

The Management Board of HRVATSKA POŠTANSKA BANKA plc (hereinafter referred to as the Bank), Zagreb, Jurišićeva 4, by virtue of the authority vested in it under Article 277 of the Companies Act and Article 24 of the Articles of Association of the Bank, made on 15 December 2016 the decision on calling the General Meeting of the Bank, and hereby invites the shareholders of the Bank to attend

XLIII GENERAL MEETING

of HRVATSKA POŠTANSKA BANKA plc, Zagreb, to be held on 30 January 2017 at the Bank's offices, Zagreb, Jurišićeva 4, at 11.00 a.m.

XLIII General Meeting

Agenda:

1. Election of the Chairman of the XLIII General Meeting
2. Resolution on the suitability of candidates for the members of the Supervisory Board of the Bank and election of the members of the Supervisory Board of the Bank

PROPOSED RESOLUTION AND EXPLANATORY NOTE

Under **Agenda Item 2**, on the basis of the proposed resolution of the Management Board concerning the suitability of candidates for the members of the Supervisory Board of the Bank, with the declaration of the Nomination Committee, and the proposed resolution of the Supervisory Board concerning the election of the members of the Supervisory Board of the Bank, it is proposed that the General Meeting passes the following resolution:

RESOLUTION

**on the suitability of candidates for the members of the Supervisory Board
of Hrvatska poštanska banka plc
and**

on the election of the members of the Supervisory Board of Hrvatska poštanska banka plc

I

On the basis of the assessment process of the suitability of candidates for the office of member of the Supervisory Board of Hrvatska poštanska banka plc, conducted by the Suitability Assessment Committee in compliance with the Credit Institutions Act, relevant subordinate regulations and By-laws of the Bank, and proposal of the Management Board concerning the suitability of candidates for the members of the Supervisory Board and positive declaration of the Nomination Committee, each candidate for the office of member of Supervisory Board of the Bank, namely:

1. Marijana Vuraić Kudeljan, M.Sc., Sveti Ivan Zelina, Vladimira Nazora 36
2. Željko Lovrinčević, Ph.D., Zagreb, Hrvatskog proljeća 24
3. Marijana Miličević, MEcon, Sesvete, Pavla Lončara 18

is deemed suitable for the office of member of the Supervisory Board of Hrvatska poštanska banka plc, and it is assessed that they possess collectively i.e. as a whole required knowledge, skills and experience to supervise the Bank's business activities independently without undue influence, and understanding of the business and the significant risks of the Bank.

II

Elected to the Supervisory Board of Hrvatska poštanska banka plc are:

1. Marijana Vuraić Kudeljan, M.Sc., Sveti Ivan Zelina, Vladimira Nazora 36, Master of Science, deputy director of the Tax Administration's Central Office, Zagreb
2. Željko Lovrinčević, Ph.D., Zagreb, Hrvatskog proljeća 24, Ph.D. in Economics, senior research associate at the Institute of Economics, Zagreb
3. Marijana Miličević, MEcon, Sesvete, Pavla Lončara 18, Master of Economics, executive director of the Corporate Marketing and Development Office of Hrvatska pošta plc, Zagreb.

III

The term of office for the members of the Supervisory Board of Hrvatska poštanska banka plc referred to in above point II and elected hereby begins on the date on which prior approval of the Croatian National Bank is issued and runs for the period of six months.

IV

On the basis of this Resolution, in accordance with the Credit Institutions Act, the application will be made to the Croatian National Bank for prior approval to perform the function of a member of the Supervisory Board of Hrvatska poštanska banka plc for persons listed in the above point II.

V

This Resolution shall enter into force on the day of its adoption and produce legal effects as of the date on which prior approval of the Croatian National Bank to perform the function of a member of the Supervisory Board of Hrvatska poštanska banka plc is issued.

Explanatory Note to the Proposed Resolution

In accordance with the Conclusion of the Government of the Republic of Croatia of 14 December 2016 and the Decision of the Management Board of the company HP-Hrvatska pošta plc number: HP-01-15/16 of 2 December 2016, and pursuant to the Credit Institutions Act, relevant subordinate regulations and By-laws of the Bank, the Suitability Assessment Committee conducted the suitability assessment procedure for the candidates proposed for the members of the Supervisory Board of the Bank and assessed that they comply with the requirements; consequently, at the proposal of the Management Board of the Bank and based on the positive declaration of the Nomination Committee and proposed resolution of the Supervisory Board concerning the election of the members of the Supervisory Board of the Bank, it is proposed that the General Meeting passes the said Resolution.

CONDITIONS APPLYING TO ATTENDING THE GENERAL MEETING AND EXERCISING VOTING RIGHTS

The Bank's share capital is divided into 2,024,625 ordinary registered shares, each with the nominal value of HRK 600.00, deposited in the depository with the Central Clearing and Depository Company Inc., coded HPB-R-A.

Each ordinary registered share shall give its holder the right to one vote at the General Meeting.

A shareholder may exercise the right to attend General Meeting and exercise voting right if a shareholder has notified intended attendance at the General Meeting not later than seven days before the date of the General Meeting i.e. **the last day for such notification being 23 January 2017.**

A shareholder is a person who is registered with the depository of the Central Clearing and Depository Company Inc. as a holder of shares on the last day set for the delivery of notifications of intended attendance at the General Meeting. The notifications of intended attendance at the General Meeting may be delivered directly to the Bank at its offices in Zagreb, Jurišićeva 4, or may be sent to the Bank by registered mail to the following address: Hrvatska poštanska banka d.d., Ured za usklađenost i podršku Upravi, Jurišićeva 4, 10000 Zagreb.

Legal persons shall attach to their notifications of intended attendance at the General Meeting the extract from the Companies Register showing the details of the person authorised to represent a legal person.

Shareholders or their proxies shall vote on the agenda and agenda items either in person or by proxies. The written power of attorney given by a shareholder or given in the name of a shareholder (legal person) by the person legally authorized to represent it, **shall be notarized.**

Materials for the General Meeting of the Bank serving as guidelines for passing resolutions and General Meeting registration form and power of attorney form shall be made available to shareholders on the website of the Bank www.hpb.hr and in the Bank's offices in Zagreb, Jurišićeva 4, following the notice of General Meeting, on business days from 9 a.m. to 12.00 p.m. (noon).

With regard to the right of shareholders whose holdings together reach the twentieth part of the share capital (5% of the share capital) to demand that items be placed on agenda of the General Meeting and announced, shareholders are referred to paragraph 2 of Article 278 of the Companies Act. In respect of the right of shareholders to make a counterproposal in response to a proposal of any individual resolution made by the Management Board or the Supervisory Board of the Bank, shareholders are referred to paragraph 1 of Article 282 of the Companies Act. As for the right of shareholders to be advised of the company's business, shareholders are referred to paragraph 1 of Article 287 of the Companies Act.

The shareholders are invited to attend the General Meeting and to come 30 minutes before the time at which the General Meeting is due to start to be entered on the list of attendees.

HRVATSKA POŠTANSKA BANKA, plc

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