ARTICLES OF ASSOCIATION
OF ZAVAROVALNICA TRIGLAV, d.d.

--Company name and registered office of the insurance company--

The company name of the insurance company is: ZAVAROVALNICA TRIGLAV, d.d.

The business address of the insurance company is: Miklošiceva 19 (nineteen), Ljubljana.

In addition to the company name, the insurance company uses a registered trademark in its business operations, the description and application of which are defined by a special Act on the standards of integral graphical design of the insurance company, which is adopted by the Management Board of the insurance company.

The insurance company is founded for an indefinite period of time.

The basic objective of the insurance company is the independent performance of gainful activities on the market as its exclusive activity.

The insurance company shall be liable for its obligations with its entire assets.

Activity of the insurance company

The insurance company performs the following activities in compliance with and under the conditions as stipulated by the law:

- 65.110 Life insurance
- 65.120 Non-life insurance
- 65.200 Reinsurance
- 65.300 Pension funding
- 66.220 Activities of insurance agents and brokers
- 66.290 Other auxiliary activities in insurance and pension funds
- 66.190 Other activities auxiliary to insurance and pension funding.

The insurance company may, in addition to business transactions which fall within its activities referred to in the previous paragraph, also perform business transactions which are directly connected to insurance business transactions and other business transactions for other companies within the insurance group of the insurance company, however, only if they do not increase risk for the insurance group, and only those types of business transactions which are a part of the business operations of the insurance company in the context of its primary activity. The insurance company may also perform other business transactions not mentioned above, but which are necessary for its existence and do not constitute regular performance of business transactions.
Share capital and shares

The share capital of the insurance company amounts to €73,701,391.79 (seventy three million, seven hundred and one thousand, three hundred and ninety-one euros and seventy-nine cents).

The share capital is divided into 22,735,148 (twenty two million seven hundred and thirty-five thousand one hundred and forty-eight) ordinary registered no-par value shares. Each share holds an equal part and corresponding amount in the share capital. The proportion of each no-par value share in the share capital shall be set out with regard to the number of issued no-par value shares.

The shares are issued in a dematerialised form in accordance with the law.

In relation to the insurance company, a person entered into the share register shall be considered a shareholder.

The share register is kept by the Central Securities Clearing Corporation (KDD), Ljubljana.

The insurance company shall be required to provide shareholder rights to any shareholder entered into the share register.

Every shareholder has the right to access the share register in compliance with the law.

An ordinary share entitles its respective holder to:

- One vote in the General Meeting of Shareholders,
- Proportional dividends from the profit earmarked for the payment of dividends,
- A proportional portion from the remaining bankrupt or liquidated estate after the repayment of the preference shareholders in the event of bankruptcy or liquidation.

The Management Board is authorised to increase the share capital of the insurance company by up to €14,740,278.36 (fourteen million, seven hundred and forty thousand, two hundred and seventy-eight euros and thirty-six cents), by issuing new shares in exchange for in-cash contributions within five years following the entry of the changes of these Articles of Association into the Register. The issuing of new shares, the level of increase of the share capital, the contents of the rights arising from new shares and the conditions for issuing new shares shall be decided by the Management Board with the consent of the Supervisory Board.
The Supervisory Board is authorised compliant with this Article, to harmonise the text of these Articles of Association accordingly due to the increase of the share capital and the issue of new shares following the increase of the share capital.

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Article 7 (seven)--------------------------------
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Compulsory withdrawal of shares shall be allowed in cases of covering of losses by decreasing the share capital and must be based on a resolution adopted by the General Meeting of Shareholders.

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Article 8 (eight)--------------------------------
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The insurance company publishes data or messages, for which the obligation of public notice is specified, by electronic means via the System of Electronic Communication of the Ljubljana Stock Exchange (SEOnet), unless valid regulations specify another mandatory form of public notice.

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Organisation of the insurance company------------------
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The insurance company in the Republic of Slovenia and abroad conducts its activities at the registered office of the insurance company, in regional units, through subsidiaries and within organisational units, defined in the Rules regulating the organisation and business operations of the insurance company.

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Article 9 (nine)--------------------------------
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The organisation and business operations are regulated by the Rules adopted by the Management Board of the insurance company.

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Article 10 (ten)--------------------------------
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The regional units of the insurance company are entered into the Court register as subsidiaries of the insurance company, with rights and obligations in legal transactions – the performance of insurance operations within the scope of the activities of the insurance company.

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Article 11 (eleven)--------------------------------
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A special Act of the insurance company adopted by the Management Board shall define the conditions for the establishment of an insurance group and the requirements regarding the mandatory definition and usage of additional elements of the names of affiliated companies.

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Bodies of the insurance company--------------------------------
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The bodies of the insurance company are: the Management Board, the Supervisory Board and the General Meeting of Shareholders.
The bodies of the insurance company act in accordance with the laws and other regulations, the insurance company’s Articles of Association and its Rules of procedure.

Article 13 (thirteen)

The insurance company is managed by the Management Board, which is appointed by the Supervisory Board.

The Management Board has at least 3 (three) and not more than 6 (six) members, one of them being the President of the Management Board. The exact number of members of the Management Board and the areas which are the responsibility of each individual member of the Management Board shall be specified by the Supervisory Board with the Act on the Management Board.

The President of the Management Board proposes to the Supervisory Board the appointment or recall of all or individual members of the Management Board.

The President of the Management Board and all members of the Management Board must be employed with the insurance company for an indefinite period and on a full-time basis.

Article 14 (fourteen)

When required by a special law, the insurance company shall have an employees’ representative who is ranked as a member of the Management Board. The employee representative as the member of the Management Board of the insurance company shall be appointed by the Supervisory Board following a proposal of the Works Council.

The Supervisory Board may recall an individual member of the Management Board or the President under the conditions stipulated by the law.

Article 15 (fifteen)

The term of office of the President and the members of the Management Board is up to 5 (five) years and they may be reappointed without limitations.

Article 16 (sixteen)

The insurance company is represented and presented by the Management Board without limitations.

In legal operations, the insurance company is always jointly represented and presented by two members of the Management Board, namely the President and a member of the Management Board. In case of inability to perform such representation, the Supervisory Board may decide that the insurance company is to be represented by two members of the Management Board. An individual member of the Management Board may represent the insurance company within the scope of work, for which he or she has been authorised.
The division of work between the President and the members of the Management Board and the powers to represent and present the insurance company shall be defined in the Act on the Management Board, adopted by the Supervisory Board.

The Management Board adopts decisions by a simple majority of votes. In case of a tied vote the vote of the President of the Management Board shall be decisive.

A person meeting the requirements set out by the Insurance Act and having at least a Level 7 education may be appointed as President or a member of the Management Board.

The contract concluded by the Supervisory Board with the President or individual members of the Management Board stipulates the obligations and rights of the President and individual members of the Management Board.

The participation of the President and members of the Management Board in profit sharing shall not be permitted, unless otherwise stipulated in the law regulating the participation of workers in profit.

The contract with the President and the members of the Management Board shall be concluded by the Chairman of the Supervisory Board.

The insurance company has a Supervisory Board, comprising 9 (nine) members:

- 6 (six) members representing the shareholders, and
- 3 (three) members representing the workers.

The members of the Supervisory Board who represent the shareholders are elected by the insurance company’s General Meeting of Shareholders.

The members of the Supervisory Board who represent the workers are elected by the insurance company’s Works Council, which informs the insurance company’s General Meeting of Shareholders of its decision.

The Chairman of the Supervisory Board and his or her deputy are elected by the Supervisory Board from amongst themselves. The Chairman and his or her deputy are representatives of the shareholders.

The General Meeting of Shareholders may recall members of the Supervisory Board which it elected before the expiry of their term of office.
Each member of the Supervisory Board may resign from the duty of a member of the Supervisory Board prior to the expiry of their term of office with a notice period lasting from the date of appointment of a new member of the Supervisory Board, however no longer than 3 (three) months from the date when the resignation was given. The notice period referred to in the previous paragraph shall commence as at the date when the insurance company receives his or her written statement of resignation. The function of the member of the Supervisory Board who handed in his or her statement of resignation subject to a notice period shall be terminated by the appointment of a new member of the Supervisory Board or with the expiry of the notice period, whichever comes first.

Should clearly explained and valid reasons exist due to which the member is unable to perform his or her duties, the member of the Supervisory Board may resign with a written statement without the notice period. In the event of resignations on the grounds of a valid reason, the function of the member of the Supervisory Board ceases as at the date when the insurance company received his or her written statement on their resignation indicating the valid reason.

The term of office of the members of the Supervisory Board is 4 (four) years and they may be re-elected without limitations.

In addition to the powers and duties according to the Companies Act, the Supervisory Board also has the following powers:

- To give consent to the Management Board for the definition of the business strategy of the insurance company;
- To give consent to the Management Board for the definition of the financial plan of the insurance company;
- To give consent to the Management Board for the definition of the written rules of the management system in compliance with the Insurance Act;
- To give consent to the Management Board for the definition of the annual plan of work of the internal auditing department;
- To decide upon other matters stipulated by the Insurance Act.

When supervising the business management of the insurance company, the Supervisory Board must:

- Control the suitability of the proceedings and efficacy of the internal auditing activities;
- Discuss the findings of the Insurance Supervision Agency, the tax inspection and other supervisory authorities in the processes of supervising the insurance company;
- Examine annual and other financial reports of the insurance company and issue a substantiated opinion on the subject;
- Explain to the General Meeting of Shareholders its opinion on the annual report of the Internal Audit Department and draw up a written report on that subject for the General Meeting of Shareholders;
- Examine the proposal for the allocation of distributable profit presented by the Management Board and draw up a written report on that subject for the General Meeting of Shareholders;
- Examine the composed annual report submitted by the Management Board, take a position on the auditor’s report, and draw up a written report on that subject for the General Meeting of Shareholders and state any potential remarks to it or adopt it.  

Within the scope of its powers, the Supervisory Board may examine relevant decisions of the competent bodies, business books of the insurance company, stored securities and the cash-desk and other documentation, through which it takes note of the data and facts related to the business operations of the insurance company.  

The Supervisory Board may define the types of business operations that may only be conducted upon its approval.  

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The Supervisory Board constitutes a quorum if at least half of its members are present at its adoption, among which the Chairman of the Supervisory Board and his or her deputy must be present.  

The Supervisory Board decides with a majority of cast votes of the members present.  

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The members of the Supervisory Board are, for their work, entitled to attendance fees, basic remuneration for performing the duty, and additional bonuses for special assignments, should it be so decided by the General Meeting and in the amount as set out by the General Meeting.  

The members of the Supervisory Board are entitled to reimbursement of transportation costs, daily allowances and accommodation costs, namely in the amount specified in the regulations regulating the reimbursement of work-related expenses and other incomes which are excluded from the tax base.  

The General Meeting may, in detail, specify the terms and conditions of eligibility for reimbursement of accommodation costs with a resolution.  

--------------------------------------------- General Meeting of Shareholders  

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The General Meeting of Shareholders is comprised of shareholders who exercise their rights at the sessions of the General Meeting of Shareholders.  

The right to attend a General Meeting of Shareholders shall be given to all shareholders who are, as holders of shares, entered into the share register managed by the KDD at the end of the fourth day before the date of the meeting of the General Meeting of Shareholders.  

A shareholder with the right to attend the General Meeting of Shareholders may attend the meeting and exercise their voting right, if he or she applies to be present at the meeting no later than at the end of the fourth day prior to the date of the General Meeting of Shareholders.  

A shareholder with the right to attend the General Meeting of Shareholders may authorise a proxy to attend the meeting and exercise their voting rights at the General
Meeting of Shareholders. The proxy must submit a written authorisation no later than by the opening of the General Meeting of Shareholders. A shareholder may also submit the written authorisation to the company by fax, whereby the company specifies the fax number upon the convocation of the meeting.  

A shareholder whose share in the share capital of the insurance company amounts to a minimum of 5 (five) %, shall be entitled to receive the material and full content of the proposed resolutions to their registered seat and/or address of permanent residence.  

The General Meeting of Shareholders has the following powers:  
- Adopts the annual report on the business operations of the insurance company, should the Supervisory Board fail to adopt the annual report or if the Supervisory Board and the Management board transfer the right to adopt the annual report to the General Meeting of Shareholders;  
- Decides on the use of distributable profit following a proposal of the Management Board and based on the report of the Supervisory Board;  
- Decides on appointments and recalls of members of the Supervisory Board;  
- Decides on amendments to the Articles of Association;  
- Decides on amendments to the Articles of Association;  
- Decides on measures to increase and decrease the share capital;  
- Decides on the dissolution of the insurance company and on changes of status;  
- Decides on other issues stipulated by the Companies Act and these Articles of Association;  
- Decides on the remuneration for the work of the Supervisory Board members;  
- Appoints an auditor following a proposal of the Supervisory Board;  
- Decides on the granting of a discharge to the members of the Management Board and the Supervisory Board.  

The General Meeting of Shareholders takes valid decisions if shareholders with the right to vote, who represent at least 10 (ten) % of the share capital, are present. 

A majority of cast votes of the shareholders are required for the adoption of a General Meeting of Shareholders’ resolution.  

The shareholders exercise their voting rights at the General Meeting of Shareholders by using technical means and/or with the use of written ballots.  

The right to vote may be exercised by a shareholder’s proxy holding a written authorisation.  

The regular General Meeting of Shareholders is convened at least once a year and this no later than by the end of August of each year.
The General Meeting of Shareholders may also be convened in other cases stipulated by the law and the Articles of Association and then, when it is in the interest of the insurance company.

The General Meeting of Shareholders shall take place at the registered office of the insurance company or at a regional unit of the company or at another suitable premises at the location of the company’s registered office.

Key functions

In compliance with the Companies Act, the insurance company has key functions organised within the management system, namely the function of risk management, the function of compliance monitoring, the function of internal audit and an actuarial function. The key functions are organised and have tasks and responsibilities as defined by the law.

Use of distributable profit

The Management Board, when forming a proposal for the use of distributable profit, which is, together with the audited annual report, submitted for verification to the Supervisory Board, must take into account corresponding provisions of the Companies Act and other laws and regulations, and the Articles of Association of the insurance company.

The distributable profit may be used for the following purposes:

- For remuneration to the members of the Management Board which, in total, may not exceed 10 (ten) % of the disclosed net profit to the extent permitted by the applicable laws.
- For payments to workers in accordance with the law regulating the involvement of employees in profit sharing.
- For other reserves from profit, which cannot be used for payments to shareholders or others with a resolution on the use of distributable profit according to the procedure in compliance with the law.

The Management Board of the insurance company is authorised to pay out interim dividends after the completion of a business year in relation to the expected distributable profit, if the preliminary accounts for the previous year disclose a net profit.

The Management Board must follow legal constraints when determining the amount of interim dividends.

The payment of interim dividends must be approved by the Supervisory Board of the insurance company.
The insurance company may form statutory reserves in the amount of 20 (twenty) % of the share capital of the insurance company, which are formed so that the Management Board can divert 5 (five) % of net profits reduced by potential amounts, for the covering of losses brought forward, the formation of legal reserves and profit reserves.

Statutory reserves may be used for the covering of net losses of a financial year and for the covering of losses brought forward, for reserves for own shares, for the increase of the share capital from the assets of the company and for the purposes of regulating the policy of dividends.

The members of the Supervisory Board and the members of the Management Board might be authorised for their own account or for the account of third parties that might be competitive to the activities of the insurance company.

The Management Board, by a special decision, defines data that are considered business secrets and persons who are obliged to protect the business secrets.

The Supervisory Board shall be authorised for amendments to these Articles of Association, should the amendments only relate to the harmonisation of the text with validly adopted decisions.

These Articles of Association enter into force as at the date of their entry into the Court Register.

These Articles of Association are drawn up and signed in one original, and the Notary Public shall produce notarial copies for the purposes of their entry into the Court Register and for the archive of the company.

Ljubljana, on 31 May 2016 (thirty-first of May, two thousand and sixteen)

Handwritten signature and seal of the Notary Public: