



Investor Relations Release

Zagreb, 07 May 2024

INA - INDUSTRIJA NAFTE, d.d.

Av. V. Holjevca 10

10 020 Zagreb, Croatia

LEI: 213800RUSOIJPD19H13

Ordinary shares INA-R-A ISIN HRINA0RA0007

Listed on the Zagreb Stock Exchange Official market

Announcement in line with Zagreb Stock Exchange rules

Member State: Republic of Croatia

Subject: Convocation of the General Assembly

Pursuant to the provisions set out in Article 277 of the Companies Law and Article 34 of the Articles of Association of INA – INDUSTRIJA NAFTE, d.d. (hereinafter: “INA, d.d.” or “Company”), on 3 May 2024, the Management Board and the Supervisory Board of the Company rendered a decision on convocation of the General Assembly of the Company, and it hereby invites the shareholders of the Company to the

GENERAL SHAREHOLDERS' ASSEMBLY of INA – INDUSTRIJA NAFTE, d.d.

to be held on June 14, 2024 in Zagreb, Croatia, at the Company headquarters, Zagreb, Avenija V.

Holjevca 10, beginning at 12:00 o'clock

with the following agenda:

1. Opening of the General Assembly meeting and establishing the attendance list
2. Annual consolidated and unconsolidated Financial Statements with Independent Auditor's Report for 2023, and Company and INA Group Status Report for 2023, as well as the Supervisory Board Report on the supervision performed in 2023
3. Decision on the use of profit for the year 2023 and the use of retained earnings of the Company from previous business years



Investor Relations Release

4. Decision on the Discharge to the Members of the Management Board for business year 2023
5. Decision on the Discharge to the Members of the Supervisory Board for business year 2023
6. Decision on the appointment of the auditor of the Company for 2024
7. Decision on remuneration for Supervisory Board members
8. Decision on the approval of the Management Board and Supervisory Board Remuneration Report for 2023

Proposals of decisions of the General Assembly:

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

“Decision on the use of profit for the year 2023 and the use of retained earnings of the Company from previous business years

It is determined that the company INA-INDUSTRIJA NAFTE, d.d. achieved the net profit for the year ended 31 December 2023 in the amount of EUR 224,014,076.81.

The amount of net profit from this decision will be used as follows:

- *A part of net profit in the amount of EUR 11,200,703.84 is to be distributed to legal reserves.*
- *Dividend pay-out is determined in the amount of EUR 240,000,000.00, which amounts to EUR 24.00 per share. The dividend will be paid out from the part of net profit for the year 2023 in the amount of EUR 212,813,372.97 and from retained earnings of the Company from the year 2022 in the amount of EUR 27,186,627.03.*

The General Assembly hereby establishes that the day on which the shareholders registered with Central Depository and Clearing Company Inc., Zagreb shall become eligible to dividend payment is June 19, 2024.

The dividend will be paid in cash to the shareholders by July 12, 2024 at the latest.”



Investor Relations Release

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

“Discharge is granted to the members of the Management Board of INA, d.d. for the business year 2023.”

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

“Discharge is granted to the members of the Supervisory Board INA, d.d. for the business year 2023.”

Ad 6 The Supervisory Board of the Company proposes to the General Assembly to adopt the following decision:

***“Decision on the
appointment of the auditor of the Company for 2024*”**

Audit company Deloitte d.o.o., Zagreb, Radnička cesta 80 is appointed as the Auditor of INA, d.d. in 2024.”

Ad 7. The Supervisory Board of the Company proposes to the General Assembly to adopt the following decision:

“Decision on remuneration for the Supervisory Board members as in the text published as Attachment no. 1 of the Invitation to the General Assembly, which forms an integral part of this Decision is hereby adopted.

This Decision shall become effective as of the date of its adoption.”



Investor Relations Release

Ad 8. The Management Board and the Supervisory Board of the Company propose to the General Assembly to adopt the following decision:

“The Management Board and Supervisory Board Remuneration Report for 2023 is hereby approved, as in the text published as Attachment no. 2 of the Invitation to the General Assembly, together with the Auditors’ Report, as attached hereto and forming an integral part hereof. This Decision shall become effective as of the date of its adoption.”

Explanation of proposed General Assembly decisions:

Ad 2: Annual consolidated and unconsolidated Financial Statements with Independent Auditor's Report for 2023, and Company and INA Group Status Report for 2023, as well as the Supervisory Board Report on the supervision performed in 2023

Pursuant to Article 280 a, paragraph 1, item 2 of the Companies Act, INA, d.d. shall notify the shareholders that pursuant to Article 300d of the Companies Act, the Management Board and the Supervisory Board established the financial statements of the Company and consolidated annual financial statements of INA Group for the year 2023, but the General Assembly shall not decide on the above mentioned. The financial statements shall be presented to the General Assembly of the Company together with the Annual report of the Management Board on Company and Group status and operations in 2023, and Supervisory Board Report on Performed Supervision in 2023.

The General Assembly shall not render any decisions under this item.

Ad 3: Decision on the use of profit for the year 2023 and the use of retained earnings of the Company from previous business years

Taking into account the stable financial position and low indebtedness of the Company, which enables it to finance investment plans, it is proposed to distribute the Company's profit in the form of dividend payment in the amount of EUR 24.00 per share.



Investor Relations Release

The General Assembly determines that the day on which the shareholders registered in the depository of the Central Depository and Clearing Company d.d., Zagreb acquire the right to dividend payment is June 19, 2024. The dividend will be paid in cash, no later than July 12, 2024.

The profit of INA, d.d. for 2023 in the amount of EUR 224,014,076.81 is distributed as follows: for legal reserves EUR 11,200,703.84. Dividend shall be paid in the amount of EUR 240,000,000.00 (i.e. EUR 24.00 per share), partially from the Company's net profits from the year 2023 in the amount of EUR 212,813,372.97 and the rest from the Company's retained earnings from the year 2022 in the amount of EUR 27,186,627.03.

Ad 4 and 5: Discharge to the members of the Management Board and the Supervisory Board for business year 2023

Pursuant to Article 276, paragraph 1 of the Companies Act, the Management Board and the Supervisory Board propose to the General Assembly to adopt the decision on the discharge to the members of the Management Board and the Supervisory Board for the year 2023. Voting on the discharge that is to be given to individual members of the Management Board and the Supervisory Board may be performed separately if decided so by the General Assembly or upon request of the shareholders whose shares jointly form at least one tenth of the capital stock of the Company.

Ad 6: Decision on the appointment of the auditor of the Company for 2024

Pursuant to Article 280, paragraph 3 of the Companies Act, the Supervisory Board proposes to the General Assembly to adopt the decision on the appointment of Deloitte d.o.o., Zagreb, Radnička cesta 80 as the business auditor of INA, d.d. in 2024.

Ad 7: Decision on Remuneration for Supervisory Board Members

Pursuant to the Article 269, Para 3 of the Companies Act, the Company is obliged to decide on remuneration for the Supervisory Board members at least once every four years. The General Assembly adopted the Decision on Remuneration for Supervisory Board Members on August 26, 2020.

The Company's Supervisory Board, due to the approaching deadline, submits to the General Assembly a new proposal of the Decision on Remuneration for Supervisory Board Members, which has been linguistically and



Investor Relations Release

technically harmonized without any substantial modifications in relation to the Decision on Remuneration for Supervisory Board Members of August 26, 2020.

The Supervisory Board proposes to the General Assembly to adopt the new Decision on Remuneration for Supervisory Board Members, which has been published as Attachment no. 1 to the Invitation to this General Assembly.

Ad 8: Decision on approval of the Report on Remuneration of Management Board and Supervisory Board Members for 2023

Pursuant to the Article 272.r of the Companies Act, the Company's Management Board and Supervisory Board have drafted the Report on Remuneration of Management Board Members and Supervisory Board Members for 2023. The said Report has been examined by the auditor of the Company's financial statements pursuant to Article 272.r, par 3 of the Companies Act. Pursuant to Article 276.a of the Companies Act, the Company's General Assembly decides on the approval of the Report on Remuneration for the previous business year which has been established and revised in line with the provisions of Article 272.r of the Companies Act.

The stated Report, together with the Auditor's Report, has been issued as Attachment no. 2 to the Invitation to this General Assembly.

It is proposed to adopt the Report on Remuneration of Management Board and Supervisory Board Members for the year 2023.

The remuneration of Management Board and Supervisory Board members has been harmonized with the Company's strategy and business operations and corresponds to the level and complexity of tasks performed by the Management Board and Supervisory Board members.



Investor Relations Release

INVITATION AND INSTRUCTIONS FOR THE SHAREHOLDERS REGARDING THEIR PARTICIPATION AT THE GENERAL ASSEMBLY

Invitation, time and venue of the General Assembly

1. The Company's shareholders are hereby invited to participate in the procedures of the General Assembly of the Company to be held on June 14, 2024, in Zagreb, Croatia, at the Company's headquarters, Avenija V. Holjevca 10, at 12:00 o'clock.
2. Registration of the participants of the General Assembly will take place on June 14, 2024, at the hall entrance on the mezzanine floor at the Company's headquarters, Av. V. Holjevca 10, Zagreb, from 10:30 to 11:30 o'clock, after which registration will not be possible. We kindly ask that the shareholders register on time. After the registration is finished, the shareholders or their proxies who are not listed under participants, but are registered with the Central Depository, have the right to participate at the General Assembly, but they will not be able to exercise their voting right.
3. At the registration, the shareholders, or their proxies or representatives must provide a valid identification card prescribed by the law. As for the proxies who are legal persons, a court or other register excerpt in which the legal person is listed must be delivered, if it was not delivered when submitting applications for participation at the General Assembly.

Participation and voting at the General Assembly

4. Each shareholder of the Company who has submitted to the Company, either personally or through their proxy or representative, an application for participation in written form no later than six days prior to the General Assembly meeting, excluding the date of receipt at the Company, i.e. by June 07, 2024 at 24:00 o'clock, has the right to participate in the General Assembly. A legal or natural person, who is on the last day for application for participation in the General Assembly i.e. June 07, 2024 registered as a shareholder of the Company with the Central Depository and Clearing Company d.d., Zagreb, is considered a shareholder of the Company.



Investor Relations Release

5. In the event that a shareholder wishes to appoint an **authorized agent (proxy)** to attend and vote at the General Assembly, the **Registration Form** is to be supplemented with an **Authorization**. At the General Assembly, the shareholders may be represented by an authorized agent based on valid authorization issued by the shareholder, i.e. which, on behalf of the shareholder which is a legal person, is issued by a person authorized to represent it according to the law.
6. In the **Registration Form** the shareholder shall state whether they are to attend the Assembly in person or via an authorized agent. In the event that a shareholder does not wish to attend the Assembly proceedings in person and wishes to assign the right to attendance and vote to an authorized agent, the shareholder shall include a valid authorization to this effect.
7. The **Registration Form** and the Authorization form can be found on the Company's website (www.ina.hr), and can also be obtained on request to the Executive Secretariat.

The **Registration Form** shall include the following particulars:

I. Registration for the Shareholder - natural person

- *Name and surname, residence, address, number of account held with the Central Depository and Clearing Company, d.d. and the total number of shares of the shareholder concerned*

II. Registration for the Shareholder - legal person

- *company name, headquarters and address, personal identification number (OIB)*
- *account number at the Central Depository and Clearing Company, d.d. and the total number of shares of the shareholder concerned*
- *an excerpt from the court register or from other register in which the legal person is entered or a copy of such document, a certified copy or other appropriate public document clearly showing that the application was signed by a person who is under law authorized to represent the legal person concerned shall be attached to the application*



Investor Relations Release

III. Registration submitted by the Shareholder's Authorized agent

a) Authorized agent – natural person:

- *Name and surname, place of residence, address of the authorized agent*
- *List of shareholders he/she is representing, and account numbers at the Central Depository and Clearing Company, d.d. and the total number of shares for all represented shareholders*
- *All individual authorizations on the recommended form shall be attached to the application*

b) Authorized agent – legal person:

- *company name, headquarters and address, personal identification number (OIB)*
- *list of shareholders representing, and account numbers at the Central Depository and Clearing Company, d.d. and the total number of shares for all represented shareholders*
- *Individual authorizations given by shareholders in written form shall be attached to the application; if a shareholder is a legal person, the attachment shall contain an excerpt from the court register or other register in which the legal person is entered or a copy of such document, a certified copy or other public document clearly showing that the authorization was signed by a person who is under law authorized to represent the legal person concerned*

The Authorization for the registration for participation and/or voting at the General Assembly shall include the following particulars of the authorizer: Authorizer's name and surname or the company's name, place of residence or the address or headquarters of the authorizer, account number at the Central Depository and Clearing Company, d.d. and the total number of shares, Authorized agent's name and surname or the company's name, place of residence or the address or headquarters, the signature of the authorizer or legal representative or representative by law, if the authorizer is a legal person, and the text of the authorization (authorization to vote on shareholder's behalf) stating that the authorized agent is entitled to attend and vote on behalf of the issuer on all items in the Agenda.



Investor Relations Release

Authorization shall be valid only for one General Assembly meeting, however, it will also be valid at the repeated meeting to be held at the below time, reconvened due to lack of quorum.

If the authorizer is a legal person, the authorization shall be signed by the authorized representative. If the Registration Form or the Authorization are not prepared in Croatian, a Croatian translation certified by an official court interpreter shall be attached. The Registration Form, either for attendance in person or via an authorized agent, shall be delivered in person or via registered mail six days prior to the scheduled date of the Assembly at the latest (by 24 p.m. on June 07, 2024) to the following address:

INA-INDUSTRIJA NAFTE, d.d.
Corporate Center
Executive Secretariat
ZAGREB, Avenija V. Holjevca 10
Fax: +385 1 6452103; Tel: + 385 1 6450103
“Za Glavnu skupštinu INA, d.d.”

8. Voting shall be performed electronically. The voting procedure shall be explained as part of item 1 of the Agenda. The share capital is divided into 10 million shares, and each Company's share equals one vote at the General Assembly. The Shareholder may vote in person or via an authorized agent or via shareholders' association.
9. Materials pertaining to the individual items on the Agenda shall be available to all interested shareholders at the Company's premises, as of the announcement date, at the address stated above, from 10 a.m. to 3 p.m. on working days. We kindly ask the shareholders to announce their arrival at the Company's headquarters the day before at the e-mail address of the investor relations investitori@ina.hr or by phone to the contacts listed above. The materials shall also be released on the Company's website (www.ina.hr) on the same day.



Investor Relations Release

Shareholders' rights to ask questions, requests for amendments to the agenda, counterproposals and the right to information

10. The shareholders who intend to ask questions or submit proposals regarding individual agenda items at the General Assembly are hereby requested, for the purpose of a more efficient organization of the work of the General Assembly, to announce their intention in writing when submitting their application for participation in the General Assembly or during the registration of participants at the latest prior to the General Assembly, and to indicate the agenda item to which their question or proposal will refer and the content of their question.
11. If shareholders, who jointly hold a twentieth part of the share capital of the Company request, after the General Assembly is convened, that an additional item is included in the agenda and published, the new agenda item should be accompanied by an explanation and respective decision proposal. Shareholders shall deliver the requests to add new items to the agenda at least 30 days prior to the day of holding of the General Assembly. This deadline does not include the day on which the request is received by the Company. In case the previously stated deadline is not observed, the proposed additional items of the Agenda will not be considered as validly published and no decision on them can be made at the General Assembly.
12. Shareholders have the right to submit counterproposals to the proposals submitted relating to a particular agenda item. Counterproposals, together with the names and surnames of shareholders, explanation and opinion by the Management Board if any, shall be reported to credit or financial institutions and to shareholder associations that voted on behalf of shareholders at the previous General Assembly and made available to shareholders on the webpage of the Company (www.ina.hr), in case a shareholder submits his/her counterproposal to the Company at the Company's address, at least 14 days prior to the day the General Assembly takes place. Date on which the counterproposal is received by the Company is not included in this 14-day deadline, which expires on May 30, 2024 accordingly. In case the shareholder does not exercise this right, he/she shall still be entitled to make counterproposals at the General Assembly. The same applies to shareholders' proposals regarding the election of the Supervisory Board members or appointment of the auditor of the Company.



Investor Relations Release

13. In the event of a lack of quorum for the General Assembly scheduled for 12:00 o'clock, i.e. if the present or represented shareholders do not jointly make at least 50% of the total number of votes, the Assembly shall be convened at 2 p.m. on the same day and at the same premises with the same agenda. Such repeatedly convened General Assembly meeting shall have a quorum for issues originally put on the agenda irrespective of the number of the shareholders present or represented.

14. The official language of the General Assembly meeting is Croatian; the Company will provide simultaneous English-Croatian and Croatian-English translation. This announcement is published in Croatian and in English, whereas the official text of this announcement is in Croatian only.

Attachment 1 - Decision on Remuneration for Supervisory Board Members

Attachment 2 – The Management Board and Supervisory Board Remuneration Report for 2023, with the pertaining Auditor's Report

Attachment 1

Pursuant to Article 269, paragraph 3 of the Companies Act, the Supervisory Board of INA – INDUSTRIJA NAFTE, d.d. (hereinafter: Company) proposes to the General Assembly, which shall be held on June 14, 2024 to adopt the following

DECISION ON REMUNERATION FOR SUPERVISORY BOARD MEMBERS

1 Introduction

This Decision is based on the principle of ensuring competitiveness, motivating and retaining highly qualified professionals performing the supervisory function in order to ensure the Company's business strategy, its long-term interests and sustainability.

When determining the remuneration for the members of the Supervisory Board, internal and external factors, the condition and circumstances of the Company, market trends and market practices, salary policy and other types of remuneration at all levels in the Company are all considered.

2 Remuneration for the work of the Supervisory Board Members

The starting point for the calculation of monthly remuneration for the members of the Supervisory Board is the average net salary paid to the Company's employees in the previous month.

Supervisory Board members shall be entitled to remuneration or to its proportionate part from the date on which they start performing the Supervisory Board member function until their performance of such function ceases, regardless of the nature of the reason for such termination of the function.

The remuneration to the Supervisory Board Member is paid only if the Supervisory Board member is not employed in any of INA/MOL Group companies, unless the Supervisory Board member is the elected workers' representative in the Supervisory Board.

The monthly remuneration fee is determined in the following manner:

Function:	Fee:
President of the SB	Three (3) average net salaries paid to employees of INA in the previous month
Members of the SB	Two (2) average net salaries paid to employees of INA in the previous month

The remuneration of members of the Supervisory Board does not include the variable part of the fee.

All related taxes and contributions related to the remuneration fee shall be calculated and paid by the Company pursuant to the provisions of valid tax regulations.

3 Other allowances and benefits

A Supervisory Board member is entitled to compensation of all business-related, justified and documented costs related to the participation of the members of the Supervisory Board in the sessions of the Supervisory Board and the sessions of its committees, or which have been incurred in the performance of their duties.

The Supervisory Board members can, during the period of performing the function of Supervisory Board member, also perform the function of a member of the Supervisory Board's committees. During this period the Supervisory Board member may be entitled to an additional fee for his/her participation in the committee. The Supervisory Board shall decide on the payment and amount of such fee, and this fee shall be paid to the Supervisory Board member together with the fee for his/her membership in the Supervisory Board.

Attachment 1

Supervisory Board members shall not be entitled to severance pay or payment of established incomes or compensation in the Company's shares.

4 Final provisions

The Company shall pay remuneration to the Supervisory Board member in a transparent manner, in accordance with the approved Decision on remuneration for Supervisory Board members.

In case of consideration of amendments to this Decision, the Supervisory Board shall submit a proposal of amendments to this Decision to the General Assembly, together with an explanation in accordance with the applicable regulations.

This Decision shall take effect upon its adoption by the General Assembly and shall be applied until a decision to the contrary is adopted by the General Assembly in accordance with the applicable regulations.

Chairman of the Supervisory Board

Attachment 2

INA-INDUSTRIJA NAFTE, d.d.

**MANAGEMENT BOARD AND SUPERVISORY BOARD
REMUNERATION REPORT FOR 2023**

INDEPENDENT AUDITOR'S REPORT WITH EXPRESSION OF LIMITED ASSURANCE ON THE REMUNERATION REPORT FOR THE YEAR 2023

To the Management Board and Supervisory Board of INA–INDUSTRIJA NAFTE, d.d.

Scope

Pursuant to the requirements of Article 272.r of the Companies Act and the contract concluded with INA–INDUSTRIJA NAFTE, d.d. ("the Company"), we have performed an engagement to express a limited assurance on the attached Remuneration Report for the year ended 31 December 2023 ("the Report") prepared by the Company's Management Board and Supervisory Board.

Our engagement with limited assurance relates to the subject matter of whether the Report contains information in accordance with Article 272.r, paragraphs 1 and 2 of the Companies Act.

Applicable Criteria

The applicable criteria for determining individuals to be included in the Report and requirements related to the disclosure of their receipts are contained in the requirements of Article 272.r, paragraphs 1 and 2 of the Companies Act.

Responsibilities of the Management Board and the Supervisory Board

Management Board and Supervisory Board are responsible for:

- preparing the Report for the year 2023 in accordance with the disclosure requirements outlined in Article 272.r, paragraphs 1 and 2, of the Companies Act,
- determining the individuals to be included in the Report in accordance with Article 272.r, paragraph 1, of the Companies Act,
- selecting and applying appropriate receipt policies, as well as making reasonable judgments and assessments regarding the data disclosed in the Report,
- measuring receipts for the year ended December 31, 2023, in accordance with the requirements of Article 272.r, paragraphs 1 and 2, of the Companies Act, and
- publishing the Report on the Company's website in accordance with the requirements of Article 272.r, paragraph 4, of the Companies Act.

The Management Board of the Company is responsible for designing, implementing, and maintaining a system of internal controls that reasonably ensures that the aforementioned data does not contain material errors, whether due to fraud or error. Additionally, the Management Board and the Supervisory Board of the Company are responsible for ensuring the completeness and accuracy of the documentation provided to us.

This version of the auditor's report is translation from the original, which was prepared in the Croatian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over this translation.

The company was registered at Zagreb Commercial Court: MBS 030022053; paid-in initial capital: EUR 5,930.00; Company Directors: Katarina Kadunc, Goran Končar and Helena Schmidt, Bank: Privredna banka Zagreb d.d., Radnička cesta 80, 10 000 Zagreb, bank account no. 2340009–1110098294; SWIFT Code: PBZGHR2X IBAN: HR3823400091110098294.

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INDEPENDENT AUDITOR'S REPORT WITH EXPRESSION OF LIMITED ASSURANCE ON THE REMUNERATION REPORT FOR THE YEAR 2023 (CONTINUED)

Auditor's Responsibility

Our responsibility is to issue a report on the Report in accordance with the requirements of Article 272.r of the Companies Act. We have performed an engagement to express a limited assurance in accordance with the International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE 3000'). This standard requires that we comply with ethical standards and plan and perform the engagement to obtain sufficient appropriate evidence to provide a basis for our conclusion as to whether the Report contains the information required by relevant legal requirements.

Our Independence and Quality Management

We have conducted the engagement in compliance with independence and ethical requirements as provided by the Code of Ethics for Professional Accountants (including International Independence Standards) (Code) issued by the International Ethics Standards Board for Accountants. The code is based on the principles of integrity, objectivity, professional competence and due diligence, confidentiality, and professional conduct. We comply with the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements (ISQM 1) and accordingly maintain an overall management control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and statutory requirements.

Summary of the work performed

As part of our engagement, we have planned and performed, the following procedures::

- inquiries to the Management Board, the Supervisory Board, and other individuals within the Company to gain an understanding of receipt policies and the process of compiling the Report;
- we received a list of all members of the Management Board and the Supervisory Board of the Company during 2023 and verified whether their receipts were disclosed in the Report;
- we reconciled the receipt data presented in the Report with the Company's accounting records (general ledger and subledgers) for the year ended December 31, 2023.;
- we reviewed, based on a sample, the relevant documentation of the Company (contracts and payments) related to the receipt data presented in the Report ; and
- we verified whether the Report contains all the data required by the provisions of Article 272.r, paragraphs 1 and 2, of the Companies Act.

The nature and scope of our procedures were determined based on risk assessment and our professional judgment to express a conclusion with limited assurance.

The scope of the engagement to express a conclusion with limited assurance is significantly smaller than the scope of the engagement to express a conclusion with reasonable assurance regarding risk assessment procedures, including understanding internal control and procedures performed in response to assessed risks.

We believe that the evidence we obtained is sufficient and appropriate and forms a reasonable basis for expressing our conclusion with limited assurance.

INDEPENDENT AUDITOR'S REPORT WITH EXPRESSION OF LIMITED ASSURANCE ON THE REMUNERATION REPORT FOR THE YEAR 2023 (CONTINUED)

Conclusion with an expression of limited assurance

Based on the procedures performed and evidence obtained, nothing has come to our attention that would cause us to believe that the Report for the year 2023 prepared by INA–INDUSTRIJA NAFTE, d.d. does not contain information, in all material respects, in accordance with Article 272.r, paragraphs 1 and 2, of the Companies Act.

Limitations

Our report is intended solely for the Management and the Supervisory Board of the Company for the purpose of reporting to the Company's General Assembly on the Report prepared by the Company for the year ended December 31, 2023, in accordance with Article 272.r of the Companies Act. We permit the publication of this report on the Company's website in accordance with Article 272.r, paragraph 4, of the Companies Act. Our report does not constitute, nor is it intended to represent, legal advice on compliance with Article 272.r, paragraph 4, of the Companies Act.

In case of additional information or data provided to us, or in the event of misleading oral or written statements or explanations, our findings, interpretations, or conclusions in our Report of Independent Auditor with Limited Assurance may be incomplete or may result in the need for additional procedures that are not included in the scope of this engagement.

To the fullest extent permitted by law, we do not accept any responsibility and do not agree to any obligations to any other party, except to the Management and the Supervisory Board of the Company, regarding our work or this Report of Independent Auditor with Limited Assurance or the conclusions we have reached.

The Management and the Supervisory Board of the Company are responsible for publishing the Report on the Company's website as well as for the accuracy of the data contained therein. The scope of our work does not include a review of the aforementioned, and we do not accept any responsibility for any changes or amendments that may be made to the Report based on the Report of Independent Auditor with Limited Assurance or for any discrepancies between the report we issued and the data displayed on the Company's website.

Goran Končar

Director and Certified Auditor

For signatures, please refer to the original Croatian auditor's report, which prevails.

Deloitte d.o.o.

27 March 2024

Radnička cesta 80,

10 000 Zagreb,

Republic of Croatia

Pursuant to Article 272.r of Company Act (CA), Management Board and Supervisory Board of INA – INDUSTRIJA NAFTE, d.d. Zagreb (hereinafter: INA or Company) submitted the following:

MANAGEMENT BOARD AND SUPERVISORY BOARD REMUNERATION REPORT FOR 2023

1. Introduction

INA's corporate management structure is based on dualistic system which includes Supervisory Board and Management Board which – together with General Assembly – represent three mandatory INA corporate bodies in line with INA Statute and CA.

INA's compensation strategy is regulated within Company internal documents with the aim to ensure competitive remuneration package as remuneration plays an important role in supporting the achievement of Company goals. Through the design of its incentive schemes, Company aims to ensure that manager/employee remuneration supports their private interests, Company's strategic objectives and interests of the shareholders.

This report is prepared in line with the Company's internal documents and procedures, including Remuneration policy for INA – INDUSTRIJA NAFTE, d.d. Management Board members (hereinafter referred as: Remuneration policy) and Decision on remuneration to the Supervisory Board members approved by General Assembly on 26 August 2020.

2. Management Board

In accordance with Companies Article of Association, INA Management Board (further in text: MB) is formed by 6 members who are entitled to receive management fee for the work performed in line with the INA Supervisory Board decision on the salary and fee for Management Board members.

During year 2023, from 1 January until 31 December, INA Management Board members were the following:

- Zsuzsanna Eva Ortutay – President of the Management Board from 1.7.2023, until 30.6.2026,
- Péter Ratatics – President of the Management Board from 28.9.2022 until 30.6.2023*,
- Krisztián Pulay – MB member from 28.9.2022 until 30.6.2026,
- Berislav Gašo – MB member from 28.9.2022 until 15.1.2023**,
- Miroslav Skalicki – MB member from 28.9.2022 until the appointment of the members of the Management Board of INA – Industrija nafte d.d. through a public tender, for a period of no longer than 6 months,
- Hrvoje Šimović – MB member from 28.9.2022 until the appointment of the members of the Management Board of INA – Industrija nafte d.d. through a public tender, for a period of no longer than 6 months,

- Marin Zovko – MB member from 28.9.2022 until the appointment of the members of the Management Board of INA – Industrija nafte d.d. through a public tender, for a period of no longer than 6 months,
- Zsombor Marton – MB member from 16.1.2023 until 30.6.2026

*Mr. Péter Ratatics office term expired with 30.6.2023.

**Mr. Berislav Gašo resigned from the position of MB Member with his Letter of resignation and applicable date of his resignation is date of appointment of new MB Member (16.1.2023).

Status of MB members is regulated via two different contracting forms:

- Employment Contract – for MB members which are in employment relationship with INA, these MB members receive salary for the work performed in MB based on this contract.
- Service Contract for performing the role of Management Board members – for other MB members which are entitled to management fee based on this contract.

INA Supervisory Board has passed the Remuneration policy on salary/fee amount for MB members as well as the applicable percentage (%) of annual bonus which represents variable part of the total income for MB members.

During the year 2023, the Company:

- did not request a return of variable parts of the income paid to the Board Members
- did not have any additional payment obligations in case of early termination of the Board membership i.e. regular termination of the Board membership
- there were no payments nor claims from the third party, related to the work performed as Board Member
- has paid all obligations defined by law, i.e. had no additional obligations for payments defined by law
- did not deviate from the current Policy of receipts.

2.1. MB members income

INA MB members are entitled to the fee for their MB membership role which is comprised of fixed and variable part. In addition to this, they are entitled to different benefits in kind based on the Company's internal regulations and decisions.

In accordance with the Remuneration policy, MB members are entitled to receive an income for performance of his/her function/tasks as a MB member only in case if he/she is not employed full time in any company within the INA/MOL Group.

Since INA MB members act and pass decisions together as the company body and have the same scope of responsibilities in order to act in Company's best interest, fixed monthly salary/fee for MB membership in INA is defined in unique and equal amount for all MB members and amounts to gross 10.352,38¹ EUR. Exceptionally, President of the Management Board is employed on a part-time basis (30 hours per week) and for his work he/she receives the above stated fixed monthly salary/fee.

¹ Minor deviation (62 cents) are possible for some individuals due to conversion to euro which entered into force on 1.1.2023.

Same as in case of fixed monthly salary/fee, defined variable part of the fee (bonus) for INA MB members, target setting and respective evaluation are aligned/equal for all MB members. Variable part of the fee (bonus) is defined as the percentage (%) of the annual fixed fee and amounts to 65% for 100% annual target evaluation.

Performance management system enables the Company's owners/shareholders to direct business behaviour and decisions of managers toward accomplishment of short-term and long-term Company goals through set individual goals. From Company's owners/shareholders perspective, the ultimate goal is to create added value and profit and following to this, for 2022 the MB members had specific defined goals related to main financial indicators (CAPEX, EBITDA, etc.). Due to the fact that sustainable development and safety are high priorities within the Company, in the scope of performance management system for the MB members a target related to TRIR (Total Reportable Injury Rate) was set. The targets are compared to the planned values using the following weights in calculating the total variable achievement: EBITDA target 70%, CAPEX 20% and TRIR 10%.

When defining the amount of variable part of the fee (bonus), the evaluation of set targets is performed and the respective percentage of the accomplishment for each separate target has been calculated. Based on these individual target evaluations, the weighted sum of target accomplishments is calculated which for year 2022 has been calculated to 149%. In line with this 2022 evaluation, INA MB members have received the variable part of the fee (bonus) for the year 2022 in the amount of 30.985 EUR for reference period. Bonus for 2022 is paid out in 2023.

- Basis for bonus calculation: 10.352,38 * 12 months = 124.229 EUR
- Potential bonus entitlement for 100% target achievement: 124.229 EUR * 65% bonus = 80.749 EUR
- 2022 bonus pay-out: 80.749 EUR * 149% realization = 120.315 EUR, respectively 30.985 EUR for the period from 29.9.2022 until 31.12.2022.

Amount of gross income paid in 2023 for active INA MB members is shown in the table below:

Name and surname, position	Reported financial year/Year -1	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total Remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees	Fringe benefits	One-year variable 2022	Multi-year variable				
Zsuzsanna Eva Ortutay; President of the Management Board	2023	62.118	0	31.431	0	0	0	0	93.549	100% : 0%
	2022	0	0	0	0	0	0	0	0	-
Zsombor Marton*; Management Board Member	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-
Krisztián Pulay*; Management Board Member	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-
Miroslav Skalicki; Management Board Member	2023	124.229	0	7.250	30.985	0	0	0	162.463	81% : 19%
	2022	31.998	0	1.696	0	0	0	0	33.694	100% : 0%
Hrvoje Šimović; Management Board Member	2023	124.229	0	7.429	30.985	0	0	0	162.642	81% : 19%
	2022	31.998	0	1.716	0	0	0	0	33.714	100% : 0%
Marin Zovko; Management Board Member	2023	124.229	0	6.971	30.985	0	0	0	162.185	81% : 19%
	2022	31.998	0	1.730	0	0	0	0	33.728	100% : 0%

Notes:

* INA Management Board members employed for full time in MOL Group company, not entitled to fee for INA MB membership

Fringe benefits include income related to private usage of business car, internal representation and meal expenses.

Apart from the above stated fixed and variable gross taxable elements, INA MB members are entitled to the following benefits in kind:

- Additional Health insurance policy in the same scope as other INA employees,
- Entitlement to annual managerial check-up.

Total cost for the Company for the benefits in kind/entitlements is 891 EUR.

2.2. Former MB members income

During year 2023, there were changes in INA MB member appointments.

Amount of gross income paid in 2023 for former INA MB members is shown in the table below:

Name and surname, position	Reported financial year/Year -1	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total Remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees	Fringe benefits	One-year variable 2022	Multi-year variable				
Péter Rataatics*, President of the Management Board	2023	62.114	0	7.846	30.985	0	0	0	100.946	69% : 31%
	2022	31.998	0	3.007	0	0	0	0	35.005	100% : 0%
Berislav Gašo**, Management Board Member	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-

Notes:

* INA Management Board member until 30/6/2023

** INA Management Board member until 15/1/2023; employed for full time in MOL Group company, not entitled to fee for INA MB membership

2.3. Overview of the Company's income and income of MB members

In line with Reward strategy, when defining the minimum and maximum salary amounts for specific job position, INA is monitoring its market placement and aligns the pay scales with the corresponding job complexity, responsibilities and dimensions of each position, as well as mandatory qualifications. In order to be able to do this, INA is regularly participating in market research and continuously tracking salary and total cash movements on the Croatian market.

Additionally, when defining the pay scales and other benefits for each job position, INA is dedicated to maintaining internal consistency and equality within the Company. Furthermore, INA is fostering performance driven culture and is dedicated to rewarding and recognizing the individual performance and target achievement.

Year	in mln EUR			in EUR	
	Total Company revenues	Company net profit	INA d.d. reported EBITDA	Average gross annual income per employee	Average gross annual income of MB members
2019	2.869	87	345	24.142	148.528
2020	1.887	-124	113	23.872	104.076
2021	2.961	169	419	24.757	223.897
2022	4.647	244	650	26.774	288.600
2023	3.867	231	485	30.307	170.446

Average annual gross income per employee represents both fixed (regular salary, shift allowances, readiness and overtime etc.) and variable incomes (as annual and quarterly bonuses or various awards) as well as other material rights (such are meal allowance, commuting costs, Christmas bonus, Easter bonus, Holiday allowance, jubilee award, field work allowance, financial supports, gift for children and etc). Head count (HC) for specific year was calculated as average closing number of HC for each month in the specific year.

The income of INA MB members represents also all fixed and variable parts of compensation paid in respective period and the fact that INA MB consists of 4 members who receive income while 2 other MB members do not receive remuneration from INA for MB position.

2.4. Additional information

INA MB members are not entitled to income in shares or Company's share options, nor do they have any other type of long term incentives. Furthermore, INA is not requesting the return of variable part of the fee (bonus) in any case.

For the work performed in 2023 the MB members might be entitled to bonus for 2023. Exact amount of the bonus shall depend on target evaluation, and the payout shall be done after the company's management bodies approve the payment of variable part (bonus).

MB members have not received, nor are they entitled to receive any remuneration from third parties in connection with the activities they performed as INA MB members.

3. Supervisory Board

In accordance with Company's Articles of Association of INA-INDUSTRIJA NAFTE d.d., INA Supervisory Board (further in the text: SB) supervises the work of INA Management Board and it is consisted out of 9 members who are entitled for a SB fee for their work performed according to the decision of INA General Assembly.

During year 2023, from 1 January until 31 December, INA SB members were the following:

- Damir Mikuljan – President of the Supervisory Board, from 17.12.2021,
- József Molnár – Vice-president of the Supervisory Board, from 19.12.2016,
- László Uzsoki – SB member, from 19.12.2016,
- Zsuzsanna Eva Ortutay – SB member, from 18.12.2020 until 15.6.2023,
- Gabriel Szabó – SB member, from 18.12.2020,
- Domokos Szollár – SB member, from 18.12.2020,
- Jasna Pipunić – employee representative within SB, from 12.4.2016,
- Branimir Škurla – SB member, from 17.12.2021,
- Ivo Ivančić – SB member, from 15.6.2022 and
- Viktor Sverla – SB member, from 15.6.2023

3.1. SB members income

INA General Assembly has passed the Decision on remuneration to the INA – INDUSTRIJA NAFTE, d.d. Supervisory Board members where the rights and entitlements of the SB members are defined, along with the way how the fee is determined. In line with the mentioned Decision, the following entitlements are determined:

- SB President is entitled to the fee for the work performed in the amount of three average paid net salaries of the INA employees' in previous month.
- SB members are entitled to the fee for the work performed in the amount of two average paid net salaries of the INA employees' in previous month.

Amount of the total gross paid income in year 2023 for INA SB members is shown in the table below:

Name and surname, position	Reported financial year/Year -1	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total Remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees	Fringe benefits	One-year variable	Multi-year variable				
Damir Mikuljan; President of the Supervisory Board	2023	0	74.418	0	0	0	0	0	74.418	100% : 0%
	2022	0	66.343	0	0	0	0	0	66.343	100% : 0%
József Molnár*; Vice president of Supervisory Board	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-
Viktor Sverla**; Supervisory Board Member	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-
Gabriel Szabó*; Supervisory Board Member	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-
Jasna Pipunić; Supervisory Board Member; employee's representative	2023	0	50.766	0	0	0	0	0	50.766	100% : 0%
	2022	0	45.837	0	0	0	0	0	45.837	100% : 0%
Domokos Szollár*; Supervisory Board Member	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-
Ivo Ivančić; Supervisory Board Member	2023	0	50.766	0	0	0	0	0	50.766	100% : 0%
	2022	0	21.182	0	0	0	0	0	21.182	100% : 0%
Branimir Škuria; Supervisory Board Member	2023	0	50.766	0	0	0	0	0	50.766	100% : 0%
	2022	0	43.792	0	0	0	0	0	43.792	100% : 0%
László Uzsoki; Supervisory Board Member	2023	0	43.820	0	0	0	0	0	43.820	100% : 0%
	2022	0	39.397	0	0	0	0	0	39.397	100% : 0%

Notes:

* Supervisory Board members in employment relationship with MOL Group company are not entitled to the fee for participation in INA SB

** Supervisory Board member from 15/6/2023

3.2. Former SB members income

During 2023, there were changes in INA SB membership. Amount of the total gross paid income in year 2023 for former INA SB members is shown in the table below:

Name and surname, position	Reported financial year/Year -1	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total Remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees	Fringe benefits	One-year variable	Multi-year variable				
Zsuzsanna Eva Ortutay*; Supervisory Board Member	2023	0	0	0	0	0	0	0	0	-
	2022	0	0	0	0	0	0	0	0	-

Notes:

* Supervisory Board member until 15/6/2023; Supervisory Board members in employment relationship with MOL Group company are not entitled to the fee for participation in INA SB

3.3. Additional information

INA SB members are entitled only to the above mentioned unified monthly fixed fee and are not entitled to any further variable part of the fee (bonus), nor to any other benefit in cash or kind. INA SB members are not entitled to income in shares or Company's share options, nor do they have any other type of long term incentives.

SB members have not received, nor are they entitled to receive any remuneration from third parties in connection with the activities they performed as INA SB members.

4. Audit Committee

INA SB appoints Audit Committee which is consisted out of 3 members who are entitled for an Audit Committee fee for their work performed according to the decision of INA SB.

During year 2023, from 1 January until 31 December, INA Audit Committee members were the following:

- Judit Jolán Szilágyi – Audit Committee President, from 17.5.2017 until 18.12.2024
- Ratko Marković – Audit Committee member, from 20.3.2019 until 18.12.2024
- Sanja Sever Mališ – Audit Committee member, from 29.9.2022 until 18.12.2024

4.1. Audit Committee members income

INA SB has passed the Decision on remuneration for Audit Committee members (where the rights and entitlements of the Audit Committee members are defined, along with the way how the fee is determined). In line with the mentioned Decision, the following entitlements are determined:

- Audit Committee chairman is entitled to the fee for the work performed in the amount of one average paid net salary of the INA d.d. employees' in previous month.
- Audit Committee members are entitled to the fee for the work performed in the amount of 50% of one average paid net salary of the INA d.d. employees' in previous month.

Amount of the total gross paid income in year 2023 for INA Audit Committee members is shown in the table below:

Name and surname, position	Reported financial year/Year -1	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total Remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees	Fringe benefits	One-year variable	Multi-year variable				
Judit Jolán Szilágyi; Audit Committee President	2023	0	21.910	0	0	0	0	0	21.910	100% : 0%
	2022	0	19.698	0	0	0	0	0	19.698	100% : 0%
Ratko Marković; Audit Committee Member	2023	0	12.120	0	0	0	0	0	12.120	100% : 0%
	2022	0	10.944	0	0	0	0	0	10.944	100% : 0%
Sanja Sever Mališ; Audit Committee Member	2023	0	12.120	0	0	0	0	0	12.120	100% : 0%
	2022	0	1.946	0	0	0	0	0	1.946	100% : 0%

4.2. Additional information

INA Audit Committee members are entitled only to the above mentioned unified monthly fixed fee and are not entitled to any further variable part of the fee (bonus), nor to any other benefit in cash or kind. INA Audit Committee members are not entitled to income in shares or Company's share options, nor do they have any other type of long term incentives.

5. Approval of the report


This Management Board and Supervisory Board Remuneration Report for 2023 was approved and authorized by the Management Board and Supervisory Board on 27 March 2024.

This report is sent to the General Assembly of the Company for voting and approval. The decision of the General Assembly does not assume obligations or acquire rights.

Signed on behalf of the Company on 27 March 2024 by:

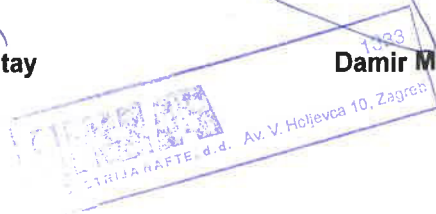
President of the Management Board:

President of the Supervisory Board:



Zsuzsanna Eva Ortutay

7



Damir Mikuljan