneration for performing the function of supervisory board member. Without prejudice to the above and irrespective of the number of committees they serve on or chair, if the term of office of any supervisory board member is less than one financial year, such member of a supervisory board committee is entitled to receive, in any financial year, additional remuneration for membership of committees of up to 50 percent of the basic remuneration for performing the function of supervisory board member with regard to entitlements to payments for the period covering such member's term of office in the relevant financial year.
- (3) Each member of the supervisory board or any supervisory board committee shall receive the basic remuneration and additional remuneration for performing their function in proportional monthly payments as long as they perform the said function. The monthly payment shall be one twelfth of the said annual amounts.
- (4) The aggregate limit of attendance fees and additional remuneration for supervisory board members shall in no way influence the obligation to actively participate in all meetings of the supervisory board or its committees of which they are a member of and to perform their obligations in accordance with the law.
- (5) Supervisory board members are entitled to reimbursement of transport costs and accommodation costs related to their activities as supervisory board members up to the amount prescribed by regulations on the reimbursement of work-related costs and other income not included in the tax base (provisions relating to transport and transient lodging on business trips). The amount that a supervisory board member is entitled to under the above provisions shall be grossed up so that the net payment represents the reimbursement of actual travel costs. The number of kilometres travelled shall be determined based on the distance between places calculated using the public AMZS website. Accommodation costs shall be reimbursed only if the supervisory board member's permanent or temporary residence is at a distance of 100 km or more, if the member cannot return because of unavailable public transport as per time table, or based on other objective grounds.
- (6) This resolution shall enter into force upon adoption by the general meeting and shall apply as of 1 September 2016. This resolution shall cancel and supersede resolution no. 8, passed on 29 June 2011 in the Company's 24th general meeting.

## **7. Appointment of auditor for the financial years 2016–2018**

### **PROPOSED RESOLUTION**

The general meeting hereby appoints the audit firm Ernst & Young d.o.o., Dunajska 111, Ljubljana, as auditor for the financial years 2016–2018.

## **8. Briefing of the general meeting on the procedure of the review carried out on the transaction to purchase the property located in Baragova ulica 5 in Ljubljana ("ACH Property")**

The general meeting is briefed on the procedure of the review carried out on the transaction to purchase the ACH Property.

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### **Shareholder information**

#### **Access to general meeting materials, to proposed resolutions with explanations and to information relating to the general meeting:**

The proposer of the resolutions under agenda items 6, 7 and 8 is the supervisory board; the joint proposers of other resolutions are the supervisory and management boards.

The notice of general meeting, including the agenda, is published in the daily Delo, on the website of the Ljubljana Stock Exchange via the SEOnet information system (<http://seonet.ljse.si>), on the AJ PES website (<http://www.ajpes.si>) and on the Company's official website (<http://www.sava-re.si>).

The general meeting materials, including proposed resolutions with explanations, the annual report of the Sava Re Group and Pozavarovalnica Sava, d. d., 2015, the report of the supervisory board, the corporate governance statement, the report of the supervisory board on the procedure of the review carried out on the transaction to purchase the property located in Baragova ulica 5 in Ljubljana ("ACH property") and other materials pursuant to Article 297a of the Slovenian Companies Act (ZGD-1), are available, from the day of the general meeting notice to the day of the general meeting, in the Company's secretaries office at the Company's registered office in Ljubljana, Dunajska 56, every business day between 9.00 and 15.00. The notice of general meeting, explanations of proposed resolutions and other materials are also available on the Company's official website and via the Ljubljana Stock Exchange SEOnet information system. Information pursuant to Article 296, paragraph 3, of the ZGD-1 and detailed information on the rights of shareholders relating to placing items on the agenda, making counter proposals to resolutions, making voting proposals and relating to the rights of shareholders to be informed (Article 298 (paragraph 1), Articles 300 (paragraph 1), 301 and 305 of the ZGD-1) is published on the Company's website.

#### **Requests and proposals by shareholders**

Shareholders holding 1/20th or more of the Company's share capital are entitled to place items on the agenda by written request within seven days of the publication of the notice of general meeting. The request must include a written proposed resolution to be decided by the general meeting, or if no resolution is decided on in an agenda item, explanations to the agenda item. Pursuant to Article

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298, paragraph 3, of the ZGD-1, the management board will publish any additional agenda items sent to the Company by shareholders, no later than seven days after the publication of the notice of general meeting. Requests for placing items on the agenda may be sent by email to [info@sava-re.si](mailto:info@sava-re.si).

Shareholders are entitled to add to each agenda item written proposed resolutions and voting proposals. The management board will publish, in the same manner as the notice of general meeting, any shareholder proposal if sent to the Company within seven days of the notice of general meeting, if reasonably substantiated and in relation to which the proposing shareholder advises that at the general meeting such shareholder will object to the resolution proposed by the management board or the supervisory board and induce other shareholders to vote for such shareholder's proposal. Pursuant to Article 301 of the ZGD-1, shareholders are not required to explain their voting proposals. Any shareholder proposal will be published and advised pursuant to Article 296 of the ZGD-1, if sent to the Company reasonably substantiated within seven days of the publication of the notice of general meeting. Proposals for resolutions and voting proposals may be sent to the Company by email to [info@sava-re.si](mailto:info@sava-re.si).

Requests for placing items on the agenda, proposed resolutions and voting proposals sent by email must be sent by scanned document including signature in manuscript of individuals; for legal entities, documents must include a signature in manuscript of the legal representative with stamp of the legal entity or seal if used. The Company has the right to request personal identification of shareholders or proxies who have sent requests or proposals per email and to verify the authenticity of their signatures.

#### **Shareholders' right to be informed**

Shareholders are entitled to put questions to the general meeting and request information on the Company's affairs required to decide on agenda items and are entitled to exercise their right to be informed in accordance with Article 305, paragraph 1, of the ZGD-1.

#### **Conditions for attendance at the general meeting and for exercising voting rights**

To attend the general meeting and exercise voting rights, shareholders must send the Company a registration form no later than by the end of the fourth day prior to the session of the general meeting, i.e. by Friday, 26 August 2016, and must be registered holders of shares listed in the central register of book-entry securities at the end of the fourth day prior to the general meeting session.

Registration forms must be sent to the address: Pozavarovalnica Sava, d. d., management board – for the general meeting, Dunajska 56, 1000 Ljubljana, Slovenia. To be valid, registration forms cannot be sent by electronic means. Only registration forms with original signatures will be considered properly received.

Each shareholder entitled to attend the general meeting is entitled to appoint a proxy to attend on their behalf and exercise their voting rights. The proxy appointment must be issued in writing and must be submitted to the Company, where it will be deposited. A proxy form for proxy voting is available from the Company website, and each shareholder can obtain free copies at the Company's registered office, every business day from the day of the publication of the general meeting notice to the day of the general meeting from 9:00 to 15:00. A proxy appointment can be sent to the Company by email at [info@sava-re.si](mailto:info@sava-re.si), as a scanned document attached to an email; it must include a signature in manuscript for individuals; for legal entities, documents must include a signature in manuscript of the legal representative with stamp or seal of the legal entity if used. The Company has the right to request personal identification of shareholders (proxy givers) who have sent a proxy appointment by email and to verify the authenticity of signatures. A proxy appointment may be revoked in the same manner as given up until the day of the general meeting.

Shareholders and/or their legal representatives or proxies must provide personal identification and written proxy appointment upon request; legal representatives must additionally provide a regular extract from the register of companies. Shareholders with a qualifying holding are required to present a valid authorisation obtained in accordance with Article 31 of the Insurance Act.

On the day of the general meeting notice, the number of the Company's ordinary, registered no-par value shares issued is 17,219,662. In accordance with the articles of association, each share entitles its holder to one vote in the general meeting. On the publication day of the general meeting notice, the Company holds 1,721,966 own shares with no voting rights attached.

Shareholders are kindly requested to register upon arrival, a minimum of one hour prior to the beginning of the session, in reception where they will register attendance by signing an attendance list, and obtain electronic voting handsets and materials required for voting.

**The management board**  
of Pozavarovalnica Sava, d. d.