

TO THE GENERAL MEETING OF SHAREHOLDERS OF SAVA RE, D.D.

Explanations of the Proposed Resolutions for the 34th 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 chair of the general meeting: Nina Šelih, attorney-at-law;
- 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.

TO THE GENERAL MEETING OF SHAREHOLDERS OF SAVA RE, D.D.**Explanations of the Proposed Resolutions for the 34th General Meeting of Shareholders of Sava Re, d.d.****Ad agenda item 2 (explanation of the management and supervisory boards):**

PRESENTATION OF THE 2017 AUDITED 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 2017 ANNUAL REPORT ON INTERNAL AUDITING, INCLUDING THE OPINION OF THE SUPERVISORY BOARD THEREON; AND THE MANAGEMENT BOARD'S REPORT ON TREASURY SHARES

Pursuant to Article 293 of the Slovenian Companies Act (ZGD-1), the general meeting is to decide on the approval of the audited annual report, if the supervisory board has not approved it. Thus, the general meeting only decides on the approval of the audited annual report in specific cases, but it is not the case here.

The supervisory board oversaw the activities of the Company in the 2017 financial year pursuant to its powers and terms of reference. In its session of 4 April 2018, the supervisory board approved the audited annual report of the Company as proposed by the management board. Pursuant to the ZGD-1, the supervisory board prepared a report on its activities in 2017, including an opinion on the audited annual report, which forms an integral part of the annual report.

Article 294 of the ZGD-1 states that the management board must present information to the general meeting, when deciding on the appropriation of distributable profit, on the remuneration of the members of the management and supervisory bodies for performing their function within the Company in the past financial year. This information is disclosed in the audited annual report.

Pursuant to the Slovenian Insurance Act, the management board is required to present to the general meeting the annual report on internal auditing, including the opinion of the supervisory board thereto.

Under this agenda item, the general meeting is presented with the 2017 audited annual report, including the auditor's opinion and the written report of the supervisory board for the annual report, and the 2017 annual report on internal auditing, including the opinion of the supervisory board thereto.

Under this agenda item, the general meeting is also presented with the management board's report on treasury shares.

The MANAGEMENT BOARD and the SUPERVISORY BOARD
of Sava Re, d.d.

Explanations of the Proposed Resolutions for the 33rd General Meeting of Shareholders of Sava Re, d.d.**Ad agenda item 3 (explanation of the management and supervisory boards):****APPROPRIATION OF DISTRIBUTABLE PROFIT AND GRANTING OF DISCHARGE TO THE MANAGEMENT AND SUPERVISORY BOARDS FOR 2017**

In accordance with Article 294 of the Slovenian Companies Act (ZGD-1), the general meeting must decide on the appropriation of distributable profit at the same time as on the discharge of the members of the management and supervisory boards. The ZGD-1 states that the deliberation on the discharge is linked with the deliberation on the appropriation of distributable profit, while the management board must submit to the general meeting the audited annual report and the report of the supervisory board on the verification results relating to the audited annual report in order to facilitate decision-making.

The proposed resolution on the appropriation of distributable profit and dividend payout is based on the achieved results and the dividend policy, as well as on the opinion of both the supervisory and management boards on the appropriateness of such appropriation.

The management and supervisory boards jointly propose that the general meeting of shareholders adopt the following resolution on the appropriation of distributable profit (of € 22,499,329.94):

- €12,398,156.80 is to be appropriated for dividends.
- The remaining distributable profit of €10,101,173.14 is to remain unappropriated.

The Company proposes a dividend of €0.80 per share. The amount of net profits intended for dividends is €12,398,156.80, representing 39.9% of the net profit of the Sava Re Group. This is in line with the adopted dividend policy, under which the dividend payment may not exceed 40% of the net profit of the Sava Re Group. The proposed dividend is in line with the planned dividend for 2018 of €0.80 per share.

In line with the adopted dividend policy, the Company considers the following when preparing its dividend proposal:

- the estimated surplus of eligible own funds over the solvency capital requirement under Solvency II,
- the Group's own risk and solvency assessment,
- the capital models of the rating agencies Standard & Poor's and A.M. Best,
- the approved annual and strategic plans of the Group and the Company,
- new development projects requiring additional capital,
- any other relevant circumstances affecting the financial situation of the Company.

The proposal for the appropriation of distributable profit is based on the number of treasury shares as at 31 December 2017. On the date of the general meeting, the number of shares entitled to dividends may change as a result of disposals of treasury shares. Should the number of treasury shares change,

the general meeting of shareholders will be proposed adjusted figures for appropriation of the distributable profit, while the dividend per share of €0.80 remains unchanged.

Due to the inclusion of Slovenia's Central Securities Clearing Corporation (KDD) into the TARGET2-Securities system, Sava Re, d.d. applied the KDD rules for the setting of the record date (ex-dividend date) and the dividend payment date for 2017. Accordingly, the proposed record date is 13 June 2018 and the proposed dividend payment date is 14 June 2018.

Pursuant to Article 294 of the ZGD-1, the general meeting must decide on the discharge to be granted to the management and the supervisory boards for the financial year 2017.

Pursuant to recommendation 8.8 of the Slovenian Corporate Governance Code for Listed Companies stating that general meeting resolutions on management and supervisory body discharges are to be decided separately for each body, the general meeting is given separate proposed resolutions for each body.

The MANAGEMENT BOARD and the SUPERVISORY BOARD
of Sava Re, d.d.
