

Pursuant to Article 277 of the Companies Act, the Management Board of the company Dalekovod d.d., Zagreb, Ulica Marijana Čavića 4, PIN (OIB): 47911242222, at its session held on 11/05/2022 brought the decision to call the General Assembly of Dalekovod d.d. Therefore, shareholders are invited to the

GENERAL ASSEMBLY

of the company Dalekovod, d.d., Zagreb, Ulica Marijana Čavića 4, PIN: 47911242222 (hereinafter: "the Company") which will be held on 30/06/2022 at 11 a.m. in the Company's premises in Zagreb, Ulica Marijana Čavića 4.

I. The following Agenda is proposed for the General Assembly:

Agenda:

1. Opening of the General Assembly, verification of applications and powers of attorney and determination of share capital representation, compilation of the list of present and represented shareholders and confirmation that the General Assembly has been properly convened and that it has powers to make valid decisions
2. Annual Company reports for 2021:
 - a. Consolidated and unconsolidated audited annual financial statement for 2021;
 - b. Report of the Company's auditor for 2021
 - c. Report of the Management Board on the status of the Company and of the Dalekovod Group for 2021;
 - d. Report of the Supervisory board on the supervision on the management of the Company's operations for 2021
3. Decision on profit allocation for 2021
4. Decision on giving discharge to the members of the Company's Management Board for 2021
5. Decision on giving discharge to the members of the Company's Supervisory Board for 2021
6. Decision on the establishment of the fee for work of the Supervisory Board for 2021
7. Decision on the approval of the Remuneration Policy
8. Decision on the remuneration to the members of the Supervisory Board
9. Decision on the selection of the Company's auditor for 2022

PROPOSITIONS OF DECISIONS

Ad 3) The Management Board and the Supervisory Board propose the General Assembly to adopt the following decision:

DECISION on profit allocation for 2021

Item 1

Based on the Company's annual financial reports that have been revised and adopted, the net profit for 2021 is HRK 11,434,095.66.

Item 2

The Company profit in Item 1 amounting to HRK 11,434,095.66 is hereby allocated to cover losses incurred in the previous years.

Ad 4) The Management Board and the Supervisory Board propose the General Assembly to adopt the following decision:

Ad 4a) DECISION on granting the discharge to the Management Board of the Company

Item 1

The discharge is granted to the President of the Company Management Board Tomislav Rosandić for the financial year 2021.

Ad 4b) DECISION on granting the discharge to the Management Board of the Company

Item 1

The discharge is given to the member of the Company Management Board Hrvoje Išek for the financial year 2021.

Ad 4c) DECISION on giving discharge to the Management Board of the Company

Item 1

The discharge is given to the member of the Company Management Board Đuro Tatalović for the financial year 2021.

Ad 4d) DECISION on granting the discharge to the Management Board of the Company

Item 1

The discharge is given to the member of the Company Management Board Ivan Kurobasa for the financial year 2021.

Ad 5) The Management Board and the Supervisory Board propose the General Assembly to adopt the following decision:

Ad 5 a) DECISION

on granting the discharge to the Supervisory Board of the Company

Item 1

The discharge is given to the President of the Company Supervisory Board Dinko Novoselec for the financial year 2021.

**Ad 5 b) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the vice president of the Company Supervisory Board Toni Đikić for the financial year 2021.

**Ad 5 c) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the vice president of the Company Supervisory Board Irena Weber for the financial year 2021.

**Ad 5 d) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the member of the Company Supervisory Board Hrvoje Markovinović for the financial year 2021.

**Ad 5 e) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the member of the Company Supervisory Board Gordan Kuvek for the financial year 2021.

**Ad 5 f) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the member of the Company Supervisory Board Dražen Buljić for the financial year 2021.

**Ad 4 g) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the member of the Company Supervisory Board Damir Sertić for the financial year 2021.

**Ad 5 h) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the member of the Company Supervisory Board Mladen Gregović for the financial year 2021.

**Ad 5 i) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the member of the Company Supervisory Board Krešimir Kukec for the financial year 2021.

**Ad 5 j) DECISION
on granting the discharge to the Supervisory Board of the Company**

Item 1

The discharge is given to the member of the Company Supervisory Board Dalibor Balgač for the financial year 2021.

Ad 6) The Supervisory Board proposes the General Assembly to adopt the following decisions:

**DECISION
on the establishment of the fee for work of the Supervisory Board for 2021**

Item 1

Remuneration for the members of the Supervisory Board (including its Chairperson and Deputy Chairperson) for 2021, appropriate to the works performed and the Company situation, is established in the monthly gross amount of HRK 4,000.00.

Item 2

The decision shall come into effect with the closing of the General Assembly.

Ad 7) The Supervisory Board proposes the General Assembly to adopt the following decisions:

**DECISION
on the approval of the Remuneration Policy**

Item 1

The Remuneration Policy for the members of the Board, in the text established by the Supervisory Board on 10/05/2022 which is enclosed hereto and an integral part hereof, is approved.

Item 2

This Remuneration Policy for the members of the Board shall apply for a period of 4 (four) years counting from the day this Decision comes into force.

Item 3

The decision shall come into effect with the closing of the General Assembly.

Ad 8) The Supervisory Board proposes the General Assembly to adopt the following decisions:

**DECISION
on the remuneration of the members of the Supervisory board**

Item 1

The members of the Supervisory Board (including its Chairperson and Deputy Chairperson) shall not be entitled to remuneration for their work, except for the member of the Supervisory Board who represents the workers, who shall be entitled to a remuneration in the monthly gross amount of HRK 4,000.00. Except for the rights established in the previous sentence, the Company shall have no obligation to pay remuneration on any basis to any member of the Supervisory Board in relation to their work in the Company's Supervisory Board.

Item 2

This Decision shall enter into force as of the conclusion of the General Assembly, and it shall apply to the members of the Supervisory Board from the moment this Decision comes into force, for a period of 4 (four) years.

Ad 9) The Supervisory Board proposes the General Assembly to adopt the following decisions:

**DECISION
on the selection of the Company's auditor for 2022**

Item 1

The auditing company KPMG Croatia d.o.o., Ivana Lučića 2/a, Zagreb, is hereby appointed as the Company's auditor for 2022.

Item 2

The decision shall come into effect with the closing of the General Assembly.

II. Shareholders of the Company who meet the following conditions have the right to participate in the General Assembly:

- they have applied for participation at the General Assembly in advance by a notice sent to the address of the Company's seat indicated in this invitation to the General Assembly within the legally prescribed deadline; and
- as Company shareholders, they were registered in the computer system of the Središnje klirinško depozitarno društvo d.d., Central Depository and Clearing Company), Heinzlova 62a, 10000 Zagreb, PIN: 64406809162 (hereinafter: "SKDD") (on the last day possible for applying for participation at the General Assembly pursuant to the previous item.

In order to be able to participate in the General Assembly and exercise voting rights in accordance with the ratio of shares held in an escrow account registered to "SKDD", shareholders with a ration of shares held in that account and owning together one or more shares of stock in the Company are required to request the Company to transfer their shares to their account, and in case of more shareholder to their joint securities account that should be previously opened with SKDD for that purpose. The company shall, upon any such

request received, instruct SKDD to transfer a number of shares from the escrow account to the shareholders' account or joint account. Pursuant to Article 228 of the Company Act, the shareholders are required, based on the shares held in the joint securities accounts, to elect their joint representative in the General Assembly. To that end a Power of Attorney form enclosed with this invitation may be used, provided it is signed by all the holders of those shares. All participation requests based on those shares are required to be submitted to the Company within the previously defined deadline (no later than the 23/06/2022). Should the shareholders have any questions related to the exercise of the rights based on the ratio of shares held in the escrow account, they may contact the Company at the phone number 01/2459-770 on working days from 8 am to 3 pm.

The application for participation is to be submitted personally in written format to the Company headquarters, Legal and Personnel Affairs Department, or by mail to the address Marijana Čavića 4, Zagreb, Legal and Personnel Affairs Department.

The Register of the Company shares kept by the SKDD shall be closed on 23/06/2022. Transfers of shares carried out after that date shall not provide the right to participate in the convened General Assembly. Each share entitles its holder to one vote.

It is also possible to participate in the General Assembly via a proxy. The written power of attorney must include the information on the shareholder issuing the power of attorney, the total nominal value of the shares, the authority to participate and vote on behalf of the shareholder at the General Assembly and the date of issue and validity. The application forms and the power of attorney form an integral part of this invitation and are published as its annex and can be used as such.

The application and the power of attorney forms as well as the access to materials supporting the adoption of the proposed decisions can be accessed by the shareholders on business days from 8.00 AM to 3 PM commencing on the date this invitation is published at the address:

- Ulica Marijana Čavića 4, Zagreb, Legal and Personnel Affairs Department
- on the Company's web site www.dalekovod.hr.

Shareholders who jointly hold shares equal to one twentieth of the Company's share capital have the right to request that an additional item be included in the General Meeting's agenda, and to for this fact to be published. Each new item on the agenda must be followed by an explanation and proposal of a decision. The Company must receive the request to include an item on the agenda at least 30 days prior to the General Assembly. The deadline does not include the date on which the request is received by the Company.

Shareholders who wish to give counter-proposals on decisions proposed by the Management Board may submit them no later than 14 days prior to the General Assembly by submitting their counter-proposals with explanation to the Management Board. The set deadline does not include the date of receipt of the proposal by the Company. Should the shareholders not exercise this right, they shall not lose the right to put forward counter-proposals at the General Assembly of the Company.

At the General Assembly the Management Board shall provide to each shareholder at their request information about the Company's activities, if that is necessary for making an informed decision about the items on the agenda. The obligation to provide information applies to legal and business relationships of the Company with affiliated companies.

If quorum is not met at the General Assembly convened for 30/06/2022 in terms of provisions of Article 22 of the Articles of Association, ie if shareholders holding a total nominal value of at least 75% of the Company's share capital are not represented, the next (backup) General Assembly shall be held at the same time one week later than the scheduled beginning of this General Assembly and it may validly decide, provided the shareholders are represented in person, or by their proxies or legal representatives of shareholders who together hold shares whose total nominal value is at least 51% of the share capital of the Company.

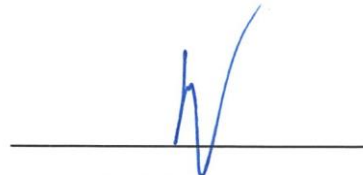
Participants are invited to come to the General Assembly, on the day of holding of the General Assembly, at least one hour before its scheduled start for the purpose of the participants' timely registration and creating the list of participants at the General Assembly by the Committee responsible for verifying the applications and the representation of share capital. Upon registration, the shareholders, that is, their proxies or representatives, shall show the Committee the legally prescribed valid identification document, and those participants who are legal entities shall also submit the excerpt from the court register or another relevant register in which the legal entity is registered or another appropriate public document, unless this has been carried out upon the submission of the application for participation at the General Assembly.

Dalekovod, d.d.
President of the Management Board



Tomislav Rosandić

Dalekovod, d.d.
Member of the Management Board



Eugen Paić-Karega



Annexes:

APPLICATION FOR PARTICIPATION

I hereby apply to participate at the General Assembly of Dalekovod d.d., Zagreb, Ulica Marijana Čavića 4, to be held on 30/06/2022 at 11:00 hours at the following address Zagreb, Ulica Marijana Čavića 4.

(Shareholder's name and surname/company name)

(Address/residence or shareholder's seat)

(Personal Id. No. PIN (OIB) for natural and legal entities)

(Identity card number only for natural entities)

(Total number of shares)

Date:

Signature of the shareholder/authorized person:

POWER OF ATTORNEY

(Shareholder's name and surname/company name)

(Shareholder's address/residence or seat)

(Identity card number and OIB/only OIB for legal entity)

(Total number of shares)

I hereby authorise the below proxy to submit on my behalf and for my account the application for participation at the General Assembly of Dalekovod d.d., to be held on 30/06/2022 at 11 a.m. in Zagreb, Ulica Marijana Čavića 4, to represent me at said General Assembly, to participate in its work on my behalf and for my account, and to vote on all decisions brought at said General Assembly.

(Proxy's name and surname/company name)

(Proxy's address/residence or seat)

(Proxy's OIB)

Date of issue and term of validity:

Signature of the shareholder/authorized person:

Dalekovod, d.d.
Zagreb, Marijana Čavića 4

Pursuant to the provisions of Article 247a of the Companies Act (Official Gazette nos. 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 111/12, 68/13, 110/15, 40/19 and 34/22; hereinafter: CA), the Supervisory Board of Dalekovod d.d., at its session held on 10/05/2022 sets out the following

REMUNERATION POLICY

REMUNERATION POLICY OBJECTIVES

Item 1

(1) This Policy establishes a system of remuneration for members of the Management Board in order to ensure the existence of prescribed and transparent policies and procedures for determining the remuneration for the members of the Management Board which harmonize their interests with the long-term interests and successful and ethical implementation of the strategy of Dalekovod, d.d. (hereinafter: the Company).

(2) The Company wants to achieve a balance between monetary and non-monetary rewards and fixed and variable remuneration of the members of the Management Board. Monetary and non-monetary rewards are related to the Company's values and strategies. The remuneration is fixed and/or variable. Fixed remuneration reflects the relevant professional experience, competence and organizational responsibility of the members of the Management Board. Variable remuneration is based on performance and, in exceptional cases, on other conditions. Variable remuneration provides an incentive for long-term prudent risk-taking and good risk management.

COMMITTEE FOR APPOINTMENT AND REWARDING

Item 2

(1) The Supervisory Board shall establish the Committee for appointment and rewarding (hereinafter: the Committee) to express a competent and independent opinion on rewarding policies and practices and on incentives established for risk management, by appointing members of the Committee.

(2) The Committee is responsible for the following:

- a) preparation of recommendations to the Supervisory Board regarding the rewarding of the members of the Management Board;
- b) drafting proposals and advice to the Supervisory Board on drafting and amending the rewarding policy for the members of the Management Board;
- c) revision of the rewarding policy and monitoring its implementation;
- d) reviewing the appointment of external advisers for remuneration that the Supervisory Board may, if necessary, employ for advice or support;
- e) support to the Supervisory Board by monitoring the functioning of the rewarding system on behalf of the Supervisory Board;
- f) paying special attention to the assessment of rewarding mechanisms adopted to ensure that the overall remuneration policy is consistent with the Company's business strategy, objectives, values and interests;

- g) ensuring regular independent review of the rewarding policy and system by internal audit;
- h) formal review of a number of possible scenarios to examine how the rewarding system will respond to future external and internal events.

REMUNERATION POLICY AND BUSINESS STRATEGY AND THE LONG-TERM DEVELOPMENT OF THE COMPANY

Item 3

(1) The remuneration rules set out in this Policy are designed to promote and comply with transparent and effective management and to prevent the assumption of risks that are not in line with the Company's business strategy and long-term development.

(2) This remuneration policy is designed to achieve the long-term economic interests of the Company, shareholders and employees.

(3) The remuneration policy is harmonized with the business strategy of the Company and its subsidiaries (hereinafter: Dalekovod Group), and the variable remuneration amount is conditioned by the realization of the adopted business plans. In this way, the business policy contributes to the long-term development of the Company.

PREVENTION OF CONFLICTS OF INTEREST

Item 4

(1) This remuneration policy is in line with the business strategies, objectives, values and interests of the Company, shareholders and employees and includes measures to avoid conflicts of interest.

(2) The Company's Management Board ensures that the principles and procedures related to remuneration are formulated in such a way that all decisions of the Management Board are balanced and in the best interests of the Company, shareholders and employees, which is ensured by using risk-adjusted performance indicators which also take qualitative criteria into account (e.g. violation of prescribed restrictions, etc.).

FIXED REMUNERATION

Item 5

(1) Fixed remuneration of the members of the Management Board does not promote taking high-level risks.

(2) Fixed remuneration of Management Board members:

- a) reflect the value of the work, competence, experience and market contribution;
- b) achieve a balance between responsibility, knowledge, skills and experience (market value of work and person);
- c) encourage the working environment in the Company in terms of:
 - i. performance (set goals, achieving results, providing feedback),
 - ii. development (career, employment opportunities), and
 - iii. core competencies (encouraging growth, responsible action, excellence in execution, teamwork).

(3) Fixed remuneration (basic salary) of the members of the Management Board is determined in a monthly gross amount. The basic salary includes flat-rate remuneration for work outside the daily

working hours, days of annual leave, paid leave, public holidays prescribed by law. Members of the Management Board are not entitled to a special compensation i.e. salary increase for overtime work, that is, for work longer than full-time work or for redistribution of working time, nor to any salary supplements in terms of the provisions of the collective agreement. In addition, the members of the Management Board are not entitled to rewards and/or remuneration for their work in the bodies of Dalekovod Group companies. All the above supplements, rewards and remuneration are included in the basic salary.

VARIABLE REMUNERATION

Item 6

(1) Depending on the business results of the Company and Dalekovod Group, the members of the Management Board are also entitled to a variable part of the salary (variable remuneration).

(2) The variable part of the salary is related to the realization of the annual business plan of the Dalekovod Group, in terms of the realized business incomes, amount of normalized EBITDA, amount of contracted works and the implementation of strategic objectives as follows:

(3) The variable part of the salary related to the achieved result is calculated according to the following criteria:

- a) The objective related to achievement of profit from sale in relation to the Business Plan:
 - i. if the realized income of the Dalekovod Group is 85 % or less than the amount envisaged by the Business Plan for a particular business year (realized income from sale < 85 % of the Business Plan), the member of the Management Board is not entitled to the variable part of salary in relation to this criterion;
 - ii. if the realized income from sale is higher than 85 %, and less than or equal to 100 % in relation to the plan (85 % of the Business Plan < realized business income ≤ 100 % of the Business Plan), the member of the Management Board is entitled to the amount of variable salary in the ratio of 100 %, in relation to this criterion, with a proportional reduction of the variable part of the salary in such a way that for each full percentile of reduction of profit compared to the amount representing 100 % of business income planned, the variable part of salary is reduced by 6.66 %;
 - iii. if income from sale is higher than 100 %, and less than or equal to 110 % in relation to the plan (100 % of the Business Plan < realized income from sale < 110 % of the Business Plan), the member of the Management Board is entitled to the full amount of the variable part of salary paid to the members of the Management Board in relation to that criterion (100 % of the amount of the variable part of the salary), with a proportional increase of the variable part of the salary in such a way that for each full percentile of increase of business income from the amount that represents 100 % of the planned business income, the variable part of the salary increases by 2 %, up to a maximum of 120 % of the amount of the variable part of the salary in relation to this criterion;
- b) The objective related to the achievement of the normalized EBITDA in relation to the Business Plan:
 - i. if the achieved normalized EBITDA of Dalekovod Group is 80 % or less than the amount foreseen by the Business Plan for a particular business year (achieved normalized EBITDA ≤ 80% of the Plan), the member of the Management Board is not entitled to the variable part of the salary in relation to this criterion;
 - ii. if the achieved normalized EBITDA is higher than 80 %, and lower or equal to 100 % in relation to the profit planned under the Business Plan (80 % of the Business Plan < achieved normalized EBITDA ≤ 100 % of the Business Plan), the member of the Management Board is entitled to the amount of the variable part of the salary that

- would be paid to the member of the Management Board in relation to this criterion at a ratio of 100%, with a proportionate reduction of the variable part of the salary by decreasing the variable part of the salary according to this criterion by 5 % for each full percent of the decrease of the achieved profit in relation to the amount representing 100 % of the profit planned under the Business Plan;
- iii. if the achieved normalized EBITDA is higher than 100 %, and lower or equal to 120 % in relation to the normalized EBITDA planned under the Business Plan (100 % of the Business Plan < achieved normalized EBITDA \leq 120 % of the Business Plan), the member of the Management Board is entitled to the full amount of the variable part of the salary paid to the member of the Management Board in relation to this criterion (100 % of the amount of the variable part of the salary), with a proportionate increase of the variable part of the salary by increasing the variable part of the salary according to this criterion by 1 % for each full percent of the increase of achieved profit in relation to the amount representing 100 % of the profit planned by the Business Plan, up to not more than 120% of the amount of the variable part of the salary;
- b) The objective related to the achievement of contracted works in relation to the Business Plan:
- i. if the achieved contracted works of Dalekovod Group are 85 % or less than the amount foreseen by the Business Plan for a particular business year (achieved contracted works \leq 85 % of the Plan), the member of the Management Board is not entitled to the variable part of the salary in relation to his criterion;
 - ii. if the contracted works are higher than 85 %, and lower or equal to 100 % in relation to the plan (85 % of the Business Plan < achieved contracted works \leq 100 % of the Business Plan), the member of the Management Board is entitled to the amount of the variable part of the salary that would be paid to the member of the Management Board in relation to this criterion at a ratio of 100 %, with a proportionate reduction of the variable part of the salary by decreasing the variable part of the salary according to this criterion by 6.66 % for each full percent of the decrease of achieved contracted works in relation to the amount representing 100 % of the planned contracted works;
 - iii. if the contracted works are higher than 100 %, and lower or equal to 110 % in relation to the plan (100 % of the Business Plan < achieved contracted works \leq 110% of the Business Plan), the member of the Management Board is entitled to the full amount of the variable part of the salary that would be paid to the member of the Management Board in relation to this criterion (100% of the amount of the variable part of the salary), with a proportionate increase of the variable part of the salary by increasing the variable part of the salary by 2 % for each full percent of the increase of achieved contracted works in relation to the amount representing 100% of planned contracted works, up to not more than 120 % of the amount of the variable part of the salary in relation to this criterion;
- c) The objective related to the implementation of strategic initiatives, that is, realization of strategic initiatives with the achieved impact refers to:
- i. Human resources development
 - ii. Capital market development
 - iii. Reinforcing the production and sales portfolio according to the strategy
 - iv. Specifically defined objectives in the drafting of annual plans according to the guidelines of the Supervisory Board

PARAMETERS FOR PAYMENT OF THE VARIABLE PART OF THE REMUNERATION

Item 7

(1) The parameters for the payment of the variable part of the remuneration contribute to the achievement of the Company's business strategy and its long-term development by serving as motivation to act in the best interest of the Company and Dalekovod Group, in accordance with the responsibilities of each member of the Board. The objectives for obtaining performance-based bonuses must be challenging so that only the exceptional results are rewarded, and they must be designed so that the members of the Board are not tempted to assume excessive risks which are not in accordance with the Company's business strategy and so as not to obstruct the long-term development of the Company and Dalekovod Group.

(2) The methods applied to determine whether the parameters have been met are laid down in the adopted Company's annual business plans. The annual plans, adopted by the Supervisory Board, must be realistic and compliant with the long-term business strategy and development of the Company and Dalekovod Group.

(3) The aggregate of the variable parts of the salary of all the members of the Company's Management Board in Gross 1 amount may not exceed 5 % of the Company's available net profit. If this amount does not exceed 5 % of the Company's available net profit, the proportionately decreased amount of the annual variable salary will be calculated and paid to the members of the Management Board. If the Company ends the business year with a financial loss, the members of the Board are not entitled to payment of the variable part of the salary.

DEFERRALS AND REFUNDS OF REMUNERATION

Item 8

(1) The Company has no deferrals or periods for which the payment of part of the remuneration is deferred, and the Company has no right to demand the refund of variable parts of remuneration.

OTHER RIGHTS

Item 9

(1) In addition to fixed and variable remuneration, the members of the Management Board exercise the following rights:

- a) life insurance in the event of death or disability that may occur as a result of an accident or occupational disease;
- b) insurance for the needs of additional costs of treatment and/or treatment abroad;
- c) annual preventive medical examination;
- d) right to use of a motor vehicle for business and private needs 24 hours a day (where the use of a vehicle for personal needs is considered a salary in kind);
- e) additional and supplementary health insurance;
- f) the right to reimbursement of expenses incurred by the member of the Management Board in performing his/her function.
- g) use of IT equipment and phone line;
- h) the right to compensation of costs for education and upskilling.

(2) During the contractual non-competition period, the Company is obligated to pay the member of the Management Board a monthly fee in the amount of one half (1/2) of monthly fixed salary of the member of the Management Board for which the Company calculates and pays all taxes, surcharges and contributions.

DURATION OF MANAGERIAL CONTRACTS

Item 10

(1) The duration of the managerial contract (hereinafter: the Contract) is conditioned by the length of the period for which the member of the Management Board is appointed, provided that the Company may conclude the Contract for a maximum period of 5 years.

(2) The contract terminates upon the expiry of the period for which it was concluded, upon the dismissal of a member of the Management Board, the recall of a member of the Management Board or the fulfilment of conditions for retirement.

SHARES AND OPTIONS

Item 11

(1) The Company does not give the member of the Management Board a part of the remuneration in shares (no option).

NOTICE PERIOD

Item 12

(1) The notice period is three months, and the Supervisory Board of the Company may also make a decision on a shorter notice period.

(2) A member of the Management Board is entitled to a basic salary during the notice period, and if the Supervisory Board of the Company has made a decision on a shorter notice period than agreed, the member of the Management Board is entitled to a proportional amount of the variable part of the salary, under the conditions and in the manner determined by the Contract.

(3) If the Contract is terminated due to misconduct of a member of the Management Board, the member of the Management Board loses the right to a variable part of salary and severance pay.

SEVERANCE PAY

Item 13

(1) If the Supervisory Board recalls a member of the Management Board (except in case of dismissal due to misconduct or extraordinary termination) or if a member of the Management Board is not offered a new contract or if a member of the Management Board does not accept the new contract offered, upon expiry of the notice period, the Member of the Management Board has the right to a severance pay in the amount of 6 (six) gross basic monthly salaries, from which the Company will pay all taxes (income tax etc.), contributions and/or other similar benefits that are charged for such a payment.

(2) If during the term of the Contract a member of the Management Board, in accordance with positive regulations, fulfils the conditions under which they are obliged to retire, the Contract terminates on the day of retirement, and the member of the Management Board is entitled to a severance pay in the amount of 6 (six) gross basic monthly salaries.

DETERMINING REMUNERATION IN RELATION TO WORKERS' REMUNERATION AND WORKING CONDITIONS

Item 14

(1) When adopting the remuneration policy for the members of the Management Board, the conditions of workers' remuneration and the working conditions of a circle of workers with similar qualifications, knowledge, skills, competencies and experience, but with a lower level of responsibility are taken into account, i.e. the remuneration and the working conditions of middle management are taken into account.

ALLOWED DEVIATION FROM THE REMUNERATION POLICY

Item 15

(1) The Company may temporarily deviate from the remuneration policy if this is necessary for the Company's long-term well-being or due to unpredictable circumstances that may significantly affect the Company's business operations.

(2) In particular, the Company may temporarily deviate from the remuneration policy in the case of reporting on the remuneration policy for the year in which the remuneration policies were determined, and in which in the period from 1 January to the establishment of this remuneration policy, the members of the Management Board received remuneration according to criteria different from the criteria and parameters under this Remuneration Policy.

(3) Deviation from the established remuneration policy is proposed by the Remuneration Committee and approved by the Supervisory Board.

IMPLEMENTATION AND MONITORING OF THE REMUNERATION POLICY

Item 16

(1) The Remuneration Committee and the Supervisory Board monitor the implementation of the remuneration policy in such a way that the Remuneration Committee reports, once a year, to the Supervisory Board on the monitoring of the implementation of the remuneration policy and recommends remuneration policies to the Supervisory Board at least every three years.

Chairman of the Supervisory Board:



Gordan Kofak