



PRIVREDNA BANKA ZAGREB

Intesa Sanpaolo Group

Annual General Meeting

27 March 2023

(materials)

PRIVREDNA BANKA ZAGREB d.d.
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 at its 4_23 meeting, held on 20 February 2023, made the following

DECISION
on calling the Annual General Meeting

of **Privredna banka Zagreb d.d.**, Zagreb, Radnička cesta 50, which will be held on **27 March 2023**, beginning at **11.00 a.m.**, on the Bank's premises in Zagreb, Radnička cesta 44 B1 - 8th floor.

The Annual General Meeting shall consider the following

A G E N D A

1. The Supervisory Board Report on supervision exercised over the conduct of business affairs in the Bank in 2022
2. Annual financial statements of the Bank and consolidated annual financial statements for 2022 (confirmed by the Management Board and the Supervisory Board of the Bank), and Annual Management Board Report of Condition of the Bank and its Subsidiaries, and in this regard:
 - 2.1 Decision on the allocation of the Bank's profit earned in 2022
 - 2.2 Decision on granting the approval of action to members of the Management Board of the Bank for the year 2022
 - 2.3 Decision on granting the approval of action to members of the Supervisory Board of the Bank for the year 2022
3. Decision on the appointment of the external auditor who shall conduct the audit of the Bank's financial statements for the year 2023
4. Decision on the suitability of members of the Supervisory Board of the Bank based on the regular suitability assessment
5. Decision on the suitability of candidates for members of the Supervisory Board of the Bank and the collective suitability of the Supervisory Board of the Bank
6. Decision on the election of two members of the Supervisory Board of the Bank

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If a quorum stipulated by the Articles of Association of Privredna banka Zagreb d.d. is not constituted at this General Meeting, then the General Meeting will be held on 28 March 2023, at the same location, beginning at the same time, and the Agenda of the meeting will remain the same.

Dinko Lucić, sgd.
President of the Management Board

Zagreb, 20 February 2023
No.: MB_4_23/8.1

**PRIVREDNA BANKA ZAGREB d.d.
SUPERVISORY BOARD**

Pursuant to Article 263, par. 3 and Articles 300.c and 300.d of the Companies Act and Article 53 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Supervisory Board of the Bank submits to the General Meeting of the Bank the

R E P O R T
on supervision exercised over the conduct of business affairs
in Privredna banka Zagreb d.d. in 2022

I.

In 2022 the Supervisory Board of the Bank performed its duties as a body composed of seven members, the President of the Supervisory Board Mr Ignacio Jaquotot, the Deputy President Ms Draginja Đurić, and Members Mr Branko Jeren (term of office until 22 April 2022), Mr Giulio Moreno, Ms Beata Kissné Földi, Mr Christopher Velle, Mr Luca Leoncini Bartoli, and Ms Maja Martinović (effective from 13 May 2022). In the course of 2022, the term of office of Mr Jaquotot, President of the Supervisory Board, was renewed, while Ms Martinović was elected as a new independent Member of the Supervisory Board of the Bank instead of Mr Jeren (who, according to legal regulations, no longer meets the criteria for an independent Member of the Supervisory Board after twelve consecutive years in office).

According to the provisions of the Credit Institutions Act, the CNB Decision on the assessment of the suitability of the chairperson of the management board, members of the management board, members of the supervisory board and key function holders in a credit institution, it was estimated that three members of the Supervisory Board of the Bank meet the independence criteria, which is deemed to be sufficient for the functioning of the Supervisory Board and its committees in line with the provisions of valid regulations and internal regulations of the Bank.

II.

In the course of 2022, the Supervisory Board held eighteen meetings, which were mainly held by electronic means of communication. Exceptionally, in cases of urgency, when calling a meeting by electronic means of communication was not possible for objective reasons, meetings were held by letter. Four regular meetings that considered financial reports were held within the deadlines prescribed by law and the Bank's Articles of Association. Members of the Management Board regularly attended Supervisory Board meetings. As required by law, meetings were also attended by persons responsible for the operation of individual control functions.

The Management Board of the Bank and the Supervisory Board acted in line with the Articles of Association of the Bank and valid legal regulations governing their competence and roles.

Acting in conformity with the law, the Articles of Association of the Bank, as well as its Rules of Procedure, the Supervisory Board of the Bank supervised the conduct of the Bank's affairs, established the guidelines for the business policy, strategy of the Bank, and actively contributed to its implementation, all on the basis of the reports of the Management Board of the Bank on issues of importance for the conduct of business affairs and the condition of the Bank.

The Management Board provided the Supervisory Board with duly prepared, true, and timely reports on business policy and on other general issues related to the conduct of business, financial plans, risk management strategies and policies, operational profitability, course of business as well as income, expenses, the condition of the Bank, and other important issues.

The Management Board of the Bank submitted financial reports on a quarterly, semi-annual, and annual basis and regularly discussed their implementation with the Supervisory Board. The internal audit and the risk control function (in terms of credit, operational, and financial risks) submitted their statutory quarterly reports in a timely manner. Reports on the work of the risk control function, the anti-money laundering function, and the compliance function were submitted and considered semi-annually.

In accordance with the law, the Articles of Association of the Bank and its own decisions, the Supervisory Board gave consent to decisions regarding the Bank's exposure to clients/groups of connected clients. It also gave consent to basic business documents: the budget for 2022, strategies and policies for taking and managing risks and other strategic documents and policies in line with valid regulations and parent bank rules. Within its competence, the Supervisory Board supervised the adequacy and transparency of the Bank's organizational structure in line with the approved business strategy and risk management strategy.

Good and constructive cooperation of the Management Board of the Bank and the Supervisory Board and their sharing of relevant information necessary to complete their tasks also contributed to the fulfilment of the supervisory function. The Supervisory Board had at all times the possibility to ask for and to obtain from the Management Board of the Bank information on any issue related to operations of the Bank which significantly affected or could have affected its position. The Management Board of the Bank made sure, among other things, that members of the Supervisory Board had adequate access to information on the risk profile.

In the course of 2022, all relevant reports on the Euro project were continuously presented to the Supervisory Board and the project was successfully implemented on 1 January 2023.

In 2022 efficient and transparent cooperation again manifested itself in the open discussion between the Management Board of the Bank and the Supervisory Board and also in-between members of each of the two bodies.

In the light of the foregoing and the achieved financial results, and especially taking into account that the Bank conducted business in difficult conditions due to consequences of the pandemic as well as the Russian-Ukrainian conflict that started in February 2022, the Supervisory Board finds that in 2022 the Management Board of the Bank was good and successful in managing the company's affairs in the best interest of the shareholder and in line with its competence, as established by legal regulations and the Bank's Articles of Association, and that it established clear internal relations in connection with risk-taking and risk management, which also includes segregation of duties and responsibilities between the Supervisory Board, the Management Board of the Bank, the appointed committees and the senior management.

Also, in 2022 the Supervisory Board continued taking care of implementation of the succession plan in connection with the composition of the Management Board of the Bank and, in line with the procedure prescribed by law, it annually assessed suitability of the president and members of the Management Board and persons responsible for the operation of control functions in the Bank. Based on the outcome of the suitability assessment, and after obtaining a positive opinion of the Nomination Committee, the Supervisory Board found that the president and all members of the Management Board of the Bank were individually suitable to perform their respective functions and that the Management Board collectively had sufficient knowledge, skills and experience to perform its duties independently and without undue influence from other persons, and in particular to understand the Bank's activities and the main risks.

Keeping in mind the assessment of the knowledge, skills, and experience of individual members of the Supervisory Board conducted by the Bank's Human Resources and the Compliance Department, with a positive opinion of the Nomination Committee, and keeping in mind their participation and work done in the meetings of the Supervisory Board and its committees, the Supervisory Board finds that all of its members contributed significantly to its work, both individually and collectively, with their competences, experience, and dedication, thus enabling complete performance of the Supervisory Board's function. Last year no conflict of interest of the Bank's Management Board or Supervisory Board members was detected.

III.

The Supervisory Board was assisted by the Audit Committee in its work. The President of the Audit Committee regularly reported at the Supervisory Board meetings on the Committee's work and the most important conclusions from its meetings.

In 2022 the Audit Committee had three members appointed by the Supervisory Board from among Supervisory Board members. Six Audit Committee meetings were held in 2022 to discuss issues that fall within the competence of the Supervisory Board of the Bank. The Audit Committee helped the Supervisory Board perform its duties related to supervision over the process of administrative and financial governance of the Bank, financial reporting, audit process (including a recommendation for the selection of an independent external auditor given to the shareholders' meeting), as well as compliance with laws, regulations, rules, and the code of ethics, verified whether all the control functions were independent and properly skilled to accomplish their functions, and examined the periodic reports of the heads of control functions (Risk Management Department, Compliance Department, Anti-Money Laundering Department, and Internal Audit Department). The Supervisory Board supervised, with the assistance of the Audit Committee, adequacy and efficiency of the system of internal controls to ensure timely detection and monitoring of all the risks the Bank is exposed to in its operation.

In 2022 the Bank held planned meetings of the Remuneration Committee, the Nomination Committee, and the Risk Committee. These Committees have three members each, all of whom are members of the Supervisory Board. The Management Board made sure that the committees of the Supervisory Board had adequate access to all information and data necessary for them to perform their tasks, including information of relevant corporate functions. The meetings discussed issues falling within the competence of those committees, observing the deadlines set by law and the internal Charters of the committees of the Supervisory Board. Based on regular work reports, decisions, and recommendations of its technical committees, the Supervisory Board finds that all the committees were successful in carrying out tasks falling within their competence in line with the law, by-laws, and the Charters of the committees.

In line with legal obligations, the Supervisory Board examined the Annual financial reports of the Bank and consolidated financial reports for 2022, the report of condition of the Bank and its subsidiaries, and the proposal of the Decision on the allocation of the Bank's profit earned in 2022, which were submitted by the Management Board of the Bank. The Supervisory Board made no remarks on the submitted reports and it found that the Annual financial reports and consolidated financial reports of the Bank (profit and loss account, balance sheet, cash flow report, and notes to financial reports) were prepared in accordance with the balances recorded in the business books and that they fairly disclosed the assets and the financial condition of the Bank and the PBZ Group, as was confirmed also by the external auditor Ernst & Young d.o.o., Zagreb, which audited the financial reports in 2022 in line with the decision of the General Meeting of the Bank.

After the Supervisory Board has given its consent to the Annual financial reports of the Bank and consolidated annual financial reports for 2022, the mentioned financial reports are considered to be confirmed by the Management Board and by the Supervisory Board of the Bank.

The Supervisory Board of the Bank accepted the Management Board report of condition of the Bank and its subsidiaries, and it agreed that the Bank's profit totalling HRK 1,425,666,431.73 / EUR 189,218,452.68 (after taxation), earned in the year ended on 31 December 2022, should be allocated in the manner proposed by the Management Board of the Bank.

Based on the foregoing, the Supervisory Board of the Bank hereby presents the proposal to the Annual General Meeting of the Bank to take note of the Annual financial reports of the Bank and consolidated annual financial reports of the Bank for 2022 as well as the Management Board report of the condition of the Bank and its subsidiaries, and in this connection, to make the decision on granting approval of action to the members of the Management Board and the Supervisory Board of the Bank, as well as to adopt the decision on the profit allocation as proposed by the Management Board of the Bank.

Having supervised the conduct of the Bank affairs in 2022, which included also the review and examination of the Bank's documentation, the Supervisory Board established that the Bank acted in consistence with the law, by-laws, decisions of the Croatian National Bank related to performed supervisory examinations of particular segments of the Bank's operation, Bank's internal regulations, instructions and guidelines of the parent bank, as well as the decisions of the General Meeting of the Bank. Also, the Supervisory Board finds that the Bank's operations were successful in their entirety and that the planned objectives were accomplished.

Respective decisions of the Management Board and the Supervisory Board of the Bank, by means of which the Annual financial reports of the Bank and consolidated annual financial reports of the Bank for 2022 were confirmed, constitute an integral part of this Report.

Ignacio Jaquotot, sgd.

President of the Supervisory Board

In Zagreb, 28 February 2023

No.: SB_3_23/3.1

PRIVREDNA BANKA ZAGREB d.d.
MANAGEMENT BOARD

Pursuant to Article 39 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Management Board of the Bank adopted at its 4_23 meeting, held on 20 February 2023, the following

DECISION
on the Annual financial statements of the Bank for 2022

1. The Management Board of the Bank compiled the Annual financial statements of the Bank for the year 2022, which are as stated below:

a) Balance sheet (in HRK million)

	2022 Subtotal	2022 Grand total
Total assets		119,279
Total liabilities	103,346	
Shareholders' equity	15,933	
Total liabilities and shareholders' equity		119,279
Off-balance sheet assets		21,549

b) Income statement (in HRK million)

	2022 Subtotal	2022 Grand total
Operating income		3,320
Provisions (net)	(28)	
Other operating expenses	(1,443)	
Depreciation and amortization	(181)	
		(1,652)
Profit before income taxes		1,668
Income taxes		(242)
Net profit for the year		1,426

c) Cash flow statement (in HRK million)

	2022 Grand total
Cash and cash equivalents at the beginning of the year	31,555
Cash and cash equivalents at the end of the year	46,199
Net increase in cash and cash equivalents	14,644

d) Notes to financial statements

2. The *Annual financial statements of the Bank for the year 2022* shall be submitted to the Supervisory Board of the Bank for examination and for obtaining its consent with respect to the statements.
3. This Decision shall enter into force on the date when it has been adopted.

Dinko Lucić, sgd.

President of the Management Board

In Zagreb, 20 February 2023

No.: MB_4_23/6.1.1

PRIVREDNA BANKA ZAGREB d.d.
SUPERVISORY BOARD

Pursuant to Article 53 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank) and Article 300.d of the Companies Act, the Supervisory Board of the Bank adopted at its 3_23 meeting, held on 28 February 2023, the following

DECISION
on the Annual financial statements of the Bank for 2022

1. Consent is hereby given with respect to the below stated Annual financial statements of the Bank for the year 2022, which were compiled by the Management Board of the Bank:

a) Balance sheet (in HRK million)

	2022 Subtotal	2022 Grand total
Total assets		119,279
Total liabilities	103,346	
Shareholders' equity	15,933	
Total liabilities and shareholders' equity		119,279
Off-balance sheet assets		21,549

b) Income statement (in HRK million)

	2022 Subtotal	2022 Grand total
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Other operating expenses	(1,443)	
Depreciation and amortization	(181)	
		(1,652)
Profit before income taxes		1,668
Income taxes		(242)
Net profit for the year		1,426

c) Cash flow statement (in HRK million)

	2022 Grand total
Cash and cash equivalents at the beginning of the year	31,555
Cash and cash equivalents at the end of the year	46,199
Net increase in cash and cash equivalents	14,644

d) Notes to financial statements

2. After the Supervisory Board of the Bank has given its consent with respect to the Annual financial statements of the Bank for 2022, the mentioned financial statements shall be considered confirmed by the Management Board and by the Supervisory Board of the Bank.
3. This Decision shall enter into force on the date when it has been adopted.

Ignacio Jaquotot, sgd.
President of the Supervisory Board

In Zagreb, 28 February 2023

No.: SB_3_23/2.1

PRIVREDNA BANKA ZAGREB d.d.
MANAGEMENT BOARD

Pursuant to Article 39 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Management Board of the Bank adopted at its 4_23 meeting, held on 20 February 2023, the following

DECISION
on the consolidated annual financial statements for 2022

1. The Management Board of the Bank compiled the consolidated annual financial statements of the Bank for 2022, which are as stated below:

a) Balance sheet (in HRK million)

	2022 Subtotal	2022 Grand total
Total assets		157,338
Total liabilities	138,266	
Shareholders' equity	19,072	
Total liabilities and shareholders' equity		157,338
Off-balance sheet assets		28,077

b) Income statement (in HRK million)

	2022 Subtotal	2022 Grand total
Operating income		4.476
Provisions (net)	(185)	
Other operating expenses	(2.266)	
Depreciation and amortization	(252)	
		(2.703)
Income arising from investments accounted by net equity method		10
Profit before income taxes		1.783
Income taxes		(319)
Net profit for the year		1.464
Attributable to:		
Equity holders of the Bank		1,404
Non-controlling interests		60

c) Cash flow statement (in HRK million)

	2022 Grand total
Cash and cash equivalents at the beginning of the year	39,994
Cash and cash equivalents at the end of the year	54,741
Net increase in cash and cash equivalents	14,747

d) Notes to financial statements

2. *The consolidated annual financial statements for the year 2022* shall be submitted to the Supervisory Board of the Bank for examination and for obtaining its consent with respect to the statements.
3. This Decision shall enter into force on the date when it has been adopted.

Dinko Lucić, sgd.

President of the Management Board

In Zagreb, 20 February 2023

No.: MB_4_23/6.1.2

PRIVREDNA BANKA ZAGREB d.d
SUPERVISORY BOARD

Pursuant to Article 53 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank) and Article 300.d of the Companies Act, the Supervisory Board of the Bank adopted at its 3_23 meeting, held on 28 February 2023, the following

DECISION
on the consolidated annual financial statements for 2022

1. Consent is hereby given with respect to the below stated consolidated annual financial statements of the Bank for 2022, which were compiled by the Management Board of the Bank:

a) Balance sheet (in HRK million)

	2022 Subtotal	2022 Grand total
Total assets		157,338
Total liabilities	138,266	
Shareholders' equity	19,072	
Total liabilities and shareholders' equity		157,338
Off-balance sheet assets		28,077

b) Income statement (in HRK million)

	2022 Subtotal	2022 Grand total
Operating income		4.476
Provisions (net)	(185)	
Other operating expenses	(2.266)	
Depreciation and amortization	(252)	
		(2.703)
Income arising from investments accounted by net equity method		10
Profit before income taxes		1.783
Income taxes		(319)
Net profit for the year		1.464
Attributable to:		
Equity holders of the Bank		1,404
Non-controlling interests		60

c) Cash flow statement (in HRK million)

	2022 Grand total
Cash and cash equivalents at the beginning of the year	39,994
Cash and cash equivalents at the end of the year	54,741
Net increase in cash and cash equivalents	14,747

d) Notes to financial statements

2. After the Supervisory Board of the Bank has given its consent with respect to the consolidated annual financial statements for 2022, the mentioned financial statements shall be considered confirmed by the Management Board and by the Supervisory Board of the Bank.
3. This Decision shall enter into force on the date when it has been adopted.

Ignacio Jaquotot, sgd.
President of the Supervisory Board

In Zagreb, 28 February 2023

No.: SB_3_23/2.2

PRIVREDNA BANKA ZAGREB d.d.
ANNUAL GENERAL MEETING

Pursuant to Article 55 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Annual General Meeting of the Bank held on 27 March 2023 made the following

DECISION
on the allocation of the Bank's profit earned in 2022

1. It is hereby ascertained that the Bank, in the year ended on 31 December 2022, earned net profit (i.e. profit after tax), in the amount of **HRK 1,425,666,431.73** (EUR 189,218,452.68).
2. Net profit of the Bank referred to in paragraph 1 above shall be distributed as follows:
 - The amount of HRK 1,425,216,449.38 (EUR 189,158,729.76), i.e. HRK 75.97 (EUR 10.08) per share, shall be allocated for the payment of dividend to the only shareholder of the Bank, Intesa Sanpaolo Holding International S.A. Luxembourg, which is registered as holder of ordinary registered shares with the depository of the Central Depository and Clearing Company on the date of adoption of this Decision and shall become entitled to dividend payment on the same date.

The dividend will be paid no later than thirty days from the date of adoption of this Decision.
 - The amount of HRK 449,982.35 (EUR 59,722.92) shall be allocated to the retained earnings.
3. It is hereby ascertained that the total accumulated retained earnings of the Bank amount to HRK 11,081,111,434.71 (EUR 1,470,716,229.97) on the date of adoption of this Decision.
4. This Decision shall enter into force on the date of its adoption.

Chairman of the General Meeting

In Zagreb, 27 March 2023

No.: AGM_2_23/2.1

**PRIVREDNA BANKA ZAGREB d.d.
ANNUAL GENERAL MEETING**

Pursuant to Article 55 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Annual General Meeting of the Bank held on 27 March 2023 made the following

DECISION

on granting the approval of action to members of the Management Board of the Bank

1. After the Annual financial statements for 2022 have been presented to the Annual General Meeting of the Bank - which statements were confirmed by the Management Board and the Supervisory Board of the Bank, it is hereby ascertained that the Management Board of Privredna banka Zagreb d.d. managed the affairs of the Bank in accordance with the law and the Articles of Association of the Bank, and, based on the foregoing, members of the Management Board shall be granted the approval of action for the year 2022.
2. This Decision shall enter into force on the date when it has been adopted.

Chairman of the General Meeting

In Zagreb, 27 March 2023

No.: AGM_2_23/2.2

PRIVREDNA BANKA ZAGREB d.d.
ANNUAL GENERAL MEETING

Pursuant to Article 55 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Annual General Meeting of the Bank held on 27 March 2023 made the following

DECISION

on granting the approval of action to members of the Supervisory Board of the Bank

1. After the Annual financial statements for 2022 have been presented to the Annual General Meeting of the Bank - which statements were confirmed by the Management Board and the Supervisory Board of the Bank, it is hereby ascertained that the Supervisory Board of Privredna banka Zagreb d.d. performed its functions in accordance with the law and the Articles of Association of the Bank, and, based on the foregoing, members of the Supervisory Board shall be granted the approval of action for the year 2022.
2. This Decision shall enter into force on the date when it has been adopted.

Chairman of the General Meeting

In Zagreb, 27 March 2023

No.: AGM _2_23/2.3

**PRIVREDNA BANKA ZAGREB d.d.
ANNUAL GENERAL MEETING**

Pursuant to Article 55 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Annual General Meeting of the Bank held on 27 March 2023 made the following

DECISION

**on the appointment of the external auditor who shall conduct the audit of
the financial statements of the Bank for the year 2023**

1. The audit firm **Ernst & Young d.o.o.**, Radnička cesta 50, Zagreb, is hereby appointed as the external auditor that shall conduct the audit of the financial statements of the Bank for the year 2023.
2. This Decision shall enter into force on the date when it has been adopted.

Chairman of the General Meeting

In Zagreb, 27 March 2023

No.: AGM_2_23/3

PRIVREDNA BANKA ZAGREB d.d.
ANNUAL GENERAL MEETING

Pursuant to Article 55 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), Article 20, par. 3 and Article 23, par. 1 of the Decision on the assessment of the suitability of the chairperson of the management board, members of the management board, members of the supervisory board and key function holders in a credit institution (Official Gazette 20/2021 and 104/2022), the Annual General Meeting of the Bank held on 27 March 2023 made the following

DECISION

**on the suitability of members of the Supervisory Board of the Bank
based on the regular suitability assessment**

1. Upon completion of the regular annual assessment of the suitability to perform the function of a member of the Supervisory Board of the Bank an assessment has been made that:
 - Mr **Ignacio Jaquotot**, President of the Supervisory Board,
 - Ms **Draginja Đurić**, Deputy President of the Supervisory Board,
 - Ms **Beáta Kissné Földi**, Ms **Maja Martinović**, Mr **Giulio Moreno**, Mr **Christophe Velle**, and Mr **Luca Leoncini Bartoli**, Members of the Supervisory Board,are suitable to perform the function of a member of the Supervisory Board.
2. It is assessed that the members of the Supervisory Board collectively, as a whole, have the necessary knowledge, skills and experience allowing it to monitor the Bank's operations independently and without undue influence from other persons and to have an understanding of its operations and significant risks and that the set target number of the underrepresented gender has been met.
3. This Decision shall enter into force on the date of its adoption.

Chairman of the General Meeting

In Zagreb, 27 March 2023

No.: AGM_2_23/4

PRIVREDNA BANKA ZAGREB d.d.
ANNUAL GENERAL MEETING

Pursuant to Article 55 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), Article 23, par. 1 and Article 24, par. 3 of the Decision on the assessment of the suitability of the chairperson of the management board, members of the management board, members of the supervisory board and key function holders in a credit institution (Official Gazette 20/2021 and 104/2022), the Annual General Meeting of the Bank held on 27 March 2023 made the following

DECISION

on the suitability of candidates for members of the Supervisory Board of the Bank and the collective suitability of the Supervisory Board of the Bank

1. Upon completion of the procedure of suitability assessment of candidates for members of the Supervisory Board of the Bank, it has been found that:
 - Mr **Giulio Moreno** and
 - Mr **Luca Leoncini Bartoli**,are suitable for the performance of the function of Member of the Supervisory Board of the Bank.
2. Upon completion of the procedure of collective suitability assessment, it has been found that the Supervisory Board, including the candidates referred to in par. 1 of this Decision, is collectively suitable, meaning that the members of the Supervisory Board as a whole have the required knowledge, skills and experience to supervise the credit institution's affairs independently and without undue influence from other persons and to understand the credit institution's activities and the main risks and that the set target number of the underrepresented gender has been met.
3. This Decision shall enter into force on the date of its adoption.

Chairman of the General Meeting

In Zagreb, 27 March 2023

No.: AGM_2_23/5

**PRIVREDNA BANKA ZAGREB d.d.
ANNUAL GENERAL MEETING**

Pursuant to Article 55 of the Articles of Association of Privredna banka Zagreb d.d. (hereinafter: the Bank), the Annual General Meeting of the Bank held on 27 March 2023 made the following

DECISION

on the election of members of the Supervisory Board of the Bank

1. The following are elected to the Supervisory Board of the Bank for another three-year term of office:
 - Mr **Giulio Moreno**, domiciled in Rome, Italy, effective 1 December 2023 and
 - Mr **Luca Leoncini Bartoli**, domiciled in Milan, Italy, effective 27 August 2023,subject to prior approval of the Croatian National Bank/European Central Bank.
2. This Decision shall enter into force on the date of delivery of the decision on issuance of the prior approval of the Croatian National Bank/European Central Bank for the performance of the function of a member of the supervisory board of a credit institution.

Chairman of the General Meeting

In Zagreb, 27 March 2023

No.: AGM_2_23/6

EXPLANATION OF PROPOSED DECISIONS

1. The Supervisory Board Report on supervision exercised over the conduct of business affairs in the Bank in 2022

The obligation to submit a report on supervision exercised over the conduct of business affairs in the Bank is stipulated in Articles 263, 300.c, and 300.d of the Companies Act, which includes also the obligation [of the SB] to report on the results of its examination of the annual financial statements, the Annual Management Board Report of Condition of the Bank and its Subsidiaries, and the proposed decision on profit allocation.

*There is **no voting** on this Agenda item, but instead, the Supervisory Board Report is **acknowledged**.*

2. Decisions enclosed with the Annual Financial Statements and Consolidated Annual Financial Statements for 2022:

2.1 Decision on the allocation of the Bank's profit earned in 2022

According to the provisions of Article 275 of the Companies Act, the Decision on the allocation of profit is adopted by the General Meeting of the Bank after the Management Board (pursuant to Articles 300b and 300c) has presented a proposal of the Decision on the allocation of profit to the Supervisory Board of the Bank for examination and approval.

The proposal is made to pay out a dividend that makes 99.97% of the profits earned in 2022 and equals HRK 75.97 (EUR 10.08) per share, which is based on the business results achieved last year.

2.2 Decision on granting the approval of action to members of the Management Board of the Bank for the year 2022

Pursuant to Article 276 of the Companies Act, the General Meeting of the Bank once a year, on the occasion when the annual financial statements are presented to the General Meeting, decides on granting the approval of action to members of the Management Board and the Supervisory Board – by means of which it expresses its approval of the way in which members of the Management Board and the Supervisory Board ran the company [in a given year].

2.3 Decision on granting the approval of action to members of the Supervisory Board of the Bank for the year 2022

(The explanation is the same as under 2.2 above)

3. Decision on the appointment of the external auditor who shall conduct the audit of the Bank's financial statements for the year 2023

Pursuant to Article 275 of the Companies Act, the General Meeting decides also on the appointment of the external auditor who shall conduct the audit of the company's operation as proposed by the Supervisory Board of the Bank.

In accordance with the recommendation of the Audit Committee of the Bank, the proposal is to appoint the audit firm Ernst & Young d.o.o., Radnička cesta 50, Zagreb to conduct the audit of the Bank's financial statements for 2023.

4. Decision on the suitability of members of the Supervisory Board of the Bank based on the regular suitability assessment

According to the provisions of the Credit Institutions Act and the CNB's Decision on the assessment of the suitability of the chairperson of the management board, members of the management board, members of the supervisory board and key function holders in a

credit institution, the General Meeting decides on the suitability of members of the Supervisory Board of the Bank on a regular basis - once a year.

Before submitting the proposal of the decision to the General Meeting, a suitability assessment of present members of the Supervisory Board was conducted at the Bank in accordance with the *Policy on the Suitability Assessment Procedure*, adopted with the consent of the Supervisory Board of the Bank, and the *Policy on the Target Structure of the Supervisory Board of Privredna banka Zagreb d.d. and the Suitability Assessment Criteria*, adopted by the General Meeting of the Bank.

5. Decision on the suitability of candidates for members of the Supervisory Board of the Bank and the collective suitability of the Supervisory Board of the Bank

According to the provisions of the Credit Institutions Act and the CNB's Decision on the assessment of the suitability of the chairperson of the management board, members of the management board, members of the supervisory board and key function holders in a credit institution, the General Meeting decides on the suitability of candidates for members of the Supervisory Board of the Bank.

Given that the three-year term of office of Mr Giulio Moreno, Member of the Supervisory Board, will expire on 30 November 2023, and that of Mr Luca Leoncini Bartoli, Member of the Supervisory Board, will expire on 26 August 2023, and keeping in mind their contribution to the work of the Supervisory Board, a proposal is made to re-elect them to the Supervisory Board.

Before submitting the proposal of the decision to the General Meeting, the procedure of the suitability assessment of the mentioned candidates for members of the Supervisory Board of the Bank was completed in line with valid regulations and provisions of the *Policy on the Target Structure of the Supervisory Board of Privredna banka Zagreb d.d. and the Suitability Assessment Criteria*, adopted by the General Meeting of the Bank.

It is estimated that the candidates for members of the Supervisory Board and all members of the Supervisory Board together have the required knowledge, skills and experience to supervise the Bank's affairs independently and without undue influence from other persons and to understand its activities and the main risks and that the set target number of the underrepresented gender has been met.

6. Decision on the election of members of the Supervisory Board of the Bank

Pursuant to Article 275 of the Companies Act, the General Meeting decides on the election of members of the Supervisory Board.

Upon completion of the procedure of suitability assessment of Mr Moreno and Mr Leoncini Bartoli by the HR and Organisation Department (Expert service of the Bank) and the Compliance Department, the Nomination Committee issued a positive opinion on the suitability of Mr Moreno and Mr Leoncini Bartoli for performing the function of Members of the Supervisory Board of the Bank, proposing them to the Supervisory Board as candidates for Supervisory Board Members to serve another term of office, in line with the provisions of the Credit Institutions Act, by-laws, and the Charter of the Committees of the Supervisory Board.

Further to the foregoing and according to the provisions of Article 280 par. 3 of the Companies Act, the Supervisory Board submits to the General Meeting of the Bank the proposal to re-elect Mr Giulio Moreno and Mr Luca Leoncini Bartoli as members of the Supervisory Board of the Bank for a three-year term of office subject to prior approval of the Croatian National Bank/European Central Bank for performing the function of a member of the supervisory board of a credit institution.

The resumes of the nominated candidates are available on the Bank's website.

Zagreb, March 2023

Privredna banka Zagreb d.d.