



**GENERAL MEETING OF SHAREHOLDERS OF SAVA RE, D.D.**

**Explanation of the Proposed Resolutions for the 32nd General Meeting of Shareholders of Sava Re, d.d.**

**Ad agenda item 1 (management board's explanation):**

**OPENING OF THE MEETING, ESTABLISHMENT OF QUORUM AND APPOINTMENT OF MEETING BODIES**

Pursuant to the Slovenian Companies Act (ZGD-1) and the articles of association of Sava Re, d.d., the management board has the power to call, and is responsible for calling, the general meeting of shareholders.

In its capacity of convenor, the management board proposes the meeting bodies for election as follows:

- for chairman of the general meeting: Bojan Pečenko;
- for members of the verification committee: two representatives of Ixtlan Forum d.o.o. and one representative of Sava Re, d.d.

The general meeting will also be attended by invited notary Bojan Podgoršek.

THE MANAGEMENT BOARD  
of Sava Re, d.d.

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**GENERAL MEETING OF SHAREHOLDERS OF SAVA RE, D.D.****Explanation of the Proposed Resolutions for the 32nd General Meeting of Shareholders of Sava Re, d.d.****Ad agenda item 2 (the supervisory board's explanation):**

According to the applicable articles of association of Sava Re, d.d., the supervisory board is composed of six members, of which four (the shareholder representatives) are elected by the Company's general meeting, and two (the employee representatives) are elected by the workers' council, which subsequently informs the general meeting of its resolution. After the resignation of Branko Tomažič from the position of chair and member of the supervisory board in October 2016, the supervisory board of Sava Re, d.d. has been operating with five members. The term of office of the remaining three members who are shareholder representatives expires in 2017. Due to the complexity of the business operations of Sava Re, d.d. and the Sava Re Group, the Company wants to ensure that the supervisory board operates with all six members as soon as possible, thereby ensuring compliance with the Company's articles of association as regards the number of supervisory board members. Considering the complexity and amount of time that the procedure will require, including the fit and proper assessment of both the supervisory board member candidates and the supervisory board as a whole, it was assessed that this procedure should result in obtaining a complete set of four members of the supervisory board to represent shareholder interests.

Accordingly, we seek to complete the procedure of selecting candidates and the election of four new supervisory board members in an extraordinary general meeting scheduled to be held before the regular annual general meeting scheduled for the end of May, as per the 2017 financial calendar.

Pursuant to the ZGD-1, the supervisory board is responsible for proposing to the general meeting candidates for new supervisory board members to represent shareholder interests.

The proposal of the supervisory board is based on the proposal by the supervisory board nominations committee dated 12 January 2017, which is a consulting body in the selection of candidates for the supervisory board. The candidates are then proposed by the supervisory board to the general meeting for election. To ensure further independence and the objectivity of the selection procedure, the committee was assisted by an outside human resources expert.

The supervisory board proposes that the following four candidates are elected as members of the supervisory board:

***Davor Ivan Gjivoje, Andrej Kren, Mateja Lovšin Herič, Keith William Morris.***

All of the candidates have consented to their nomination and signed statements confirming that there were no circumstances that, under the ZGD-1 or Slovenian Insurance Act, would oppose their election. In addition, all candidates signed statements giving qualifications as to each criterion of independence and declaring to be independent within the meaning of the provisions of the Corporate Governance Code for Public Joint-Stock Companies; statements also include a declaration

that candidates have the appropriate motivation, experience, knowledge and time for serving on the Company's supervisory board.

All of the proposed candidates submitted the full documentation as required under internal fit and proper regulations of relevant persons of Sava Re, d.d.

In preparing its proposal, the supervisory board considered the recommendation of diversity of technical knowledge, experience and skills in order for supervisory board members to complement each other, while also taking due account of the recommendation to consider diversity in terms of gender, age, nationality and education. Furthermore, the supervisory board sought to prepare a proposal in line with the principle of continuity of the supervisory board's operation.

The supervisory board's fit and proper committee of Sava Re, d.d. assessed as fit and proper each of the proposed candidates, as well as the competence of the supervisory board as a collective body in the expected future composition.

It is proposed to the general meeting that one member start his term of office on the day of the general meeting, i.e. 7 March 2017, while three new members of the supervisory board start their terms of office after the expiry of the terms of office of the current supervisory board members, i.e. on 16 July 2017. The terms of office of all of the new supervisory board members shall run for four years, in accordance with the Company's articles of association, starting from the date the candidate starts the term of office.

In accordance with paragraph 3 of Article 274 of the ZGD-1 and with regard to the fact that Sava Re, d.d. is a listed joint-stock company trading on the prime market of the Ljubljana Stock Exchange, it is proposed that the general meeting should take a separate vote for each supervisory board member candidate.

**Brief presentation of candidates:**

**Davor Ivan Gjivoje** (1968) is an American citizen, with Croatian roots, who has lived in the United States for over 40 years. In 1990, he graduated from Brown University, Providence, Rhode Island, with a degree in political science (Bachelor of Arts, magna cum laude). He also completed a one-year course of studies in social and political sciences at Cambridge University, England. In 1995, he completed his Master in Business Administration (MBA) degree at the Harvard Graduate School of Business Administration, Boston, Massachusetts. He is the Chief Executive Officer of a closely-held international holding company, the main activities of which are hotel development, airline marketing and strategic investments. Over the past 20 years, he has held various executive positions at Network, Inc./DGG Holdings, Ltd. Prior to that, he worked in the financial sector (Citibank NA) and as a management consultant (the Boston Consulting Group). Davor Gjivoje is also active in philanthropy, as a member of the philanthropic board of the Gagnon Cardiovascular Institute, located in the larger New York Area, and in education as President of the Board of Education of the Harding Township School, Harding, New Jersey.

**Andrej Kren** (1960) obtained a university degree in law. Since 1995, he has been directing and coordinating the operations of various activities of the company FMR d.d., including the

*establishment, control and financing of subsidiaries and various forms of long- and short-term financial investments. He has been the chairman of the management board of FMR d.d. since 2008. He started his professional career in the industry in 1988 in the business strategy department of ETA Cerknó, and from 1992 to 1995 he was the managing director of AvtoCenter Idrija d.o.o. In the past, he had served on the supervisory boards of companies associated with financial funds and pension insurance. Currently, he is a member of the supervisory board of RSG Kapital d.o.o. and a board member of the Idrija Lions Club.*

**Mateja Lovšin Herič (1969)** *is a university graduated economist. She has been with Slovenian Sovereign Holding, d.d. (previously: Slovenian Restitution Company) since 1995, and is currently director of the capital asset disposal and acquisition department. She has extensive experience in managing equity investments, as well as in steering and participating in large and complex projects led by Slovenian Sovereign Holding, d.d. In the past, she has served as a member of the supervisory board of four joint-stock companies. Currently, she is the chair of the Sava Re supervisory board, a member of the supervisory board's audit committee, a member of the F&P committee, and the chair of the nominations committee of the supervisory board of Sava Re, d.d. She holds a certificate issued by the association of supervisory board members certifying that she is a qualified member of supervisory and management bodies required by persons to be appointed to such bodies by the government of the Republic of Slovenia. If she is elected by the general meeting, Mateja Lovšin Herič would be starting her third consecutive term of office.*

**Keith William Morris (1948)** *retired from full-time employment in 2010. He graduated with a Bachelor's degree in management sciences, specialising in finance and marketing. For most of his career, he worked in finance and has extensive international experience both in banking and insurance. Keith William Morris started his career with Midland Bank (HSBC Group). From 1969 to 1984, he was with Citibank NA, where he was promoted to vice president. Between 1984 and 1989 he worked for IBM UK as Treasury Manager and then Senior Consultant for the banking industry. From 1989 until his retirement he worked in Managing Director/Chief Executive roles, mostly in insurance and within large groups, such as Eagle Star Group, American International Group (AIG), Allianz Group and RBS Insurance (Direct Line Group). From 2003 to 2008, he served as non-executive director of Standard Life Bank and Standard Life Insurance Company and has also served in non-executive roles with six other smaller organisations. Currently, he is a non-executive director of the Greek insurer European Reliance S.A. He is also currently a member of the Sava Re supervisory board. If he is elected by the general meeting, Keith William Morris would be starting his second consecutive term of office.*

THE SUPERVISORY BOARD  
of Sava Re, d.d.

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