

**Who makes the decision to withdraw the Bank's share from listing on the regulated market - Zagreb Stock Exchange (ZSE)?**

The General Meeting makes the decision on the withdrawal of the Bank's shares from listing on the regulated market, by votes that represent at least three quarters of the share capital represented at the General Meeting.

**When will the General Meeting be held to decide on the withdrawal of the Bank's shares from listing on the regulated market - Zagreb Stock Exchange (ZSE)?**

The Bank publicly announced an invitation (which was published on the website of the court register, as the Bank's bulletin, on 9 March 2021) to the General Meeting to be held on 26 April 2021, starting at 12.00 noon, in the conference room *Kornati*, City Plaza Zagreb, Slavenska avenija 6 (building No. 2), Zagreb.

Given the Bank's strategic commitment to innovation, the Bank promotes modern ways of communication and it is a leader in applying new technologies on the market and has been continuously oriented towards the development of new and innovative products and services in accordance with the global trends and standard (e.g. introduction of Apple Pay, Google Pay, Instant payment). The Bank has modernized the way the General Meeting is held, allowing the shareholders, to participate in the General Meeting by remote electronic communication, which also includes casting a vote by electronic communication, that is without physical presence, which is a recommended way of participation at the General Meeting given the extraordinary circumstances in which this General Meeting is convened (SARS-CoV-2 virus pandemic).

**Who can exercise the right to participate in the General Meeting?**

In accordance with the published invitation to the General Meeting, the right to participate in the General Meeting can be exercised by those shareholders who are registered as the Bank shareholders at the depository of the Central Depository and Clearing Company Inc. on the working day immediately preceding the day of holding of the General Meeting. The shareholders who intend to participate electronically in the General Meeting have to register for participation as described hereinafter. The shareholders can also authorize one of the four attorneys-at-law stated in the Invitation of the General Meeting, whose costs will be covered by the Bank, or any other person to represent them at the General Meeting. For that purpose it is necessary to fill in and submit the form of the ballot paper/proxy.

**Given the extraordinary circumstances in which this General Meeting is convened, is compliance with the safety measures introduced by the Civil Protection Headquarters ensured?**

The Bank has modernized the way the General Meeting is held by making it possible for the shareholders, in these extraordinary circumstances in which this General Meeting 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., to participate in the General Meeting at a venue that ensures compliance with the safety measures introduced by the Civil Protection Headquarters in force on the date of public announcement of the invitation to the General Meeting and by remote electronic communication, which also includes casting a vote by electronic communication, that is without physical presence. The Bank monitors the introduction of new safety measures by the Civil Protection Headquarters and will adjust the measures in place for the General Meeting accordingly.

**What is the recommended way to participate in the General Meeting if I chose to do so?**

Taking into consideration the circumstances related to SARS-CoV-2 virus pandemic, and the limited number of persons that can be physically present at the General Meeting it is recommended that the shareholders participate in the General Meeting by remote electronic communication, which also includes casting a vote by electronic communication, that is without physical presence. Alternatively, it is recommended that the shareholders appoint a proxy (either one of the four attorneys-at-law whose costs will be covered by the Bank or any other person) to represent them at the General Meeting. The proxies will also have the possibility to participate at the General Meeting by remote electronic communication, which also includes casting a vote by electronic communication, that is, without physical presence.

Finally, the Bank monitors the introduction of new safety measures by the Civil Protection Headquarters and will adjust the measures in place for the General Meeting accordingly.

### **Why will the General Meeting be held also electronically?**

There are several reasons for that. The first is the pandemic environment and our care for the safety of all participants in the General Meeting.

Furthermore, as being the leader in new technologies, our intention is to propose that future General Meeting be held in the same fashion. The biggest advantages of such a modern way of holding the General Meeting are accessibility, now offered to the shareholders from whatever place in the world (like sailors, soldiers etc.), and lower costs. In fact, we are not the first company in Croatia to hold such electronic General Meeting, but certainly are the first bank, as might be expected given the level of our technological development.

### **What is the procedure if I intend to participate in the work of the General Meeting electronically?**

In accordance with the published invitation to the General Meeting, in order to observe the safety measures, shareholders, proxies or legal representatives of shareholders, who decide at their own discretion to participate in the work of the General Meeting of the Bank:

- are instructed to register for participation at the General Meeting of the Bank and exercise of their voting rights using the link <https://csp.pbz.hr> possibly at the latest six days ahead of the General Meeting of the Bank.
- vote with the number of votes registered in the depository of the Central Depository and Clearing Company Inc. on the work day immediately preceding the day of holding of the General Meeting;
- can participate in the General Meeting personally if they change their decision to participate in the General Meeting by electronic means.

### **How will the voting take place at the General Meeting?**

In accordance with the published invitation to the General Meeting, please be advised that votes will be cast electronically at the General Meeting regardless of whether you intend to participate remotely or at the specified venue. It will be possible to take a vote at the General Meeting using your own smartphone/tablet or an official device.

Shareholders, or their proxies, may vote at the General Meeting 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 General Meeting during decision-making on that matter.

### **What are the minimum technical prerequisites for the shareholders/shareholders' proxies to participate electronically in the work of the General Meeting?**

In accordance with the published invitation to the General Meeting, the participation of shareholders, proxies or legal representatives of shareholders in the General Meeting 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/shareholders' proxies who register for participation will receive necessary instructions for electronic voting and links for downloading necessary applications to the e-mail address they provided.

### **Where can I get the materials for the General Meeting?**

In accordance with the published invitation to the General Meeting, the materials for the General Meeting, 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 General Meeting 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 (<https://www.pbz.hr/en/gradjani/o-nama/odnosi-s-investitorima/glavna-skupstina.html>).

### **May I be represented at the General Meeting by proxies?**

In accordance with the published invitation to the General Meeting and Instructions regarding proxy (available on the Bank's website <https://www.pbz.hr/en/gradjani/o-nama/odnosi-s-investitorima/glavna-skupstina.html>), a shareholder can be represented by a proxy at the General Meeting on the basis of a written authorisation which does not need to be certified by a notary public. Due to the specific circumstances and with a view of facilitating the appointment of a proxy to the shareholders, the Bank has engaged four attorneys-at-law whose who can be appointed as proxies of shareholders. Their

names and contact details are stated in the Invitation to the General Meeting. The Bank will cover the costs of their appointment. The shareholders may also appoint any other person of their own choice and at their own cost.

A duly filled in and signed ballot paper/proxy with attachments shall be sent to the e-mail address: [Tajnistvo.Banke@pbz.hr](mailto:Tajnistvo.Banke@pbz.hr) and the original shall be delivered to the address: Privredna banka Zagreb d.d. – General Secretariat Office, Zagreb, Radnička cesta 44 B1- 8A by 4 p.m. on 23 April 2021 or on the day of the General Meeting of the Bank, to the notary public keeping the minutes of the General Meeting of the Bank.

#### **Where can I obtain the ballot and proxy form?**

In accordance with the published invitation to the General Meeting the ballot paper and proxy form can be obtained at Privredna banka Zagreb d.d., Zagreb, Radnička cesta 44, B1-8A, and it is also available on the Bank's website (<https://www.pbz.hr/en/gradjani/o-nama/odnosi-s-investitorima/glavna-skupstina.html>) where all other announcements can also be found, in accordance with the provisions of the Companies Act.

#### **Should I sell the Bank's shares that I hold?**

Every shareholder should take his or her own decision according to their own needs and expectations. The Bank treats all shareholders in the same way, which also applies to shareholders who are employees of the PBZ Group. Decision on whether to sell the shares or not should be made independently. The shareholders may also seek professional advice before making their decision.

#### **If I remain a shareholder, am I entitled to a dividend in the years in which the dividend is voted?**

Yes, if you remain a shareholder, you are entitled to a dividend in the years in which the dividend is voted and retain all other rights arising from the shares.

#### **I am a small shareholder. What does this General Meeting mean to me? What are my obligations?**

In the General Meeting shareholders have the opportunity to exercise their shareholders' rights in a way they deem appropriate and convenient, both in relation to the General Meeting as well as the right to vote against the decision on delisting, which is a legal precondition for selling your shares to the Bank at the price set according to the law. In case you vote against the decision on delisting and you are willing to exercise your right to sell the shares, you are obliged to submit such a request to the Bank within two months after the decision on delisting is entered into the Court registry (Article 341, par. 6 of the Capital Market Act).

#### **Am I forced to sell my PBZ shares?**

Absolutely not. It is your decision and it depends entirely on your needs, convenience and expectations.

#### **What if I vote against the decision to withdraw the Bank's shares from listing on the regulated market - Zagreb Stock Exchange (ZSE)?**

In accordance with the published invitation to the General Meeting and 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 regular 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 of the shares of Privredna banka Zagreb d.d. from the regulated market – Zagreb Stock Exchange in the court register.

#### **What is considered to be a fair price?**

In accordance with the published invitation to the General Meeting, 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.

In accordance with the confirmation received by the Bank on 10.03.2021 from the Zagreb Stock Exchange, in the period from 09.12.2020 to 08.03.2021 the Bank's shares were traded on the regulated market of the Zagreb Stock Exchange on 81.36% of trading days (48 trading days out of a possible 59

days). The weighted average price of the shares in the stated period amounted to HRK 832.45 per share.

**Is the fair price for potential sale convenient?**

The fair price is precisely defined by law (Article 341, par. 9 of the Capital Market Act) so the price is lawful. Each shareholder decides for him/herself whether the fair price is convenient, again depending on his/her needs and expectations.

**Will the Bank purchase shares directly from the shareholders who did not vote against the decision after the withdrawal of the Bank's share from listing on the regulated market - Zagreb Stock Exchange (ZSE)?**

After the withdrawal of the Bank's shares from listing on the regulated market, the Bank will, within three months following the registration of the General Meeting's decision with the court registry, purchase the shares of those shareholders who vote against the decision to delist the Bank's shares from the regulated market and who request that the Bank takes over their shares. The Bank will pay to each such shareholder a price of HRK 832,45 per purchased share. The Bank cannot guarantee any direct purchase of shares from the remaining shareholders after the withdrawal of the Bank's share from listing on the regulated market.

**About the PBZ Group**

The PBZ Group is a financial group that provides a wide range of services to its clients.

Members of the PBZ Group:

Privredna banka Zagreb d.d.

- PBZ Card d.o.o.
- PBZ Leasing d.o.o.
- PBZ Stambena štedionica d.d.
- Intesa Sanpaolo Banka d.d. Bosna i Hercegovina
- Banka Intesa Sanpaolo d.d. Slovenija