

**Position on the Corporate Governance Code for Companies with State Capital Investments,
Recommendations of the Capital Assets Management Agency of the Republic of Slovenia and
Guidelines for Reporting of Companies with State Capital Investments**

In this statement, Zavarovalnica Triglav d.d. declares its position on the Corporate Governance Code for Companies with State Capital Investments and the Guidelines for Reporting of Companies with State Capital Investments of 18 January 2011 and on the Recommendations of the Capital Assets Management Agency of the Republic of Slovenia issued in 2011, available on the website of the Capital Assets Management Agency of the Republic of Slovenia (hereinafter: the AUKN), <http://www.auknrs.si>.

Based on well-grounded reasons, Zavarovalnica Triglav d.d. derogates from the Corporate Governance Code for Companies with State Capital Investments, the Guidelines for Reporting of Companies with State Capital Investments and the Recommendations of the AUKN with regard to the following provisions:

1. Corporate Governance Code for Companies with State Capital Investments (hereinafter: the Code):

- Item 73

The Corporate Governance Code, which Zavarovalnica Triglav d.d., as a public limited company with shares listed on the Prime Market of the Ljubljana Stock Exchange, is obliged to apply in its business operations to the highest possible extent on the basis of the Rules of the Ljubljana Stock Exchange and the Guidelines on Disclosure for Listed Companies, in content and sense also comprises the provisions of the Corporate Governance Code for Companies with State Capital Investments. Nevertheless, in the present statement Zavarovalnica Triglav d.d. takes its position on the following provisions of the Code.

- Item 77

In accordance with the Rules of Procedure of the Supervisory Board of Zavarovalnice Triglav d.d., the President of the Nomination Committee is always a member of the Supervisory Board, since the President of the Nomination Committee regularly reports on the work of the Nomination Committee at the Supervisory Board sessions.

- Item 88 in conjunction with g1

Zavarovalnica Triglav d.d. discloses the remuneration package of the Management Board members in compliance with the Companies Act and the Corporate Governance Code. The contents of employment contracts for Management Board members are in compliance with the provisions of the Act Regulating the Incomes of Managers of Companies owned by the Republic of Slovenia and Municipalities. One of the tasks of the Nomination and Compensation Committee set up by the Supervisory Board is to prepare proposals regarding the policy for remuneration, compensation and other benefits of the Management Board members to be considered by the Supervisory Board.

The General Meeting of Shareholders has not yet adopted the remuneration policy.

2. Recommendations of the AUKN:

- Recommendation 3: Risk management, internal controls and internal audit

- 2. Internal audit – Expectations to the Supervisory Board, Item 3

The Supervisory Board is acquainted with the appointment of the chief audit executive. The insurance act contains provisions on the organization, tasks and rules of procedure for the internal audit department.

- Recommendation 4: Quarterly reporting on the performance of a company/group

Zavarovalnica Triglav d.d. partly derogates from the recommendation; however, it prepares and submits its performance reports in compliance with the applicable legislation obliging the public limited companies whose shares are listed on the Prime Market of the Ljubljana Stock Exchange.

- Recommendation 5: Three-year business planning by a company/group

Zavarovalnica Triglav d.d. partly derogates from the recommendation, since it treats its business plans as business secrets and their disclosure could have adverse consequences for the Company. Only a short summary of the business plan and the strategy of the Triglav Group are published.

- Recommendation 6: Transparency in the procedures of making business deals involving company expenditure (ordering goods and services, donations and sponsorship)

- In the area of sponsorships, Zavarovalnica Triglav d.d. introduced a revised consideration process for applications for sponsorships and donations; in the future, funds for sponsorships and donations will be allocated through public tenders, taking into consideration the recommendation regarding the principles of balance, sufficient dispersion and corporate social responsibility. The call for applications and the selection of sponsorship beneficiaries will be published on the Company's website after the tender has been completed.
- Having an appropriately organized procurement process which is regulated by several internal rules, Zavarovalnica Triglav d.d. provides transparent, economic and competitive business conduct in the case of all transactions involving Company expenditure, and also secures appropriate control carried out by the internal audit department.
- The procedure of a public call for tenders is not being carried out because of a potential decrease in the competitive advantages which the Company also obtains through the purchase of goods and services, the extension of delivery time, the need for additional human resources for the procedure, and the possible disclosure of business secrets
- Information about the values of business deals and amounts of allocated sponsorship funds is not published because, pursuant to internal rules, contract provisions and the legislation in force, such information constitutes business secrets of the Company and, in addition, such a disclosure could deteriorate the competitive position of the Company.

- Recommendation 7: Optimisation of labour costs in 2011 and 2012

Zavarovalnica Triglav, d.d. observes the recommendation, except for the part which refers to the publication of the entire collective agreement of the Company, as this would mean that the Company discloses to the general public, including the Company's competitors, its models of remuneration (e.g. for insurance agents); and the part which refers to the holiday allowance for the Management Board members who are entitled to the allowance of equal amount as other employees.

- Recommendation 11: Company Code of Ethics

The Code of Good Business Practice of Zavarovalnica Triglav published on the Company's website contains only minimal differences in comparison to the recommendation.

Management Board and Supervisory Board

Ljubljana, on this 29th day of March 2012