

MANAGEMENT BOARD

Pursuant to Article 39 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank) and Article 277 of the Companies Act, the Management Board of the Bank adopted at its 29_20 meeting, held on 26 November 2020, the Decision to call the Extraordinary General Meeting of the Bank, under which it sends the following

**INVITATION
TO THE EXTRAORDINARY GENERAL MEETING**

of **Privredna banka Zagreb d.d.**, Zagreb, Radnička cesta 50, which will be held on **29 December 2020**, beginning at **8.30 a.m.**, in the conference room of the Hilton Garden Inn Hotel in Zagreb, Radnička cesta 21, 8th floor.

At the Extraordinary General Meeting of the Bank, the shareholders shall consider the following

A G E N D A

1. Adoption of the Decision on the withdrawal (delisting) of the shares of Privredna banka Zagreb d.d. from the regulated market – Zagreb Stock Exchange d.d.
2. Adoption of the Decision authorising the Management Board of the Bank to acquire own shares

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Draft Decision:

Ad 1)

The Management Board and the Supervisory Board of the Bank of the Bank put forth to the Extraordinary General Meeting of the Bank the proposal to adopt the following

D E C I S I O N

on the withdrawal (delisting) of the shares of Privredna banka Zagreb d.d. from the regulated market – Zagreb Stock Exchange

1. Privredna banka Zagreb d.d., Radnička cesta 50, 10000 Zagreb (hereinafter: the Bank) hereby withdraws from listing on the regulated market – Zagreb Stock Exchange d.d.

Zagreb, Ivana Lučića 2a/22 (hereinafter: Zagreb Stock Exchange) all the listed shares, namely 19,074,769 (in words: nineteen million seventy-four thousand seven hundred and sixty-nine) ordinary shares with a nominal value of HRK 100.00, issued in dematerialised form and deposited in the Central Depository and Clearing Company Inc. under ticker PBZ-R-A, ISIN HRPBZ0RA0004.

The Bank is entered in the register of the Commercial Court in Zagreb under no. 080002817, tax number: 3269841, TIN: 02535697732.

The share capital of the Bank amounts to HRK 1,907,476,900.00 and is fully paid up and divided into 19,074,769 shares, each with a nominal value of HRK 100.00 per share.

2. According to the provisions of Art. 341, par. 3 of the Capital Market Act, the Bank commits to buy out the shares, at a fair price, from all the Bank's shareholders who vote against the decision on the withdrawal of shares of Privredna banka Zagreb d.d. from the regulated market of the Zagreb Stock Exchange and require from the Bank, according to Art. 341, par. 5, that the Bank takes over their shares, and shall do so no later than three months from the date of entry of the Decision on the withdrawal (delisting) of the shares of Privredna banka Zagreb d.d. from the regulated market – Zagreb Stock Exchange in the court register.
3. Given that the Bank's shares were traded on more than one third of trading days in the last three months prior to the publication of the notice of this General Meeting on the website of the court register, the fair price shall be the average price of the Bank's shares achieved on the regulated market, calculated as the weighted average of all the prices achieved on the regulated market in the last three months prior to the publication of the notice of the General Meeting, in line with Article 341, par. 9 of the Capital Market Act.
4. The Management Board of the Bank shall be required to submit the application for entry of this Decision in the court register of the Commercial Court in Zagreb immediately after the adoption of this Decision.
5. This Decision shall enter into force on the date of its entry in the court register of the Commercial Court in Zagreb if passed by a majority higher than nine tenths of the votes cast according to Article 341, par. 7, subpar. 1 of the Capital Market Act, and in all other cases upon expiry of six months from the date of entry of this Decision in the court register of the Commercial Court in Zagreb.
6. The Management Board shall be required, after entry of this Decision in the court register of the Commercial Court in Zagreb, to inform the Zagreb Stock Exchange without delay about this Decision by sending this Decision and the court's decision on entry of this Decision in the court register of the Commercial Court in Zagreb.

Explanation of the proposal:

The shares of Privredna banka Zagreb d.d. are currently quoted on the Zagreb Stock Exchange.

The structure of the Bank's shareholders:

- *97.5% of shares (18,591,522) are held by ISP Holding International (ISPHI);*
- *0.3% of shares (57,713) are treasury shares held by the Bank itself;*
- *2.2% of shares (425,534) are held by minority shareholders (more than 5 thousand shareholders).*

The transactions on the stock exchange are rare and of negligible amount, i.e. the market is not liquid, so that substantial costs arising from the maintenance of the listing and the optimisation of business activities of the Bank are the main reasons for the withdrawal of the shares from the regulated market of the Zagreb Stock Exchange.

According to Art. 341 of the Capital Market Act, withdrawal of shares is to be approved by the General Meeting of the Bank. Privredna banka Zagreb d.d. has submitted to the competent authorities a request for approval of the acquisition of own shares and the relevant procedure is underway.

Ad 2)

The Management Board and the Supervisory Board of the Bank of the Bank put forth to the Extraordinary General Meeting of the Bank the proposal to adopt the following

DECISION

authorising the Management Board of the Bank to acquire own shares

1. Pursuant to Article 233, par. 1 of the Companies Act (Official Gazette 111/1993, 34/1999, 121/1999, 52/2000, 118/2003, 107/2007, 146/2008, 137/2009, 111/2012, 125/2011, 68/2013, 110/2015, 40/2019; hereinafter: CA), the General Meeting authorises the Management Board to acquire own shares from the Bank's shareholders voting against the Decision of the General Meeting on the withdrawal of the Bank's shares from the regulated market, without any further consents of the General Meeting and on the conditions from the subject Decision of the General Meeting.
2. This Decision shall enter into force on the date of its adoption.

Explanation of the proposal:

In order to meet the legal obligation to buy out the shares from all the Bank's shareholders voting against the Decision on the withdrawal (delisting) of the shares of Privredna banka Zagreb d.d. from the regulated market – Zagrebačka burza d.d., the Management Board is given the authority to acquire own shares without any further consents of the General Meeting and on the conditions from the subject Decision of the General Meeting.

Conditions for participating in the Extraordinary General Meeting and exercising voting rights

All shareholders of the Bank that hold ordinary registered shares are hereby invited to participate in the Extraordinary General Meeting of the Bank (hereinafter: *EGM*).

The right to participate in the *EGM* can be exercised by those shareholders who are registered as the Bank shareholders at the depository of the Central Depository and Clearing Company Inc. (hereinafter: *CDCC*) on the work day immediately preceding the day of holding of the *EGM*.

Each of 19,074,769 shares with a nominal value of HRK 100 that the share capital of the Bank is divided in, excluding 57,713 treasury shares, gives its holder the right to one vote, so that there shall be a total of 19,017,056 of shares with voting rights.

Given the extraordinary circumstances in which this *EGM* is convened (SARS-CoV-2 virus pandemic) and in line with Articles 58 and 62 of the Articles of Association of Privredna banka Zagreb d.d., it will be made possible for the shareholders to participate in the *EGM* at a venue that ensures compliance with the safety measures introduced by the Civil Defence Command of the Republic of Croatia and by remote electronic communication, which also includes casting a vote by electronic communication.

Therefore, in order to observe the imposed safety measures, the shareholders who intend to participate electronically in the *EGM*:

- have to register for participation by electronic means at the e-mail address: skupština.banke@pbz.hr six days ahead of the meeting, providing the following data: first and last name or company name of the shareholder, address of residence or registered office of the shareholder, shareholder's taxpayer identification number (OIB), shareholder's CDCC account, number of shares, and the shareholder's e-mail, to which an access code will be sent to enable the shareholder's remote participation in the *EGM*;
- have to show to the camera, at the beginning of the *EGM*, their ID card for identification purposes;
- vote with the number of votes registered in the depository of the CDCC on the work day immediately preceding the day of holding of the *EGM*;
- can participate in the *EGM* personally if they change their decision to participate in the *EGM* by electronic means;

Information on personal data protection can be found in the document *Information on personal data processing of PBZ d.d – General Meeting*, which is enclosed with this Invitation.

Please be advised that votes will be cast electronically at the *EGM* regardless of whether you intend to participate remotely or at the specified venue. It will be possible to take a vote at the *EGM* using your own smartphone/tablet or an official device.

A shareholder can be represented by a proxy at the *EGM* on the basis of a written authorisation which need not be certified by a notary public, but the original of which has to be delivered not later than the date of holding of the *EGM*. The mentioned authorisation can be sent also via e-mail (pdf format to the e-mail address: General.Secretariat@pbz.hr).

Shareholders, or their proxies, may vote at the *EGM* on a particular matter which is the subject of decision-making *also by* returning ahead of the meeting a properly filled-in ballot paper, but only on condition that they be present at the *EGM* during decision-making on that matter.

The participation of shareholders/proxies of shareholders in the *EGM* by electronic means is subject to the following minimum technical preconditions:

- a personal computer (desktop or laptop) with Internet access or a smartphone with Internet access;
- microphone, speakers (or earphones) and camera (if using a PC or a laptop);
- installed Zoom desktop client on the computer or Zoom mobile app on the mobile phone.

All the shareholders/proxies of shareholders who register for participation will receive necessary instructions for electronic voting and links for downloading necessary applications to the e-mail address they provided.

For the purpose of timely registration of the shareholders/proxies participating in person in the *EGM*, the shareholders/proxies are kindly asked to register at the venue of the *EGM* at least 30 minutes before the scheduled start time of the *EGM*.

A ballot paper and a proxy form can be obtained at Privredna banka Zagreb d.d., Zagreb, Radnička cesta 44, B1-8A, and they are also available on the Bank's website (www.pbz.hr), where all other announcements can also be found, in conformity with the provisions of the Companies Act (hereinafter: the CA).

The materials for the *EGM*, which should serve as a basis for making the published decision, will be made available to the shareholders starting from the date when the calling of the *EGM* is announced, every work day from 9.00 a.m. to 12.00 noon, on the Bank premises in Zagreb, Radnička cesta 44, B1-8A, and on the website of the Bank (www.pbz.hr).

If a quorum stipulated by the Articles of Association of Privredna banka Zagreb d.d. is not constituted at this *EGM*, then the *EGM* will be held on 30 December 2020, at the same location, beginning at the same time, and the Agenda of the meeting will remain the same.

Shareholders' rights

As regards exercising of a right to:

- make an addition to the agenda (which is the right of those shareholders who, together, hold shares equal to the twentieth part, i.e. 5% of the share capital) – shareholders are advised to consult the provisions of Article 278, par. 2 of the CA (a request by the shareholders must be received at/by the Bank at least 30 days prior to the holding of the General Meeting, where the day of receipt of the request is not included in the specified time limit, *and the request must be sent to the address: Privredna banka Zagreb d.d. – General Secretariat, Zagreb, Radnička cesta 44, B1-8A*)
- make a counterproposal in relation to proposed decision on a certain agenda item where such proposal was made by the Management Board or the Supervisory Board of the Bank – shareholders are advised to consult the provisions of Article 282, par. 1 (a counterproposal must be delivered to the Bank at least 14 days prior to the holding of the General Meeting, where the day of its receipt is not included in the specified time limit, *and it must be sent to the address: Privredna banka Zagreb d.d. – General Secretariat, Zagreb, Radnička cesta 44, B1-8A*).

Privredna banka Zagreb d.d.

Enc.:

- *Information on personal data processing of PBZ d.d – General Meeting*

INFORMATION ON PERSONAL DATA PROCESSING - GENERAL MEETING PBZ d.d.

(pursuant to Article 13 of the General Data Protection Regulation (EU) 2016/679)

INTRODUCTORY INFORMATION ON EUROPEAN UNION AND REPUBLIC OF CROATIA LEGISLATION ON PERSONAL DATA PROTECTION

We process your personal data pursuant to the provisions contained in the Regulation (EU) 2016/679 of the EUROPEAN PARLIAMENT AND COUNCIL of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (hereinafter referred to as: General Data Protection Regulation) and in connection with the national Act on Implementing the General Data Protection Regulation.

The General Data Protection Regulation contains a number of rules which are implemented in order to ensure that personal data are processed by taking into account the rights and fundamental freedoms of people. Also, this General Data Protection Regulation allows free movement of personal data within the European Union, without any restrictions and prohibitions.

This Information on Personal Data Processing (hereinafter referred to as: the Information) includes the requirements of the General Data Protection Regulation and the national Act on Implementing the General Data Protection Regulation.

Pursuant to Article 13 of the General Data Protection Regulation, we hereby provide you as a stakeholder of the General Meeting with information on how we process your personal data, what rights you have regarding data processing and protection, and how you may exercise these rights.

We process and use your personal data legally, fairly and transparently while safeguarding the security of your personal data from unauthorized or illegal processing, and for that purpose we are implementing the most advanced technical, security and organisational protective measures.

INFORMATION ON THE CONTROLLER

The controller is Privredna banka Zagreb d.d., Radnička cesta 50, Zagreb (City of Zagreb), PIN 02535697732, entered in the Court Registry of the Commercial Court in Zagreb, under the Company Registration Number (MBS) 080002817 (hereinafter referred to as: the Bank). The Bank processes your personal data for the purposes specified in Section III of this Information.

Contact data:

Privredna banka Zagreb d.d.

Data Protection Officer

Radnička cesta 50

10 000 Zagreb

E-mail: sluzbenik.za.zastitu.osobnih.podataka@pbz.hr

CONTACT DATA OF THE DATA PROTECTION OFFICER

The Bank appointed a Data Protection Officer, as required by Article 37 of the General Data Protection Regulation.

Regarding any questions concerning your personal data processing and/or exercising of the rights foreseen by the General Data Protection Regulation and as specified in the part of this Information titled Data Subjects' Rights, you may contact the Data Protection Officer at the following addresses:

Privredna banka Zagreb d.d.

Radnička cesta 50, HR-10000 Zagreb, Croatia; Phone +385 1 636 0000, Fax +385 1 636 0063; www.pbz.hr; SWIFT: PBZGHR2X. Registered at the Commercial Court in Zagreb under the number 080002817, statistical No. 3269841, TPIN (OIB) 02535697732, IBAN: HR64 2340 0091 0000 0001 3. Share capital in the amount of HRK 1,907,476,900.00 has been fully paid in and divided into 19,074,769 shares, nominal value HRK 100.00 each. Management Board: Dinko Lucić (President), Alessio Cioni (Deputy President), Andrea Pavlović, Antonio Bergaglio, Darko Drozdek, Draženko Kopljarić, Ivan Gerovac, Ivan Krolj, Supervisory Board: Ignacio Jaquotot (President)

Privredna banka Zagreb d.d.
Data Protection Officer
Radnička cesta 50
10000 Zagreb
E-mail: sluzbenik.za.zastitu.osobnih.podataka@pbz.hr.

PROCESSING OF PARTICIPANTS' DATA FOR THE PURPOSE OF PARTICIPATING AT THE GENERAL MEETING

For the purpose of participating at the Bank's General Meeting (hereinafter referred to as: the Meeting), it is required to identify shareholders and other necessary stakeholders in order to enable them to obtain access to the Meeting. For this reason we will process the following personal data of all stakeholders: name and surname or company's name, address of residence or registered office, PIN. In addition to the aforementioned, with regard to the shareholders, we will collect the shareholder's CDCC account and the number of shares. From the stakeholders that will attend the Meeting by electronic means we collect the e-mail address data. Regardless of whether you attend the meeting physically or electronically, you need to present your personal identity card.

The Companies Act in Art. 274 provides the companies with the possibility to enable participation also by electronic communication. In order to facilitate the shareholders to exercise their right to participate in the work of the Bank's General Meeting (hereinafter referred to as: the Meeting) the possibility of remote participation of shareholders and other stakeholders at the Meeting was introduced. Thus in addition to the physical presence it is possible to participate in its work also by electronic means, and the choice of the modality of participation is left to shareholders themselves. Therefore we avail ourselves of the Bank's legitimate interest when requesting you to deliver your personal data.

Remote participation is enabled by using the Zoom application (Zoom Video Communications, Inc.) which needs to be installed for the purpose of remote participation at the Meeting.

For the purpose of voting by means of electronic communication we will forward your personal data to the provider of the electronic voting service Codex Sortium d.o.o. that will enable the electronic voting through application solutions and will erase the data after the meeting is held.

Data on shareholders are retained by the Bank as the Controller for 12 months after the shareholder ceases to be a shareholder of the company, following which expiry the said data are erased/destroyed.

Should the valid recommendations of the Croatian Institute of Public Health laid down by the National Civil Protection Authority at the time of holding the Meeting provide for an obligation to deliver the list of persons physically present at the Meeting, the data will also be delivered to the competent National Civil Protection Authority, in accordance to the legal obligation of the Bank.

DATA SUBJECTS' RIGHTS

You may at any time contact the Bank, as the Controller, for the purpose of exercising your rights pursuant to the General Data Protection Regulation by using contact data provided in this Information. You can submit your request in writing or to the following e-mail address of the Data Protection Officer: sluzbenik.za.zastitu.osobnih.podataka@pbz.hr.

The Bank shall provide you with information on action taken on your request without undue delay and in any event within one month of receipt of the request. That period may be extended by two further months where necessary, taking into account the complexity and number of the requests. The Bank shall inform you of any such extension within one month of receipt of the request, together with the reasons for the delay.

Where you have made the request by electronic means, the information shall be provided by electronic means where possible, unless you have requested otherwise. If the Bank does not take action on your request, it shall inform you without delay and at the latest within one month of receipt of the request of the reasons for not taking action and of the possibility of lodging a complaint with a supervisory authority.

Any communication and actions undertaken by the Bank with respect to the exercise of the rights listed below shall be free of charge. However, where your requests are manifestly unfounded or excessive, in particular because of their repetitive character, the Bank may refuse to act on your requests.

You can contact the Bank as the Controller in order to exercise the following rights:

(1) Right to data access – You may obtain from the Bank, as the Controller, a certificate of whether your personal data are processed and if processed, you have the right to access personal data and information as provided for in Article 15 of the General Data Protection Regulation, including, for example, processing purposes, personal data categories, retention periods, etc.

If your personal data are transferred to a third country or an international organization, you have the right to be notified of the appropriate transfer security measures.

If so, the Bank shall provide you with a copy of the personal data processed. For all further copies, the Bank may charge you a reasonable fee based on administrative costs. If the request is submitted electronically, and unless otherwise requested, the Bank shall deliver the data in the usual electronic format.

(2) Right to rectification – You may instruct the Bank to rectify your personal data that is incorrect. Taking into account the purposes of the processing, you also have the right to have incomplete personal data completed by means of providing a supplementary statement.

(3) Right to erasure (“Right to be forgotten”) – You may request from the Bank as the Controller to erase your personal data where one of the grounds listed in Article 17 of the General Data Protection Regulation applies (for example, the personal data are no longer necessary in relation to the purposes for which they were collected or otherwise processed or the consent for processing your personal data has been withdrawn or there is no other legal basis for processing or the personal data have to be erased for compliance with a legal obligation under EU law or under the regulations of the Republic of Croatia or the data have been unlawfully processed or an objection has been made for direct marketing).

We hereby inform you that the Bank may not erase your personal data if their processing is necessary, for example, in order to meet retention period requirements, for reasons of public interest, for establishment, exercise or defence of legal claims.

(4) Right to restriction of processing – You may request the Bank to restrict the processing of your personal data in the cases provided for in Article 18 of the General Data Protection Regulation, including, for example, if it is necessary to verify the accuracy of your personal data.

(5) Right to data portability – If the processing of your personal data is based on your consent or is required for the performance of an agreement or for taking action prior to the conclusion of an agreement and if processing is carried out by automated means, you may: request the obtaining of personal data you received in a structured, customary and machine-readable format.

(6) Right to object – At any time, you may object to personal data processing to the contact addresses provided in this Information, if processing is performed in the public interest or is necessary for the purpose of legitimate interests of the Bank as the Controller. If you decide to object, the Bank shall refrain from further processing your personal data, unless the Bank proves that there are compelling legitimate grounds for processing (bases overriding the interests, rights and freedoms of the data subject) or that processing is necessary for establishment, exercise or defence of legal claims.

In conclusion of this Information, as required by Article 21, par. 4 of the General Data Protection Regulation, we further draw your attention to this right.

(7) Automated individual decision-making, including profiling – In the case of automated decision-making, including profiling (for example the calculation of total scoring during assessment), Article 22 of the General Data Protection Regulation gives you the right not to be subject to a decision based solely on automated processing of your personal data, including profiling, which generates a legal effect that affects you more considerably, unless the said decision:

- a) is necessary for performance of an agreement between you and the Bank;
- b) is authorised by RoC or EU member law to which the controller is subject and which also lays down suitable measures to safeguard the data subject's rights and freedoms and legitimate interests;
- c) is based on your explicit consent.

In the cases under (a) and (c), the Bank shall implement suitable measures to safeguard your rights and freedoms and legitimate interests, and you may exercise the right for the Bank to enable you to express your point of view and to contest the decision.

(8) Right to file a complaint and right to file a complaint with the data protection authority

Notwithstanding your right to contact the administrative body or the court, if you consider that processing of your personal data carried out by the Bank constitutes a violation of the General Data Protection Regulation and/or valid regulations of RoC, you may also lodge a complaint with the Personal Data Protection Agency. Regardless of the above, if you consider that the processing of your personal data by the Bank violates the General Data Protection Regulation or the national implementing regulation, you can contact the Data Protection Officer at the address sluzbenik.za.zastitu.osobnih.podataka@pbz.hr so that we could jointly try to resolve your complaint.

Pursuant to Article 21, paragraph 4 of the General Data Protection Regulation, we would like to draw your attention to your right to object under Article 21, paragraphs 1 and 2 of the General Data Protection Regulation.

You have the right to object, on grounds relating to your particular situation, at any time **to processing of personal data concerning you** which is based on Article 6, paragraph (1) item (e) (*processing in the public interest*) or Article 6, paragraph (1) item (f) (if processing is necessary for the purposes of legitimate interests pursued by the Bank or a third party, except where such interests are overridden by the interests or fundamental rights of the data subjects requesting the protection of personal data, including profiling based on those provisions).

You also have the right to object to the processing of your personal data pursuant to Article 6, paragraph (1) item (f) of the General Data Protection Regulation (*if processing is necessary for the purposes of legitimate interests pursued by the Bank or a third party, except where such interests are overridden by the interests or fundamental rights of the data subjects requesting the protection of personal data, including profiling based on those provisions*), if such data are processed by the joint controllers.

If you object, we shall no longer process your personal data (unless we demonstrate, while solving your objection, that there are compelling legitimate grounds for the processing which override your interests, rights and freedoms or if processing is done for the exercise or defence of legal claims).

You can submit your objections to the contact addresses provided in this Information.

Zagreb, November 2020

PRIVREDNA BANKA ZAGREB d.d.