



**Directors' remuneration report
of Sava Re d.d.
for the financial year 2021**

Ljubljana, 5 May 2022

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In accordance with Article 294(b) of the Slovenian Companies Act (Official Gazette of the Republic of Slovenia No. 42/2006, as amended; hereinafter: ZGD-1), the company Sava Re d.d., Dunajska 56, 1000 Ljubljana, has compiled this

Directors' remuneration report of Sava Re d.d. for the financial year 2021

1 Introduction to the remuneration report

General information

Directors' Remuneration Report of Sava Re d.d. for the Financial Year 2021 (hereinafter: the Remuneration Report) is a stand-alone document and provides a comprehensive overview of the remuneration of the management and supervisory bodies of the Company, including all benefits in any form awarded or due during the last financial year to individual members during their terms of office, in accordance with the remuneration policy. All amounts provided in the Remuneration Report are equal to those reported in the audited annual report of the Sava Insurance Group and Sava Re for 2021. All amounts in this Remuneration Report are stated in euros and are gross.

The Remuneration Report has been reviewed and approved by the management and supervisory boards of Sava Re.

Legal basis of the Remuneration Report

At the 36th session of 16 June 2020, the management and supervisory boards submitted to the general meeting of shareholders the Remuneration Policy for the Members of the Supervisory and Management Bodies of the Sava Insurance Group (hereinafter: Remuneration Policy). The Remuneration Policy has not been amended since.

The Remuneration Report has been prepared in accordance with Article 294(b) of ZGD-1.

The Company fully complied with its Remuneration Policy with respect to its payments to the management and supervisory boards throughout the past year.

There were no deviations from the Remuneration Policy in 2021.

Performance highlights of the Sava Insurance Group and Sava Re d.d. for 2021

In 2021, the Sava Insurance Group generated EUR 732.7 million in operating revenue, up 7.6% year on year. The net profit of EUR 76.2 million is a 35.1% increase over the previous year and significantly better than planned. Return on equity was 15.8%, a full 3.8 p.p. above the target return set in the 2020–2022 strategy.

The performance highlights of the Sava Insurance Group and Sava Re d.d. for 2021 are set out in the Company's public announcement of 4 March 2022 and are also available via the SEOnet information system (https://seonet.ljse.si/default.aspx?doc=SEARCH&doc_id=85422) and from the Company's official website (<https://www.sava-re.si/en-si/investor-relations/news/2320/>).

Review of the Remuneration Report

The Remuneration Report has been reviewed by KPMG Slovenia, Podjetje za Revidiranje, d.o.o., Železna cesta 8A, 1000 Ljubljana, who have also audited the 2021 financial statements of Sava Re and the Sava Insurance Group. The auditor has prepared a special report on the review of the Remuneration Report, which is an integral part of this report.

Submission of the Remuneration Report to the general meeting

The Remuneration Report will be on the agenda to be presented to the 38th general meeting of shareholders of Sava Re.

Publication of the Remuneration Report

After the 38th general meeting's vote on the Remuneration Report, it will be posted on the Company's website, where it will remain publicly available for at least ten years. Ten years after the publication in the Remuneration Report, public access to personal data of the members of the management and supervisory bodies will no longer be possible.

Information on the preparation of an updated remuneration policy for the members of the management and supervisory bodies

Taking into account that Article 294(a) of ZGD-1 in accordance with the fourth paragraph of Article 71 of the amended ZGD-1K (Official Gazette of the Republic of Slovenia, No. 18/2021) entered into force on 24 August 2021 (i.e. after the 37th general meeting in 2021), Sava Re has prepared a revised remuneration policy for the members of management and supervisory bodies of Sava Insurance Group companies, which under Article 294(a) of the companies Act (ZGD-1) requires the approval of the Company's general meeting. The revised policy will be placed on the agenda of the 38th Sava Re general meeting, scheduled for 2022.

2 Remuneration of the members of the supervisory body

2.1 Introduction

The supervisory body is defined under the applicable ZGD-1 and the Company's applicable articles of association. Under the Company's articles of association, the supervisory body of Sava Re is a six-member supervisory board.

The term "supervisory board member" used in this report is a uniform term for both the "chair of the supervisory board" and any "member of the supervisory board", unless specific reference is made to the chair of the supervisory board.

Where masculine pronouns are used for a supervisory board member, they are deemed to be understood to relate to both men and women.

Based on their role, supervisory board members are entitled to (1) remuneration for performing their function, (2) attendance fees and (3) reimbursement of agreed expenses. The members of the supervisory board receive no payments other than those listed and cannot participate in the Company's profits.

The amount of remuneration of supervisory board members was set by a resolution of the 31st general meeting of Sava Re shareholders, held on 30 August 2016. The general meeting resolution is available at the following link: <https://www.sava-re.si/en-si/investor-relations/shareholder-meetings/>.

2.2 Composition of the supervisory board in 2021

The composition of the supervisory board and its committees changed in 2021.

All changes in the composition of the supervisory board and its committees in 2021 are disclosed in detail in the Company's 2021 annual report, section 4 "Report of the supervisory board".

Composition of the supervisory board in 2021 (until 16 July 2021)

Member	Title		Beginning of term of office	Duration/expiry of term
Mateja Lovšin Herič	chair		16 July 2017	16 July 2021
Keith William Morris	deputy chair		16 July 2017	16 July 2021
Davor Ivan Gjivoje Jr	member		8 March 2021	8 March 2025
Andrej Kren	member		16 July 2017	16 July 2021
Andrej Gorazd Kunstek	member, representative	employee	12 June 2019	12 June 2023
Mateja Živec	member, representative	employee	12 June 2019	31 December 2021

Composition of the supervisory board in 2021 (from 17 July 2021)

Member	Title		Beginning of term of office	Duration/expiry of term
Davor Ivan Gjivoje Jr	chairman		8 March 2021	8 March 2025
Keith William Morris	deputy chair		17 July 2021	17 July 2025
Klemen Babnik	member		17 July 2021	17 July 2025
Matej Gomboši	member		17 July 2021	17 July 2025
Andrej Gorazd Kunstek	member, representative	employee	12 June 2019	12 June 2023
Mateja Živec	member, representative	employee	12 June 2019	31 December 2021

The memberships of the supervisory board members in the individual committees of the supervisory board and their attendance of the meetings of the supervisory board and those of its committees are detailed in the Company's 2021 annual report, section 5 "Corporate governance statement under Article 70 of the Companies Act".

2.3 Remuneration paid to the members of the supervisory board and its committees in 2021

Data on the nominal amounts received by each of the supervisory board members and those of its committees in the 2021 financial year are given in Table 1. For each member of the supervisory board or its committees, the upper row refers to the remuneration for the 2021 financial year, and the lower row to the remuneration for the comparable 2020 financial year.

Table 1: Remuneration of the members of the supervisory board and its committees for 2021 and 2020

Full name, position (chair, deputy chair, member, external committee member), term of office	Year*	(1) Remuneration for performing the function		(2) SB and committee attendance fees		(3) Total disbursement (1 + 2)	Travel expenses**	(5) Remuneration from any Group company
		SB	committees	SB	committees			
Supervisory board members								
Davor Ivan Gjivoje Jr, SB chairman (SB member until 16/7/2021, SB chairman from 17/7/2021)	2021	15,970	0	3,795	0	19,765	36,705	0
	2020	12,025	0	2,503	0	14,528	5,119	0
Keith William Morris, SB deputy chairman	2021	14,300	0	3,795	0	18,095	2,271	0
	2020	13,228	0	2,503	0	15,731	1,200	0
Klemen Babnik, SB member (from 17/7/2021)	2021	5,941	0	1,925	0	7,866	118	0
	2020	0	0	0	0	0	0	0
Matej Gomboši, SB member (from 17/7/2021)	2021	5,941	0	1,925	0	7,866	832	0
	2020	0	0	0	0	0	0	0
Gorazd Andrej Kunstek, SB member	2021	13,000	0	3,795	0	16,795	69	0
	2020	12,025	0	2,503	0	14,528	0	0
Mateja Živec, SB member (until 31/12/2021)	2021	13,000	0	3,795	0	16,795	69	0
	2020	12,025	0	2,503	0	14,528	0	0
Mateja Lovšin Herič, SB chairman	2021	10,589	0	1,870	0	12,459	0	0

Full name, position (chair, deputy chair, member, external committee member), term of office	Year*	(1) Remuneration for performing the function		(2) SB and committee attendance fees		(3) Total disbursement (1 + 2)	Travel expenses**	(5) Remuneration from any Group company
		SB	committees	SB	committees			
(until 16/07/2021)	2020	18,038	0	2,503	0	20,541	0	0
Andrej Kren, SB member (until 16/07/2021)	2021	7,059	0	1,870	0	8,929	0	0
	2020	12,025	0	2,503	0	14,528	130	0
Audit committee members								
Matej Gomboši, audit committee chairman (from 17/7/2021)	2021	0	2,228	0	880	3,108	436	0
	2020	0	0	0	0	0	0	0
Gorazd Kunstek, audit committee member (from 17/7/2021)	2021	0	1,485	0	880	2,365	0	0
	2020	0	0	0	0	0	0	0
Katarina Sitar Šuštar, external audit committee member (from 17/7/2021)	2021	0	6,675	0	0	6,675	22	0
	2020	0	0	0	0	0	0	0
Dragan Martinović, external audit committee member (from 17/7/2021)	2021	0	4,973	0	0	4,973	0	0
	2020	0	0	0	0	0	0	0
Andrej Kren, chairman of the audit committee (until 16/07/2021)	2021	0	2,647	0	2,420	5,067	0	0
	2020	0	4,509	0	1,782	6,291	98	0
Mateja Lovšin Herič, audit committee member (until 16/07/2021)	2021	0	1,765	0	2,420	4,185	0	0
	2020	0	3,006	0	1,782	4,788	0	0
Ignac Dolenšek, external member of the audit committee (until 16/07/2021)	2021	0	9,038	0	0	9,038	0	0
	2020	0	8,734	0	0	8,734	230	0
Members of the nominations and remuneration committee								
Klemen Babnik, chairman of the nominations and remuneration committee (from 17/7/2021)	2021	0	2,228	0	220	2,448	7	0
	2020	0	0	0	0	0	0	0
Davor Ivan Givoje Jr, member of the nominations and remuneration committee	2021	0	3,250	0	1,760	5,010	21,238	0
	2020	0	3,006	0	594	3,600	1,280	0
Keith William Morris, member of the nominations and remuneration committee	2021	0	3,250	0	880	4,130	638	0
	2020	0	3,006	0	968	3,974	300	0
Matej Gomboši, member of the nominations and remuneration committee (from 17/7/2021)	2021	0	1,485	0	220	1,705	109	0
	2020	0	0	0	0	0	0	0
Gorazd Andrej Kunstek, – interim alternate member of the nominations and remuneration committee (from 4/3/2021 to 16/4/2021) – member of the nominations and remuneration committee (from 9/9/2021)	2021	0	1,553	0	1,100	2,653	0	0
	2020	0	0	0	0	0	0	0
Mateja Lovšin Herič, chairman of the nominations and remuneration committee (until 16/07/2021)	2021	0	2,647	0	1,540	4,187	0	0
	2020	0	4,509	0	968	5,477	0	0
Andrej Kren, member of the nominations and remuneration committee (until 16/07/2021)	2021	0	1,765	0	660	0	0	0
	2020	0	3,006	0	968	0	0	0
Members of the risk committee								
Keith William Morris, risk committee chairman	2021	0	4,875	0	1,540	6,415	1,117	0
	2020	0	4,509	0	836	5,345	300	0
Davor Ivan Givoje Jr, risk committee member	2021	0	3,250	0	1,496	4,746	18,053	0
	2020	0	3,006	0	836	3,842	1,280	0
Slaven Mičković, external risk committee member	2021	0	12,451	0	0	12,451	0	0
	2020	0	10,991	0	0	10,991	0	0
Janez Komelj, external risk committee member (from 17/7/2021)	2021	0	2,313	0	0	2,313	0	0
	2020	0	0	0	0	0	0	0
Members of the fit & proper committee								
Keith William Morris, chairman of the fit and proper committee (member until 16/7/2021, chairman from 17/7/2021)	2021	0	3,993	0	1,056	5,049	766	0
	2020	0	3,006	0	660	3,666	300	0
Klemen Babnik, member of the fit and proper committee (from 17/7/2021)	2021	0	1,485	0	660	2,145	0	0
	2020	0	0	0	0	0	0	0
Rok Saje, external member of the fit and proper committee	2021	0	3,250	0	1,496	4,746	0	0
	2020	0	3,006	0	814	3,820	0	0
	2021	0	1,485	0	660	2,145	0	0

Full name, position (chair, deputy chair, member, external committee member), term of office	Year*	(1) Remuneration for performing the function		(2) SB and committee attendance fees		(3) Total disbursement (1 + 2)	Travel expenses**	(5) Remuneration from any Group company
		SB	committees	SB	committees			
Klara Hauko, external member of the fit and proper committee (from 17/7/2021)	2020	0	0	0	0	0	0	0
Mateja Živec, chairman of the fit and proper committee (until 16/07/2021)	2021	0	2,647	0	660	3,307	0	0
	2020	0	4,509	0	154	4,663	0	0
Andrej Kren, standing alternate member of the fit and proper committee (until 16/07/2021)	2021	0	1,765	0	396	2,161	0	0
	2020	0	3,006	0	814	3,820	0	0
Gorazd Andrej Kunstek, interim alternate member of the fit and proper committee (from 4/3/2021 to 16/4/2021)	2021	0	542	0	440	982	0	0
	2020	0	0	0	0	0	0	0
Davor Ivan Gjivoje Jr, interim alternate member of the fit and proper committee (from 4/3/2021 to 16/4/2021)	2021	0	542	0	440	982	0	0
	2020	0	0	0	0	0	0	0

* Notes on the deviation of remuneration in 2020: After the Covid-19 epidemic was declared in Slovenia (12 March 2020), all members of the Sava Re supervisory board and the external members of its committees decided to observe one of the measures intended to ease the impact of the Covid-19 epidemic, waiving 30% of their remuneration for performing their function. The waiver of 30% of their remuneration was effective for March, April and May 2020.

** For 2021, the expenses of the supervisory board members also included the benefit of directors' and officers' liability insurance.

2.4 Comparison of supervisory board members' remuneration in the last five years

A comparison of supervisory board members' remuneration in the last five years is provided in Table 2.

Table 2: Comparison of supervisory board members' remuneration in the last five years

Annual change	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019	2021 vs 2020	2021 (absolute amount for current year report)
Remuneration of supervisory board members						
Davor Ivan Gjivoje Jr, SB chairman (SB member until 16/7/2021, SB chairman from 17/7/2021)	-	89.3%	207.0%	40.1%	287.4%	56,470
Keith William Morris, SB deputy chairman	89.7%	86.9%	102.0%	69.4%	120.3%	20,366
Klemen Babnik, SB member (from 17/7/2021)	-	-	-	-	-	7,984
Matej Gomboši, SB member (from 17/7/2021)	-	-	-	-	-	8,698
Gorazd Andrej Kunstek, SB member	87.8%	97.1%	99.8%	93.9%	116.1%	16,864
Mateja Živec, SB member (until 31/12/2021)	116.9%	95.3%	101.6%	93.9%	116.1%	16,864
Mateja Lovšin Herič, SB chair (until 16/07/2021)	107.1%	99.1%	101.4%	92.4%	121.3%	12,459
Andrej Kren, SB member (until 16/07/2021)	-	105.4%	104.9%	89.2%	121.8%	8,929

3 Remuneration of the members of management bodies

3.1 Introduction

The management body is defined under the applicable ZGD-1 and the Company's applicable articles of association. Under the Company's articles of association, the management body of Sava Re is the management board composed of two to five members. Under the applicable act on the management board, the management board is composed of four members.

The term "management board member" used in this document is a uniform term for both the "chair of the management board" and any "member of the management board", except where specific reference is made to the chair of the management board.

Where masculine grammatical forms are used for a management board member, they are deemed to be understood to relate to both men and women.

Remuneration of the members of the management board is regulated (1) by specific Solvency II policies: the Group's remuneration policy and that of Sava Re, (2) the Remuneration Policy for the Members of Supervisory and Management Bodies of the Sava Insurance Group, (3) the employment contracts of each management board member, and (4) the Methodology for Determining the Performance-based of Management Board Members of Sava Re, which is appended and forms part of each management board member's employment contract.

The remuneration of the management board members of Sava Re is proportionate to their roles, the scope of operations of the Company and the entire Group, and the financial condition and business results of both the Company and the Group. In addition, the remuneration of management board members is at a level that promotes the long-term sustainability of operations of the Company and the Group and ensures that remuneration is consistent with performance achieved.

The remuneration of management board members consists of a fixed component and a variable component. The variable component is determined so as not to allow the rewarding of management board member behaviour that encourages the uncontrolled exposure of the Company to risk.

3.2 Composition of the management board in 2021

The composition of the management board did not change in 2021.

Composition of the management board in 2021

Member	Title	First appointed	Duration/expiry of term
Marko Jazbec	chairman	12 May 2017, new term of office 13 May 2022	13 May 2027
Jošt Dolničar	member	31 December 2008	05/05/2022*
Polona Pirš Zupančič	member	14 January 2018	14 January 2023
Peter Skvarča	member	19 June 2020	19 June 2025

Due to his appointment to the management board of the subsidiary Zavarovalnica Sava on 30 December 2021, Jošt Dolničar tendered his resignation as a member of the management board of Sava Re, effective as of the date of obtaining the licence to act as a member of the management board of Zavarovalnica Sava, but not earlier than 5 May 2022.

3.3 Remuneration of management board members in 2021

3.3.1 Fixed remuneration (base salary)

The fixed remuneration (base salary) of a management board member was pay for performance of duties, to pursue and assume responsibility, and it was determined taking into account the provision of financial stability, compensation of efforts and professional experience. The base salary did not depend on business performance or unpredictable factors. The chief guidance for determining a management board's base salary was the complexity of his function. The base salary of a member of the management board is set in the employment contract as a gross amount. Management board members are not entitled to a seniority bonus as this is already included in the base salary.

3.3.2 Variable remuneration (performance-based pay)

The variable remuneration is governed by the Methodology for Determining Variable Pay of a Management Board Member of Sava Re (hereinafter: the Methodology), adopted by the supervisory board, which also determines the bonus of each management board member. After the supervisory board approves the strategic and annual plans for the next year, the supervisory board lays down the quantitative and qualitative criteria for assessing the performance of individual management board members for that year.

The variable pay of a management board member consists of:

- business-performance-based pay,
- individual-performance-based pay relating to annual personal goals of a management board member,
- board-performance-based pay based on common goals of the management board.

Eligibility for variable pay is determined once a year after the end of the financial year, when the results of the Sava Insurance Group have been audited and approved. Variable pay is determined under the conditions and in the amount determined in the Methodology. The payment of variable pay for management board members is decided by a supervisory board resolution.

If the amount of variable pay exceeds 30% of the management board member's annual salary, the payment of the variable pay above the 30% of the management board member's annual salary in the financial year to which the variable pay refers is deferred for a period of three years. If a management board member's term of office expires before the end of the deferment period, the management board member is entitled to be paid this amount upon expiration of his term of office.

The deferred part of variable pay is paid out provided that the management board member receives the bonus / variable pay (regardless of the type and amount of variable pay) and provided that there were no adverse consequences for the Company related to business in the year for which the management board member was awarded variable pay. The supervisory board adopts a special resolution on the deferment and a special resolution on the payment of the retained variable pay.

Variable remuneration was determined in the 2021 financial year and paid out based on the business performance of the Sava Insurance Group in 2020 and the achievement of individual goals as well as joint goals of the management board in 2020.

3.3.2.1 Criteria for determining the level of variable remuneration

3.3.2.1.1 Quantitative criteria for determining the level of variable remuneration (business-performance-based pay)

The quantitative criteria for determining the level of variable remuneration are used to measure performance against the achievement of the plan for a particular financial period. **Business-performance-based pay of a management board member** is tied to three selected financial performance indicators at the Sava Insurance Group level:

- return on equity (ROE): the basis for determining the amount of the bonus is the achievement of the planned percentage of return on equity of the Sava Insurance Group;
- return on revenue (ROR): the basis for determining the amount of the bonus is the achievement of the planned percentage of return on revenue of the Sava Insurance Group;
- expense ratio: the basis for determining the amount of the bonus is the achievement of the planned percentage of net expense ratio of the Sava Insurance Group.

3.3.2.1.2 Qualitative criteria for determining the level of variable remuneration (consisting of individual-performance-based pay based on individual goals of each management board member, and individual-performance-based pay based on joint goals of the management board)

Qualitative criteria for determining the level of variable remuneration are used to measure performance against the achievement of individual annual goals of each member of the management board and against the achievement of the joint annual goals of the management board. Qualitative criteria are vital for motivating individual management board members as well as the management board as a whole for the achievement of the annual and strategic plans, both of the Company and the Sava Insurance Group.

Individual-performance-based pay of a management board member relating to personal goals:

Individual-performance-based pay of a management board member depends on the assessment of the Company's supervisory board whether the management board member has achieved the personal objectives as per annual assessment interviews (annually appended to the employment contract) and has contributed constructively to the objectives of the Company and the Group recorded in the Company's and the Group's plans approved by the supervisory board.

Board-performance-based pay based on common objectives of the management board: The part of salary for the overall performance of the management board received by a management board member depends on the assessment of the Company's supervisory board of whether the management board as a whole has achieved the objectives of common development projects, risk management objectives and other common goals as per the strategic plan of the Company and the Group set out in the Company's and Group's plans approved by the supervisory board.

In 2021 variable remuneration was paid to the management board members in the form of monetary remuneration, as evident from Table 3. For each member of the management board or its committees, the upper row refers to the remuneration for the 2021 financial year, and the lower row to the remuneration for the comparable 2020 financial year.

3.3.3 Relative proportion of fixed and variable remuneration

Data on the relative proportion of fixed and variable remuneration of a management board member for the 2021 (and 2020) financial year are provided in Table 3.

3.3.4 Relative proportion of financial and non-financial criteria in variable remuneration

Data on the relative proportion of financial and non-financial criteria in variable remuneration for a management board member for the 2021 (and 2020) financial year are provided in Table 3.

3.3.5 Termination benefit

There were no circumstances requiring payment of termination benefits to any management board member in 2021.

3.3.6 Benefits and other entitlements of management board members

In addition, management board members are entitled to the following benefits and entitlements: allowance for annual leave, personal accident insurance, supplementary pension insurance and health insurance with medical assistance abroad. All management board members are covered against risks arising from the performance of their function (directors' and officers' insurance). Each management board member is entitled to a mobile phone and a company car, both with the right to use for private purposes.

Remuneration of management board members for 2021 is set out in Table 3.

Table 3: Remuneration paid to management board members in 2021 and 2020

Full name, position (chair, member), term of office	Year	(1) Fixed remuneration	(2) Variable remuneration		(3) Benefits and other entitlements	(4) Termination benefits, fulfilment of the competitive clause, other termination payments	(5) Return of bonus (clawbacks)	(6) Maluses (refund of remuneration)	(7) Total payment (1 + 2 (paid out) + 3 + 4 - 5 - 6)	(8) Proportion of variable remuneration from financial and non-financial criteria (xx%/yy%)	(9) Proportion of fixed and variable remuneration (xx%/yy%)	(10) Relative comparison to average employee salary (multiple) – for the Company and the Group*		(11) Remuneration from any Group company
			Disbursed	Deferred								Company	Group	
Marko Jazbec	2021	199,050	59,400	31,350	4,543	-	-	-	262,993	63.64%/36.36%	68.69%/31.31%	3.6	4.9	-
	2020	193,500	55,536	21,597	5,416	-	-	-	254,452	50.00%/50.00%	71.50%/25.80%	3.7	5.0	-
Jošt Dolničar	2021	179,400	53,460	28,215	9,079	-	-	-	241,939	63.64%/36.36%	68.72%/31.28%	3.2	4.4	-
	2020	174,135	49,980	19,437	9,700	-	-	-	233,815	50.00%/50.00%	67.94%/32.06%	3.3	4.5	-
Polona Pirš Zupančič	2021	179,400	53,460	28,215	8,178	-	-	-	241,038	63.64%/36.36%	68.72%/31.28%	3.2	4.4	-
	2020	174,135	49,980	19,437	8,706	-	-	-	232,821	50.00%/50.00%	71.50%/28.50%	3.3	4.5	-
Peter Skvarča	2021	179,400	40,838	14,108	11,417	-	-	-	231,655	63.64%/36.36%	76.55%/23.45%	3.2	4.4	-
	2020	95,700	-	-	6,597	-	-	-	102,297	-	100.00%/0.00%	3.3	4.5	-
Srečko Čebtron	2021	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	73,177	80,171	-	3,705	89,100	-	-	246,153	50.00%/50.00%	47.72%/52.28%	3.3	4.5	-

* Based on average salary of employee other than management board members.

In 2020, an amount of EUR 80,171 was disbursed for the management board member Srečko Čebtron from deferred remuneration due relating to the years 2020, 2019 and 2018.

3.3.7 Annual change in remuneration, Company performance, average employee remuneration

Data on the change in remuneration, Company performance and average employee remuneration in the Company (other than for management board members) for a full-time job in the period for the past four financial years are given in Table 4.

Table 4: Comparison of remuneration of the management board members, Company performance and the average remuneration of Company employees other than the members of management and supervisory bodies over the last five years

Annual change	2017 vs 2016	2018 vs 2017	2019 vs 2018*	2020 vs 2019	2021 vs 2020*	2021 (absolute amount for current reporting year)
Remuneration of management board members						
Marko Jazbec, chairman of the management board	0.0%	170.5%	133.0%	105.6%	103.4%	262,993
Jošt Dolničar, member of the management board	105.2%	98.0%	125.7%	105.7%	103.5%	241,939
Polona Pirš Zupančič, member of the management board	-	-	147.7%	106.3%	103.5%	241,038
Peter Skvarča, member of the management board	-	-	-	-	113.2%	231,655
Company performance						
Profit or loss, net of tax	-5.5%	38.3%	16.7%	12.3%	35.1%	76,167,178
Return on revenue	-0.5 p.p.	1.5 p.p.	0.6 p.p.	0.0 p.p.	1.9 p.p.	10.5%
Return on equity	-1.2 p.p.	3.0 p.p.	0.7 p.p.	-0.5 p.p.	2.5 p.p.	15.8%
Net expense ratio, including operating revenue	-1.2 p.p.	0.8 p.p.	-1.2 p.p.	-1.8 p.p.	-0.5 p.p.	29.0%
Average remuneration of other employees of the Company and the Group						Average monthly salary
Company employees	93.7%	117.0%	89.3%	105.4%	102.7%	4,622
Group employees	94.9%	110.1%	91.8%	102.1%	102.7%	3,365

* The Methodology and level of variable remuneration of the management board members were amended in 2018 and 2020. In 2020, the variable remuneration methodology was also changed for the Company's other employees.

3.3.8 Remuneration from other Group members

A management board member who also serves as a member of a supervisory body of a subsidiary waives all remuneration for the performance of his function in the supervisory body of the subsidiary.

In 2021, the Sava Re management board members received no remuneration from any other Sava Insurance Group member.

3.3.9 Shares and stock options

The management board member received no shares or stock options from the Company in 2021.

3.3.10 Reclaimed variable remuneration

Under ZGD-1, the supervisory board may reclaim business-performance-based pay already paid from management board members relating to the performance of the Sava Insurance Group.

No circumstances arose in 2021 that would require the reclaim of any variable remuneration.

3.3.11 Financial benefits, taxes and contributions, and services

In the 2021 financial year, the management board members were awarded no monetary benefits, taxes or contributions, or services relating to their position as management board member by any third party in 2021.

In the 2021 financial year, the management board members were awarded no monetary benefits, taxes or contributions, or services for early termination of office, including changes agreed on in 2021.

In the 2021 financial year, the management board members were awarded no monetary benefits, taxes or contributions, or services for ordinary termination of office, including the monetary value and the amount that the Company would spend or reserve for that purpose in 2021.

The office of no management board member terminated in the financial year. Thus, in the past financial year, there were no financial benefits, taxes or contributions, or services awarded or promised to a former management board member who would have terminated his office in 2021.

Ljubljana, 5 May 2022

Ljubljana, 18 May 2022

Management Board of Sava Re d.d.

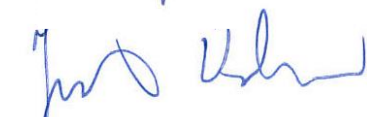
Supervisory Board of Sava Re d.d.

Marko Jazbec, Chairman

Davor I. Gjivoje Jr, Chairman



Jošt Dolničar, Member



Polona Pirš Zupančič, Member



Peter Skvarča, Member



4 Independent limited assurance report



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Independent Limited Assurance Report

To the owners of the company Pozavarovalnica Sava, d.d.

Pursuant to the contract concluded with the company Pozavarovalnica Sava, d.d. (hereinafter: Company), we have reviewed the attached Report on Remuneration of the Management and Supervisory Board members of Pozavarovalnica Sava, d.d. in the financial year 2021, prepared by Company's

management on 5 April 2022 and outlining all remuneration paid to members of the management and supervisory bodies in the financial year that ended 31 December 2021, as required by Article 294.b of the Companies Act (ZGD-1) (hereinafter: Remuneration Report).

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TRR: 8168 2900 0000 1861 102
vpla v sodni register: Okrožno sodišče v Ljubljani
št. reg. vl.: 061/12062100
osnovni kapital: 54.892,00 EUR
ID za DDV: SI20437145
matična št.: 5548555



Management's and Supervisory Board's Responsibility for the Remuneration Report

Management and supervisory bodies are responsible for the preparation of the Remuneration Report based on provisions of Article 294.b of the Companies Act (ZGD- 1) and for such internal control as management

determines is necessary to enable the preparation of the report to enable it to be free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

It is our responsibility to express a limited assurance conclusion on the Remuneration Report based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements other than Audits or Investigations of Historical Financial Information (ISA 3000 – Revised) issued by the International Auditing and

Assurance Standards Board. This standard requires that we plan and perform the engagement to obtain limited assurance about whether something has come to our attention that causes us to believe that the Remuneration Report contains a material misstatement, including with respect to compliance with the requirements of Article 294.b of the Companies Act, all subject to the criteria set out below.

Definition of Criteria

In carrying out our procedures, we assessed whether the Remuneration Report prepared by the Company's management for the financial

year ended 31 December 2021 contained the information pursuant to Paragraph 2 and 3 of Article 294.b of the Companies Act (ZGD- 1).

Our Independence and Quality Control

We have complied with the independence and ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants. The Code is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

Our firm operates in accordance with International Standards on Quality Management (ISQM 1) and maintains a comprehensive quality management system in accordance therewith, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Work Performed

The scope of work included, among others, following procedures:

- we have obtained an understanding of the Company's internal controls, processes and systems for preparing the Remuneration Report;
- we have reconciled, on a sample basis, the input data disclosed in the Remuneration Report with the supporting documentation submitted by the Company;
- we made enquiries with members of the Management and Supervisory Board about the Remuneration Report;
- we have read the Remuneration Report and confirmed that the presentations

therein comply with requirements of Article 294b of the Companies Act (ZGD- 1).

The nature and extent of our procedures were determined by reference to our assessment of the risks and our professional judgement in order to obtain limited assurance and does not include an opinion on the appropriateness of the Company's remuneration policy.

In limited assurance engagements, the procedures for gathering evidence are more limited than in reasonable assurance engagements and, as a result, less assurance is provided than in reasonable assurance or audit engagements. We consider that the evidence obtained is sufficient and provides a reasonable basis for our conclusion.



Emphasis of Matter

The remuneration of the Supervisory Board members is decided by a resolution of the Shareholders' Meeting.

The first point of the Remuneration Report states that the Company has not yet adopted a revised remuneration policy for members of the

Management and Supervisory Board in accordance with Article 294a(2) of the Companies Act but plans to do so at the next Shareholders' Meeting.

Our conclusion on this matter is not adjusted.

Conclusion

Based on the procedures carried out and the evidence obtained, we confirm that we have not observed anything that would lead us to believe that the Remuneration Report prepared by the Company's management for the year

ended 31 December 2021 contains information that would not comply in all material respects with Paragraph 2 and 3 of Article 294.b of the Companies Act (ZGD- 1).

On behalf of the audit company

KPMG SLOVENIJA,
podjetje za revidiranje, d.o.o.

Ljubljana, 5 May 2022

Nevenka Kržan
Certified Auditor
Director

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