PRIVREDNA BANKA ZAGREB
Intesa Sanpaolo Group

MANAGEMENT BOARD OF THE BANK

Pursuant to Article 38 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 17_26 meeting, held on 25 June 2026, the Decision to call the Extraordinary General Meeting, under which it sends the following

I N V I T A T I O N

TO THE EXTRAORDINARY GENERAL MEETING

of **Privredna banka Zagreb d.d.,** Zagreb, Radnička cesta 50, which will be held on **30 June 2026**, beginning at **9:00 a.m.**, on the business premises of the Bank in Zagreb, Radnička cesta 44, B1-8th floor.

The Extraordinary General Meeting of the Bank shall consider the following

A G E N D A

1. Policy on Suitability Assessment of the Members of the Supervisory Board

…..

If a quorum stipulated by the Articles of Association of Privredna banka Zagreb d.d. is not constituted at this Extraordinary General Meeting, then the Extraordinary General Meeting will be held on 1 July 2026, at the same location, beginning at the same time, and the Agenda for the meeting will remain the same.

Draft:

Ad 1)

The Management Board of the Bank hereby proposes that the Extraordinary General Meeting of the Bank adopt the following

P O L I C Y
on Suitability Assessment of the Members of the Supervisory Board

CONTENTS

1. INTRODUCTION
2. THE REGULATORY FRAMEWORK
3. SCOPE OF APPLICATION
4. ROLES AND RESPONSIBILITIES OF THE CORPORATE BODIES AND THE COMPANY'S STRUCTURES
   - 4.1 CORPORATE BODIES
     - 4.1.1 GENERAL MEETING
     - 4.1.2 SUPERVISORY BORD

4.1.3 NOMINATION COMMITTEE
4.1.4 MANAGEMENT BOARD
4.2 BANK'S FUNCTIONS INVOLVED
4.2.1 EXPERT SERVICE
5. INDIVIDUAL SUITABILITY REQUIREMENTS
5.1. REPUTATION REQUIREMENT
5.1.1 RELEVANT SITUATIONS FOR THE REPUTATION REQUIREMENT
5.1.2 CRITERIA FOR ASSESSING REPUTATION
5.2. EXPERIENCE REQUIREMENTS
5.2.1 ASSESSMENT
5.3. INDEPENDENCE REQUIREMENTS FOR MEMBERS OF THE SUPERVISORY BOARD
5.3.1 DEFINITION OF INDEPENDENCE OF BANK'S SUPERVISORY BOARD MEMBERS
5.3.2 SCOPE OF SIGNIFICANT RELATIONSHIPS WITH THE BANK AND ISP GROUP
5.3.3 RELEVANCE INDICATORS FOR FINANCIAL RELATIONSHIPS
5.3.4.THRESHOLD OF ASSESSMENT FOR FINANCIAL RELATIONSHIPS
5.3.5 RELEVANCE INDICATORS FOR COMMERCIAL AND PROFESSIONAL RELATIONSHIPS WITH THE INTESA SANPAOLO GROUP AND THE THRESHOLDS FOR ASSESSMENT
5.3.6 FURTHER RELEVANCE INDICATORS
5.3.7. POLITICAL OFFICES HELD BY MEMBERS OF SUPERVISORY BOARD
5.4. INDEPENDENCE OF MIND AND CONFLICTS OF INTEREST
5.4.1. ''STRUCTURAL'' SITUATIONS OF INTEREST
5.4.2. OCCASIONAL SITUATIONS OF INTEREST
5.4.2.1. MAIN OCCASIONAL SITUATIONS OF PRESUMPTION OF INTEREST
5.4.2.2. OTHER OCCASIONAL SITUATIONS OF INTEREST
5.4.2.3. THE PROCEDURE
5.4.2.4. THE RESOLUTION
5.4.3. CONTROL MEASURES
5.5. LIMITATION OF DIRECTORSHIPS
5.6. TIME COMMITMENT
6. CRITERIA FOR THE ADEQUATE COMPOSITION OF THE SUPERVISORY BOARD
6.1 OVERALL EXPERIENCE REQUIREMENTS
6.2 INDUCTION PLANS
6.3 DIVERSITY CRITERIA
6.4 COLLECTIVE SUITABILITY OF THE SUPERVISORY BOARD
6.5 SUCCESSION PLAN
7. PRELIMINARY ANALYSIS AND ASSESSMENT PROCESS
7.1 TIMING OF THE ASSESSMENT
7.2 DISCLOSURE REQUIREMENTS FOR THE MEMBERS
7.3 PRELIMINARY ANALYSIS PROCESS
7.4 OUTCOME OF THE ASSESSMENT OF THE SUPERVISORY BOARD
8. STEERING AND COORDINATION OF GROUP COMPANIES
8.1. ASSESSMENT CONCERNING THE SUPERVISORY BOARD OF THE BANKS
9. FINAL PROVISIONS
10. FORMS

Attachment 1 – Indication of the minimum time estimated by the Bank in relation to each role performed within the Supervisory Board

Attachment 2 – Collective Suitability Assessment Matrix

DEFINITIONS

Unless otherwise specified, for the purposes of this Policy, the following definitions apply:

Directorship: means a position as a Member of the Management Body of an institution or another legal entity. Where the Management Body, depending on the legal form of the entity, is composed by a single person, this position is also counted as a directorship.

Diversity: means the situation whereby the characteristics of the Members of the Supervisory Board, including their age, gender, geographical provenance and educational and professional background are different to an extent that allows a variety of views within the Supervisory Board.

Executive directorship: means a directorship in which a person is responsible for effectively directing the business of an entity.

Expert Service: means the Corporate function of HR & Organization Department. The Expert Service, i.e. HR & Organization Department, in its tasks is supported by:

- General Counsel Department: General Secretariat Office and Business Legal Advisory & Affairs Office
- Compliance Department,

and if necessary, other corporate functions, on collecting all necessary information, data and documents required for suitability assessment.

Geographical provenance: means the region where a person has gained a cultural, educational or professional background.

Key Function Holders: means a person who has significant influence over the direction of the institution, but who is neither Member of the Management Body nor the CEO. Key Function Holder includes the Heads of Internal Control Functions and the CFO, where they are not Members of the Management Body.

Management Body:

- in its **management function** means an Institution's Body or Bodies, appointed in accordance with national law, which are empowered to set the institution strategy, objective and overall direction;
- in its **supervisory function** means the Management Body acting in its role of overseeing and monitoring management decision-making.

If not specified in these Policy, the term "Management Body" is used for intending both the functions.

Member: means a proposed candidate or appointed Member of the Supervisory Board.

Non-executive directorship: means a directorship in which a person is responsible for overseeing and monitoring management decision-making without executive duties within an entity.

Parent Company: Intesa Sanpaolo S.p.A.

Suitability: means the degree to which an individual is deemed to have good repute and to have, individually and collectively with other individuals, adequate knowledge, skills and experience to perform his/her/their duties. Suitability also covers the independence of mind of each individual and his/her/their ability to commit sufficient time to perform his/her/their duties.

1. INTRODUCTION

This Policy on Suitability Assessment of the Members of the Supervisory Board is based on the International Banks Division ("IBD") guidance on Suitability requirements for Members of the Bank's Management Body[1] and Key Function Holders and it is elaborated based on the regulations specified in par. 2 "The Regulatory Framework".

The competent Body of the Bank is responsible to ensure that its Members continuously meet the suitability requirements established in compliance with the applicable Croatian legislation, the Articles of Association and the best practices of corporate governance, in order to safeguard the sound and prudent management of the Bank.

The aim of this Policy, in line with the 'Regulation on the Suitability Requirements for Management Body Members and Key Function Holders of Intesa Sanpaolo", effective from 29 April 2022, is to set out:

- ✓ the principles and criteria for the assessment of the suitability requirements for the Supervisory Board Members and the overall adequacy of the Supervisory Board;
- ✓ the process of preliminary assessment and assessment of the suitability requirements.

The requirements that Members of the Supervisory Board shall meet are as follows:

- reputation;
- experience;
- independence pursuant to the provisions of the applicable laws, supervisory regulations and articles of association;
- independence of mind;
- limitation of directorships;
- time commitment.

In addition, the Bank's Supervisory Board shall be adequate as a whole. To this end, the Supervisory Board identifies its own optimal qualitative and quantitative composition, identifying and justifying the profile of the Members considered appropriate, in line with the overall balance of the Supervisory Board and with the diversity criteria considered optimal within the annual self-assessment process.

The following general reference principles are adopted in the application of this Policy:

- ✓ the Bank's primary responsibility is to adopt the assessment criteria for the suitability requirements for its Supervisory Board Members, as well as the principles for the adequate composition of the Supervisory Board and to apply them consistently;
- ✓ the requirements are established and assessed according to criteria of proportionality within the Bank, ensuring that the profiles of the Members of the Supervisory Board are also appropriate in relation to the nature, size and complexity of the Bank and in relation to the characteristics of the role performed;
- ✓ the duty of cooperation of the Members of the Supervisory Board in providing all information and supporting documentation necessary for the purposes of assessment by the Supervisory Board, as well as the consequent updates is of fundamental importance;

[1] The Supervisory Board and the Management Board of the Bank.

✓ the Bank shall process the personal data and documents acquired with all the necessary confidentiality, in compliance with the applicable regulations and internal provisions on data protection.

2. THE REGULATORY FRAMEWORK

This Policy is issued in accordance with the following regulations:

- Credit Institutions Act, OG 22/2026;
- Decision of the Croatian National Bank on the assessment of the suitability of the President of the Management Board, Member of the Management Board, President of the Supervisory Board, Member of the Supervisory Board, and Key Function Holder in a credit institution OG 30/2026
- Directive 2013/36/EU of 26 June 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("CRD IV"), as amended;
- Regulation (EU) no. 1024/2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions and ECB implementing regulation no. 468/2014;
- Guidelines on the assessment of the suitability of the Members of the Management Body and Key Function Holders – EBA and ESMA – update of 2 July 2021 (below also the EBA/ESMA Guidelines);
- Guidelines on internal governance - EBA – update of 2 July 2021;
- Guidelines on prudential assessment of acquisitions and increases of qualifying holdings in the financial sector – effective from 20 December 2016;
- European Central Bank Guide to Fit and Proper assessments – update of December 2021 (below also ECB Guide);

3. SCOPE OF APPLICATION

This Policy governs in full the preliminary analysis, the assessment process and the criteria for the verification of the individual suitability requirements of the Members of the Supervisory Board as well as the adequacy of the overall composition of the Supervisory Board.

4. ROLES AND RESPONSIBILITIES OF THE CORPORATE BODIES AND THE COMPANY'S FUNCTIONS

The main tasks and responsibilities of the Bank's Corporate Bodies and Functions with regard to the Suitability of their Members and the overall adequacy of the Supervisory Board themselves are indicated below, along with the main guidance and coordination responsibilities for these matters, subject to the provisions in this regard established in the local regulations, the Articles of Association and the regulations of the Supervisory Board, Management Board and Nomination Committee.

4.1. Corporate Bodies

4.1.1. General Meeting

For the assessment of the suitability requirements for the Supervisory Board Members and its adequate composition, the General Meeting of the Bank:

- adopts the policy on the suitability requirements, including the related procedure, for the Members of the Supervisory Board of the Bank, and the criteria for identifying and assessing the adequate qualitative and quantitative composition of the Supervisory Board, in line with the guidelines and principles defined by the Parent Company;
- adopts decision on the assessment of the suitability of the President and Members of the Supervisory Board, and collective assessment of the suitability of the Supervisory Board as a whole prior election/ re-election of the candidates for the President and Member of the Supervisory Board, as well on the regularly annual basis;
- adopts, at the time of each update of the attestations and information regarding each individual Member, the continued fulfilment of the suitability requirements established for them and moreover that the actual collective composition of the Supervisory Board corresponds to the adequate one.

4.1.2. Supervisory Board

For the assessment of the suitability requirements for the Supervisory Board Members and its adequate composition the Supervisory Board, prior the submission to the General Meeting:

- acknowledges the policies on the suitability requirements for the Members of the Supervisory Board of the Bank, including the criteria for identifying and assessing the adequate qualitative and quantitative composition of the Supervisory Board, in line with the guidelines and principles defined by the Parent Company;
- acknowledges the assessment of the suitability of the President and members of the Supervisory Board, and collective assessment of the suitability of the Supervisory Board as a whole prior election/ re-election of the candidates for the President and member of the Supervisory Board, as well on the regularly annual basis;
- acknowledges, at the time of each update of the attestations and information regarding each individual Member, the continued fulfilment of the suitability requirements established for them and moreover that the actual collective composition of the Supervisory Board corresponds to the adequate one;
- conducts its self-assessment, on an annual basis or in response to specific needs, according to the procedures in compliance with the applicable legislation, in terms of composition, powers and operations;
- adopts the necessary measures to ensure that each Member and the Supervisory Board as a whole are continuously adequate in terms of reputation, experience, independence of mind, time commitment by proposing, when necessary, corrective actions;
- approves the induction plans for Members, as described in paragraph 6.2;
- defines the process for the succession plans of its Members;
- approves the target set by the Nomination Committee in terms of proportion of the less represented gender [as better specified in the footnote in par. 6.3].
- approves a plan for recovering the target set by the Nomination Committee in terms of proportion of the less represented gender if it has not been met.

4.1.3. Nomination Committee

The Nomination Committee supports the Supervisory Board in preparation of the proposals for General Meeting and in the performance of the functions and responsibilities indicated in paragraph 4.1.2 above, with recommending/advisory and supporting role. In particular, the Committee:

- gives opinion on the policies on the suitability requirements for the Members of the Supervisory Board;
- proposes Members of the Supervisory Board, following the prior alignment with the Parent Company;
- prepares a description of duties and the criteria for the performance of the function of a Member of Supervisory Board, and assesses the time commitment expected;
- takes part in the suitability assessment of a Member of the Supervisory Board, individually and collectively: the preparatory activities regarding the suitability assessment and the preparation of the proposal for the decision on the suitability shall be carried out by the Expert Service of the Bank. The Management Board shall deliver the prepared proposal for the decision on the suitability of a Member of the Supervisory Board to the Nomination Committee for opinion. The decision on the suitability of such Member shall be then adopted by the General Meeting of the Bank;
- gives opinion to the Supervisory Board in preparation of the proposals for General Meeting on the verification of the compliance with the limitation of directorships and the independence requirements for the Supervisory Board Members;
- supports the Supervisory Board, in preparation of the proposals for General Meeting, on the definition of Supervisory Board self-assessment process and in the correct implementation of the process, on an annual basis. To this end, the Committee gives its opinion in relation to any possible internal regulations designed to formalize the self-assessment procedure;
- gives opinion to the Supervisory Board in defining and approving the induction plans for Members;
- periodically, and at least annually, assesses the structure, size, composition and performance of the Supervisory Board and, if necessary, makes proposals with regard to any changes including maintaining, documenting, and preparing follow-up reports on the performance of the Supervisory Board;
- in compliance with the local regulations, assesses periodically the knowledge, skills and experience of individual Members of the Supervisory Board and of the Supervisory Board collectively, and reports to the General Meeting accordingly;
- sets the target for the representation of the underrepresented gender in the Supervisory Board and proposes a plan for recovering it if it has not been met
- periodically reviews the Policy on the assessment of suitability of Members of the Supervisory Board and makes recommendations to the General Meeting and proposes amendments if deemed necessary.

In case of its activities within the scope of the suitability assessment, the Committee shall consider *inter alia* the following criteria:

a) total number of Members;
b) adequacy of the collective knowledge and experience relevant to the activities of the Bank;
c) length and scope of past and present positions held by the Members;
d) diversity, including the skill mix, professional background, gender, age and geographical provenance of Members;
e) responsibilities of specific Members;
f) nature and complexity of the experience, position in the organizational structure;
g) ability to commit sufficient time to the position;

h) personal, professional, economic relationships with other Members in the Bank, with the Parent Company and its Subsidiaries;
i) specific requirements set by the local Regulator (i.e.: Country citizenship, independent status).

Should any of the Members of the Nomination Committee incur in a conflict of interest in assessing the suitability of a single Member, he/she's compelled to abstain from expressing his/her views/opinions as stated by the Bank's Internal Regulation on the management of the conflicts of interest.

4.1.4. Management Board

For the assessment of the suitability requirements for the Supervisory Board Members and its adequate composition, the Management Board establishes the following proposals, to be submitted to the Nomination Committee:

- adoption of the policies on the suitability requirements, including the related procedure, for the Members of the Supervisory Board of the Bank, and the criteria for identifying and assessing the adequate qualitative and quantitative composition of the Supervisory Board, in line with the guidelines and principles defined by the Parent Company;
- based on Expert Service conclusions, the assessment of the suitability of the President and Members of the Supervisory Board, and collective assessment of the suitability of the Supervisory Board as a whole, prior election/ re-election of the President and member of the Supervisory Board, as well on the regularly annual basis;
- based on Expert Service conclusions, the continued fulfilment of the suitability requirements established for each individual Member, at the time of each update of the attestations and information regarding them, and on the adequacy of the actual collective composition of the Supervisory Board.

4.2. BANK'S FUNCTIONS INVOLVED

The Bank defines tasks and responsibilities of the Functions involved in the Suitability assessment process of members of Supervisory Board and its overall adequacy.
In particular, the following Corporate functions are involved in the process, with distinct responsibilities:

- General Secretariat;
- HR and Organization;
- Legal;
- Credit;
- Compliance.

4.2.1 Expert Service

For the assessment of the suitability requirements for the Supervisory Board Members and its adequate composition, the Expert Service:

- examines the documentation and declarations submitted by each Member at the time of appointment/renewal, proving that they meet the suitability requirements and that there are no grounds for incompatibility. In particular, for each Members verifies:
  - ✓ that the requirements under the laws, regulations and Articles of Association are met;
  - ✓ that there are no grounds for incompatibility with the office;

- ✓ that he/she has complied with the limitation of directorships established by the applicable regulations and the Articles of Association
- Following the analysis of all available information, draft the following conclusion on:
  - ✓ the suitability of the candidate,
  - ✓ the collective suitability of the Supervisory Board,
  - ✓ calling for the implementation of measures to eliminate shortcomings regarding suitability establishing an appropriate deadline for corrective actions to be taken by the candidate,
  - ✓ technical details that determine the scope of collecting documents regarding one or more candidates and other information.
- prepares proposals for decisions on the suitability of candidates and the overall composition of the Supervisory Board, to be submitted to the Management Board.

5. INDIVIDUAL SUITABILITY REQUIREMENTS

5.1. REPUTATION REQUIREMENT

Each Member is required to declare to comply with the reputation requirement in accordance with the applicable regulatory provisions and the rules and regulations issued by the Bank.
The Supervisory Board Members of the Bank in their personal and professional conduct shall meet the reputation requirement, in order to ensure the sound and prudent management of the Bank and its Group, in line with the EBA/ESMA Guidelines and the applicable ECB guidance.
For this purpose, a general requirement of good reputation is relevant.
With respect to each situation considered, it is therefore necessary to make a concrete assessment of the reputation of the Member, based on the information available.
The opinion of the Expert Service is based above all on the possibility of reconstructing, through the cooperation of the Member concerned and based on a relationship of trust, a complete and comprehensive set of information for the assessment of the actual case. For this purpose, each Member is required to cooperate in providing all the information necessary to enable a full assessment of the facts. Details of the situations subject to assessment by the Expert Service and the criteria for their assessment are provided below.

5.1.1. Relevant situations for the reputation requirements

The situations that, depending on the specific provisions of the local regulations, are subject to an assessment by the Expert Service regarding suitability are as follows:

i. criminal rulings of conviction (even if not by final sentence), application of precautionary measures of a personal nature and provisional application of prevention measures relating to an offence envisaged, in particular, by the corporate law, laws on bankruptcy, banking and financial sectors, financial markets and securities, insurance, tax and payment services, usury, anti-money laundering (even when they do not involve the infliction of a disqualification or suspension measure) and all remaining criminal offences as well;

ii. pending criminal proceedings for the offenses referred to in point i) above;

iii. administrative penalties imposed on the Member for violations of corporate, banking, financial, securities and insurance regulations and the regulations on anti-money laundering, financial markets and payment instruments;

iv. disqualification, removal or precautionary measures ordered by the Supervisory Authorities or other Authorities, in the banking, financial and insurance fields, or at their request;

v. performance of administrative, management or control offices in financial and non-financial companies that have been subject to special administration, resolution proceedings, bankruptcy or compulsory liquidation procedures, collective removal of Members of the management and control bodies, revocation of authorization;

vi. suspension or expulsion from professional registers, or removal (adopted as a disciplinary measure) from lists and professional orders imposed by the competent authorities on those professional orders;

vii. revocation for just cause from offices held in the management, administration and control bodies of companies or institutions;

viii. a negative assessment by an administrative authority regarding the suitability of the Member issued within the authorization procedures envisaged by the corporate law, laws on banking and financial sectors, securities and insurance matters and by the rules on financial markets and payment services;

ix. being a default debtor (e.g., having negative records at a reliable credit bureau if available;

x. any other reason for suspicion about the good repute, honesty and integrity of the Member

For the purposes of the assessment, circumstances and conduct that occurred no more than 10 years before are included; if the relevant circumstance or conduct occurred more than 10 years before the appointment, they are taken into consideration if they are particularly serious or, in any case, if there are particularly compelling reasons why the sound and prudent management of the Bank could be adversely affected.

In addition, any other relevant situations required by the ECB for the application of the relevant EBA/ESMA Guidelines, shall be communicated to the Supervisory Board and the Expert Service and taken into due account.

5.1.2. Criteria for assessing reputation

The occurrence of one or more of the situations listed above requires a specific assessment by the competent Body.

In the examination and assessment of significant situations, the Expert Service takes into account the following guidelines:

a) the objective seriousness of the circumstances alleged, with regard to criminal proceedings, the extent of the damage caused, the potential damage caused by the conduct or omission, and the duration of the violation;

b) the phase of the administrative or criminal proceedings or the related appeals;

c) type and size of the penalty imposed;

d) the level of responsibility of the person concerned, with regard to the actual authority held within the institution and the duration of his/her office;

e) the presence of guilt, negligence or willful misconduct of the person concerned;

f) the relevance and connection of the conduct, behavior or circumstances to the banking, financial, securities, insurance, and payment services sectors, as well as anti-money laundering and terrorist financing matters;

g) the frequency of the conduct that led to the allegation, with regard to the repetition of conduct of the same nature and the period between the facts;

h) proximity of the date of the alleged violation with respect to the appointment resolution;

i) cooperation with the Supervisory or Judicial Authority;

j) any remedial conduct by the Members after the alleged offence, to mitigate or eliminate the effects of the violation;

k) financial stability of the Member.

The assessment is carried out based on the charges, as stated in the ruling, and the information and assessment evidence provided by the Member concerned and it is motivated.

5.2. EXPERIENCE REQUIREMENTS

All Members of the Supervisory Board shall meet the experience requirements established by the applicable legal regulations aimed at proving their suitability to take on the office, considering the duties inherent to the role held and the Bank's characteristics, size and operations.

The term "experience", used hereafter in a broad sense, covers both practical, professional experience gained in previous occupations and theoretical experience (knowledges and skills) gained through education and training.

In general terms, all Members are expected to have at least a basic knowledge of matters relevant to the banking sector, as set out in the ECB Guide.

The Expert Service assesses whether the theoretical knowledge and practical experience gained by each Member:

i. have been achieved at a very good/high level in relation to more than one of the following areas:

- ✓ strategic planning;
- ✓ financial markets;
- ✓ banking and financial services and products;
- ✓ human resources, organization and corporate governance structures;
- ✓ risk management (identifying, assessing, monitoring, controlling and mitigating the main types of risk of a bank and its group, including ESG risks and anti-money laundering and terrorist financing risk, considering the board Member's responsibilities in those processes);
- ✓ regulations in the banking and financial sector;
- ✓ internal control systems;
- ✓ accounting and financial information;
- ✓ digital & information technology;
- ✓ international experience.

ii. are suitable with respect to a) the role held by the Member or any specific mandate, including participation in Management Body's Committees, and b) the characteristics of the Bank and the Group in terms of size, complexity of the activities carried out and the associated risks, target markets and countries in which it operates.

The areas of experience are defined and updated in accordance with the instructions approved by the Supervisory Board, also for the purposes of its overall assessment in terms of the optimal composition.

The practical and theoretical experience in the above-mentioned areas of experience shall be gained by the Members for a sufficiently long period of time, according to the local legislation, in the performance of professional, managerial, direction or control activities in institutions or university teaching activities or administrative or managerial functions in public entities or public authorities.

A Supervisory Board Member is required to possess at least a graduate degree in a relevant field which includes:

- economics and other related fields (e.g. banking and finance, management, accounting, audit);
- law and related fields (e.g. administration, financial regulation); or
- mathematics, physics, computer science, electrical engineering and similar fields.

By way of exception, if the Supervisory Board is composed of at least five members, one member is not required to have a graduate degree provided that he/she meets all the other criteria laid down in this Policy and relevant regulations.
Members shall meet the work experience requirements as follows:
Ten years of recent work experience for the President of the Supervisory Board and five years of recent work experience for the Member in the experience of serving at:

- ✓ Management Board level or level immediately below or at most two levels below the Management Board level
- ✓ experience serving at Supervisory Board level or
- ✓ equivalent levels in undertakings with Board of Directors, on the basis of which the candidate could have acquired broad practical or theoretical knowledge in the segment of banking and financial services;
- experience in key managerial positions in a body or an authority competent for the supervision of credit or financial institutions;
- experience gained from working in academic positions; and
- experience gained from working in key managerial positions involving a high degree of autonomy with government administration bodies or public authorities.

By way of derogation from necessary experience requirement, it may be considered that a Member has adequate work experience although the Member does not have the sufficient length of abovementioned work experience, if a detailed explanation can be assured of the reasons and evidence submitted that the Member has other adequate experience-related qualities, such as specialist knowledge or acquired experience, required by the Bank, an exceptionally successful professional career or specific required knowledge suited for the special role to be fulfilled or areas of competence to be covered by the Member, and if the Member submits a corresponding proposal for the induction training.

5.2.1. Assessment

Each Member prepares a CV that shall record in detail:

- training in the relevant areas listed (indicating both education and training courses taken);
- the professional expertise acquired through practical experience with an indication of the positions previously held, specifying the sector of operations and the positions held (offices, consultancy work, employment, with regard to the performance of managerial activities), the duration, and the size of the institution in terms of total asset.

In relation to each thematic area indicated, the Member is required to provide evidence of the manner in which the related theoretical knowledge and practical experience have been acquired.

The Expert Service assesses the fulfilment of the experience requirements, as prescribed by local legislation, based on the information provided by the Member, both with regard to the general areas of knowledge and experience and with regard to the specific profiles needed for the office.

If the established requirements are not met or when deficiencies are identified, the Expert Service shall assess and propose to the Supervisory Board the adoption of any necessary measures, including the participation in induction sessions (as described in paragraph 6.2).

5.3. INDEPENDENCE REQUIREMENTS FOR MEMBERS OF THE SUPERVISORY BOARD PURSUANT TO THE ARTICLES OF ASSOCIATION

5.3.1. The definition of independence of the Bank's Supervisory Board Members

Each Member designated as independent is required to declare to comply with the independence requirements in accordance with the provisions of the present Policy, unless differently stipulated by the local laws and regulations, in which case the latter shall always prevail.

In any case, a member of the Supervisory Board shouldn't be considered independent:

1. if he/she is currently or within the last three years has been a shareholder in the Bank or with the Bank affiliated company[2] whose shares account for or have accounted for at least one twentieth of the share capital or is a shareholder who, acting alone or jointly with other shareholders, can or could have exercised, directly or indirectly, a dominant influence in the Bank or an undertaking related to it;

2. if he/she is currently or has been in the last five years a member of the Management Board of the Bank or another institution or company within the PBZ Group;

3. if he/she is currently or has been in the last three years an employee of the direct or indirect majority shareholder or if he/she is in some other way connected to it[3].
   Further to that, if he/she is or has been in the last year an employee of the other Companies belonging to ISP Group;

4. if he/she is currently or has been in the last three years an employee or employee representative in the Supervisory Board of the Bank or PBZ Group;

5. if he/she is currently or has been in the last three years a member of senior management[4] in the Bank or other company in the PBZ Group, where he/she was directly responsible to the Management Board;

6. if, in addition to the remuneration for performing the function of a member of the Supervisory Board, he/she receives or in the last three years has received remuneration from the Bank or PBZ Group, which amounted to more than ten percent of his total income for that period, or from the Bank or PBZ Group he/she earns or has earned significant income;

[2] Members of PBZ Group – ISP BiH, ISP Slovenia, PBZ Card, PBZ Leasing.
[3] To be assessed case by case according to following paragraph.
[4] According to Credit Institution Act, senior management are natural persons who perform executive functions within the credit institution and are direct responsible to the management body, but are not Members of that body, and who are responsible for the day-to-day management of the credit institution under the leadership of a governing body (e.g. Head of Divisions that are not Management Board members, Heads of internal control functions).

7. if he/she is currently or has been in the last five years a member or partner of an audit company that provides or has provided audit services or companies that provide consulting services to the Bank or PBZ Group, or an employee of such companies who is or was significantly connected with the services provided;

8. if he/she is a member of the Management Board of another company in which a member of the Management Board of the Bank is a member of the Supervisory Board;

9. if he/she is related person to a member of the Bank's Management Board or another company within PBZ Group or if the he/she is related person to any of the persons listed in points 1 to 8, 10 and 11 of this paragraph;

10. if he/she has been a member of the Supervisory Board of the Bank or PBZ Group for more than 12 years or a member of the Management Board of the Bank for more than 12 consecutive years;

11. if he/she is currently or in the last three years has been a member of the Management Board of a company that has generated more than ten percent of the total revenue of that period from a business relationship with the Bank or its affiliated companies in the last three years as a supplier or client of the Bank or PBZ Group or if he has been a shareholder or member of that company in the last three years with shares or business interests representing at least one twentieth of the share capital, or if, acting independently or jointly with other shareholders or members, he/she could have had a direct or indirect dominant influence in that company;

12. if he/she is a Family Member of: i) the President of Supervisory Board / Board of Directors[5], ii) a member of the Management Body in Management function (including the CEO), iii) an Executive Director, iv) a Key Function Holder of the Bank, as well as of the Parent Company and any other controlling shareholder;

13. if he/she holds – directly or indirectly - a significant financial, commercial or professional relationship with the Bank or the Group, as detailed in the following paragraphs.

5.3.2. Scope of significant relationships with the Bank and ISP Group

With regard to any financial, commercial or professional relationship with the Bank or ISP Group, relating to the independent Members, the Expert Service takes into account the following assessment criteria.

The assessment is made by checking on the – direct or indirect – existence of a "significant financial, commercial or professional relationship", concerning existing or past relationships:

A. with the Bank or any of its Subsidiaries;
B. with: i) the President of Supervisory Board / Board of Directors[6], ii) a member of the Management Body in Management function (including the CEO), iii) an Executive Director, iv) a Key Function Holder of the Bank and any of its subsidiaries, as well as of the Direct Parent Company and any other controlling shareholder;
C. with the Parent Company and any other controlling shareholder;
D. with other Companies belonging to ISP Group.

[5] Depending on corporate governance models adopted by the Bank, its subsidiaries, the Parent Company and any other controlling Shareholder
[6] Depending on corporate governance models adopted by the Bank, its subsidiaries, the Parent Company and any other controlling Shareholder.

The relationships to be assessed pursuant to this paragraph include also those ones involving the independent Member also indirectly. Accordingly, the relevant relationships include those involving:

i. Family Members[7] of the independent Member;

ii. Companies in which independent Member or Family Member has qualified share;

iii. professional firms or consulting firms in which the independent Member or his/her Family Member is a partner;

iv. companies of which the independent Member or one of his/her Family Members is a senior management Member, Management Board Member, Supervisory Board Member, Board of Directors Member or Executive Director (hereinafter "companies in which significant offices are held").

5.3.3. Relevance indicators for financial relationships

For a comprehensive appreciation of the relevance of a financial relationship that shall be subject to assessment in compliance with paragraph 5.3.2 above, the information gathered is subject to both a formal and substantial examination, taking into account a plurality of relevance indicators.

The Expert Service uses the following relevance indicators for financial relationships:

i. The amount of the shareholding in the capital of the Parent Company or any other controlling shareholder, or the Bank or its Subsidiaries;
ii. The amount of the shareholding of ISP Group in the capital of a company listed in par. 5.3.2, ii and iv;
iii. The extent of the nominal credit exposure.

The above indicators shall be considered separately:

a) at a personal level and for the Family Members: to this end, those persons are considered in aggregate;
b) for the entities stated under par. 5.3.2, item ii. and iii.: to this end, the entities are considered in aggregate;
c) for the companies in which significant offices are held by the Member or one of his/her Family Members as defined under par. 5.3.2, item iv.

Upon exceeding specific predefined thresholds of the relevance indicators, the Expert Service will be responsible for specific assessment to verify if the situation of potential/effective conflict of interest is such to impede an independent and objective performance of the Member's functions.

[7] Family Members of an individual are considered to be the Family Members likely to influence or be influenced by that individual in their relations with the company. They may include:

1. the spouse or the person who, in accordance with a special law, has the status equivalent to that in a marriage, or a person with whom the person has concluded a life partnership in accordance with the law governing same-sex life partnerships;
2. a parent, a son, an adopted son, a daughter or an adopted daughter of the person;
3. a son, an adopted son, a daughter or an adopted daughter of the person referred to in subitem (1) of this item;
4. another person without full legal capacity and under the custody of the person;

5.3.4. Thresholds of assessment for financial relationships

The Expert Service assesses the persistence of the independence requirement if the financial relationship (as detailed in paragraph 5.3.3) refers to:

- ✓ the Member, his/her Family Members and the entities under par. 5.3.2., item ii, iii and iv and at least one of the following circumstances are met:

a. the amount of the equity investment in Intesa Sanpaolo S.p.A. is equal or exceeds 0,5%;
b. the amount of the equity investment in the Bank or one of its Subsidiaries or any controlling shareholder other than Intesa Sanpaolo S.p.A.is equal to or exceeds 1%;
c. the amount of the equity investment of the ISP Group in the capital of a company indicated in par. 5.3.2 items ii) and iv) is equal to or exceeds 10%;
d. the extent of the nominal credit exposure is equal to or exceeds 400,000 €.

For individuals, (i) private mortgages of any value if not of a commercial/investment nature and (ii) all personal loans (e.g., credit cards, overdraft facilities and car loans) if cumulatively under the threshold of Euro 0,2 mln are not considered relevant in the calculation of the credit exposure, if they are performing, negotiated at arm's length and compliant with the Group internal credit approval rules.

5.3.5. Relevance indicators for commercial and professional relationships with the Intesa Sanpaolo Group and thresholds for assessment

For a comprehensive appreciation of the relevance of a commercial or professional relationship that shall be subject to assessment in compliance with paragraph 5.3.2 of this Policy, the information gathered shall be subject to both a formal and substantial examination, taking into account relevance indicators, as follows.

For commercial or professional relationships with the Bank, its Subsidiaries and any controlling shareholder including Intesa Sanpaolo S.p.A., the Expert Service considers the total amount of annual turnover deriving from relationships which are in place with the above Companies, as the main relevance indicator for the relationship.

The Expert Service shall assess the persistence of the independence requirement of the concerned Member, provided that the case set out in paragraph 5.3.1, no. 11 has not occurred.

To this end, the turnover deriving from any commercial and professional relationships of (i) the Member and his/her Family Members, (ii) entities listed in par. 5.3.2, points ii) and iii) and iv) are considered in aggregate.

The assessment shall take into account any element that is useful in each specific case and, inter alia in particular, the ratio between the total supplies or consulting services invoiced to the the Bank, its Subsidiaries and its controlling shareholder in the year and the total annual turnover / revenues outside the Intesa Sanpaolo Group.

5.3.6 Further relevance indicators

In addition to the indicators reported in paragraphs 5.3.3 and 5.3.4 and 5.3.5, Expert Service takes into account any other situations that may be relevant to the assessment of the financial, commercial and professional relationships held by the Member with the Bank and/or its Group.

Among these further situations, the presence of disputes that have given rise to legal proceedings with the value of over 200.000,00 € between the Member and the Bank or another Group Company shall be taken into account.

5.3.7. Political offices held by Members of Supervisory Board

For the purpose of assessing the independence requirement, any position of high political influence[8] currently and in past two years held by the Member and his/her Family Members are relevant.

In the above case, the Member concerned shall provide the reasons why the situations do not materially affect his/her independence and the Expert Service shall assess the materiality of the conflicts of interest and declare if the independence requirement is not satisfied or is no longer satisfied by the Member concerned.

The materiality of the conflict of interest will depend on the specific powers or obligations inherent in the political role, which would hinder the Member from acting in the interest of the Bank (e.g. taking part in public decisions regarding the supervised entity, the parent undertaking and their subsidiaries).

5.4. INDEPENDENCE OF MIND AND CONFLICTS OF INTEREST

All the Members of the Supervisory Board – including those who cannot be qualified as independent according to paragraph 5.3 - shall act with independence of mind and awareness of the duties and rights inherent to the office, in the interest of the sound and prudent management of the Bank and its Group and in compliance with the applicable law and regulations.

Independence of mind, on the one hand, refers to behavioral qualities, such as the ability to assess and, if necessary, oppose the decisions proposed by other Members, to ask questions to the executive management, as well as to support one's own position with conviction, and, on the other hand, it presupposes that there are no situations of conflict of interest that could prevent the Member from objectively carrying out his/her duties.
For this purpose, priority is given to the need for each Bank to have adequate measures and procedures to ensure the identification, communication and management of situations of conflict of interest.

A number of relationships with Intesa Sanpaolo Group Companies, its customers, suppliers or competitors, may in certain circumstances give rise to a position of conflict of interest and which relate to the sphere of personal, professional, working, commercial, financial relationships, as well as to political positions or any disputes. These relationships may be considered relevant if they are maintained directly by the Member and/or, to the extent of the Member's reasonable knowledge, indirectly by his/her Family Members or by a company under paragraph 5.3.2. item ii), iii) and iv).

In line with the applicable local laws and regulations, the Members are required to inform the Supervisory Board, whenever there are a series of "structural" relationships, indicated in paragraph 5.4.1 below, which are subject to specific assessment by the Expert Service.

In addition, the Bank has adopted special measures to manage possible conflicts of interest of the Members of the Supervisory Board, with regard to the decision-making process of specific transactions.

[8] A position of high political influence can be at any level, such as a local politician (e.g., mayor), public employee (e.g., governmental job), president of a political party, Member of cabinet, or Member of a regional or national government.

In particular, Bank's "Policy on the management of transactions of related parties" which is aligned with the ''Group Procedures regulating the conduct of transactions with related parties of ISP associated entities of the Group and relevant parties pursuant to Art. 136 of the Consolidated Law on Banking'' already provides for special organizational and procedural measures to manage the Group's relationships with a predefined set of persons, including those related to the Supervisory Board Members.

Specific provisions are set out in paragraphs here below in addition to any existing policies adopted by the Bank for identifying situations of interest or conflict of interest that may arise in the course of the decision-making activities of the Supervisory Board.

Such situations shall be subject to a duty to provide specific information and, if necessary, to refrain from voting at a Supervisory Board or Committee meeting, in accordance with the specific internal regulations, if any.

A conflict of interest shall be deemed to exist which the Bank cannot manage:

- where the Member or a person related to him/her has a significant business relationship[9] with the Bank; or
- if the Member is also the President or a member of the Supervisory Board or the Management Board of another credit institution, financial institution, mixed financial holding company or financial holding company that provides services in the territory of the Republic of Croatia.

Notwithstanding above mentioned, it shall not be considered that there is a conflict of interest that a Bank cannot manage if the Member is also a member of the Management Board or Supervisory Board of:

- its subsidiaries which are credit or financial institutions, or
- credit or financial institutions belonging to the PBZ/ISP Group.

5.4.1. "Structural" situations of interest

The Expert Service shall be informed about the presence of certain types of relationships which in theory may be relevant for the purposes of meeting by each Member the requirement of independence of mind.

For the independent Members of the Supervisory Board, the assessments by the Expert Service, are covered by the provisions of paragraph 5.3 above.

For all the other Members of the Supervisory Board, the Expert Service carries out a specific assessment aimed at verifying that there is nothing that could hinder the full independence of mind of the Member when one or more of the following situations apply:

[9] A significant business relationship is a business relationship that meets any of the following conditions:

1) if the total liabilities of the President or a member of the Supervisory Board and persons related to them towards the Bank, its parent company or subsidiary, its clients and other credit institutions with its registered office in the Republic of Croatia or branches of the Bank from other Member States or third countries exceed the total claims and investments of the President or a member of the Supervisory Board and related persons in that credit institution for an amount exceeding 2% of the share capital of the Bank and not less than EUR 400,000 or
2) the Bank or with the Bank related person has an investment in Share capital instruments that exceeds 25% of the share capital of the company controlled by the President or a member of the Management Board or the President or a member of the Supervisory Board, or
3) where the undertaking related to the president or member of the Supervisory Board of the Bank derives the majority of its revenues from the provision of services to the Bank.

a) the Member is a Family Member of the President of the Management Body/Member, the CEO, an Executive Director (Board member in its executive function) or of the Key Function Holders and employees of the Bank and any of its subsidiaries, as well as of the Parent Company and any other controlling shareholder;
b) the Member holds – directly or indirectly - a significant financial, commercial or professional relationship, according to the thresholds and criteria set forth in paragraphs 5.3.3., 5.3.4, 5.3.5 and 5.3.6;
c) the member – directly or indirectly – has material personal, financial, commercial or professional relationship with clients, suppliers or competitors of the Bank, its subsidiaries, the Parent Company and any controlling shareholder, including in particular working relationships, directorships and shareholdings if[10] exceeding 3% for listed companies and 10% for non listed companies;
d) the Member is involved in disputes or out-of-court disputes, including mediation, arbitration and the like with the Bank, its subsidiaries, the Parent Company and holder of a qualifying share;
e) the member has or has had an employment relationship in the last five years;
f) the Member and his/her Family Member hold any position of high political influence in past two years[11];
g) the Member - directly or indirectly - and the Bank or another Group Company carry out joint ventures with a position of at least significant influence of both parties over the joint venture.
h) a cooling-off period has been set during which the candidate may not assume or start to perform the function he/she is being appointed to due to the potential conflict of interest
i) personal, business or professional relationships of the candidate with holders of a qualifying holding in the Bank or its parent company or its subsidiary, whether the candidate represents any of the shareholders of the Bank, its parent company or its subsidiary, and whether the candidate for the position of member of the supervisory board has been proposed by a significant shareholder

Past relationships shall be considered only if / when relevant according to local legislation.

In all the above cases, the Members shall state the reasons why, in their opinion, the situations do not actually affect their independence of mind.

Whenever the above circumstances occur, the Expert Service assesses the continuous fulfilment of the independence of mind requirements, taking into account all other useful information and provides suitable justification for its decision.

5.4.2. Occasional situations of interest

Some of the various situations of interest are subject to the principle of disclosure and/or abstention at Supervisory Board or Committee meetings, in line with the specific local legislation and internal regulations, whereas other situations rely mainly on reporting by the Member concerned.
In any event, the individual Member is responsible for identifying and reporting any further situations of interest that may arise based on the specific transactions or circumstances examined by the Expert Service.

[11] A position of high political influence can be at any level, such as a local politician (e.g. mayor), public employee (e.g. governmental job), president of a political party, member of cabinet, or member of a regional or national government

For this purpose, a personal interest is determined by any circumstance or relationship unrelated to the corporate functions carried out that, in specific connection with the matter under discussion, may determine or undermine a position of advantage directly or indirectly attributable to the Member. The personal interest creates a condition of conflict with the interest of the Company or the Group that is exposed to the risk of suffering damage, even partial, as a result of a potential conduct of the person concerned aimed at protecting or facilitating his/her own situation. By way of example, situations of conflict of interest may arise if the personal interest interferes, or may interfere, with the interest of the Company and/or the Group, preventing the objective and effective performance of their functions, or in relation to the pursuit of undue personal advantages as a result of the position held within the Company and/or the Group.

5.4.2.1 Main occasional situations of presumption of interest

A situation of interest of a Member is presumed to exist when a transaction or decision subject to examination by the Supervisory Board / Committee is involving one of the parties related to that Member:

a) *Entities related to the Member, pursuant to the Policy managing transactions with persons in special relationship with the Bank*[12].

b) *Other relevant entities for corporate offices:*

   - ✓ a company or other entity in which a Member, his/her Family Member holds an office of administration, management or control or holds the position of key manager and the group they belong to;
   - ✓ *a company or other entity competing with the Intesa Sanpaolo Group in which a Member or his/her Family Member holds an office, of administration, management or control or a management position]*.

c) *Other relevant entities for investment relationships*

   - ✓ a listed company in which a Member or his/her Family Member has a holding – directly or through controlled entities – in the share capital with voting rights of more than 1%;
   - ✓ an unlisted company in which a Member or his/her Family Member has a holding – directly or through controlled entities – in the share capital with voting rights of more than 1% and the investment is also worth more than 1 million euro.

The control measures detailed in par. 5.4.3 below ensure that the above cases are detected in advance by the competent Structures that support the Member concerned in the fulfilment of his/ her obligations.

[12] For references, please see 'Group Procedures regulating the Conduct of Transactions with Related Parties, of Intesa Sanpaolo S.p.A., Associated Entities of the Group and Relevant Parties pursuant to art. 136 of the Consolidated Law on Banking', January 2021.'

5.4.2.2 Other occasional situations of interest

In addition to the circumstances indicated in par. 5.4.2.1, which are subject to prior detection, each Member is required to report any further situations of interest or conflict of interest with respect to transactions or decisions subject to examination at Supervisory Board or Committee meetings.

By way of example, further situations to be reported by each Member may arise where the Supervisory Board or Committee meeting is examining one of the following cases:

- ✓ the transaction concerns a company or entity in which a Member or his/her Family Member has an investment or other financial relationship (including debt) of significant value, which may be affected by the transaction;
- ✓ the transaction concerns persons with whom the Member or his/her Family Member has had specific financial, professional or commercial relationships in the previous two years;
- ✓ the transaction is intended to support the purchase of equity investments or other securities issued by an entity related to the Member or one of his/her related party;
- ✓ a person that can be connected to a Member due to a stable professional or business relationships is proposed for appointment to a corporate body of a company;
- ✓ the transaction concerns persons who, to the best of the Member 's knowledge, have or have had in the previous two years significant financial, professional or commercial relationships with a company or entity in which a Member holds a corporate office or has a qualifying holding.

If the Member concerned considers that, in relation to the actual case examined, the above situations indicated by way of example, do not represent a situation of conflict of interest (with the activation of the consequent obligation to refrain), he/she shall inform the Expert Service, fully stating the supporting reasons.

In any event, the cases indicated do not cover all the situations that may be subject to the disclosure obligation and possible duty to abstain of the Member concerned.

5.4.2.3 The procedure

Without any prejudice to any further provision provided by local legislation, the Member is obliged to inform promptly and without any delay the Supervisory Board of any interest – including non-conflicting interests – that he/she has in a transaction, on his/her own behalf or on behalf of third parties, specifying its nature, terms, origin and extent.

If the Member actually has an interest, on his/her own behalf or on behalf of third parties, in relation to the items on the agenda of the Supervisory Board or one of the Supervisory Board's Committee, the disclosure obligation shall be fulfilled in writing or in other form by notifying the President of the Supervisory Board and the General Secretary/General Secretariat at least the day before the Supervisory Board or Committees meeting and, if not possible, at the latest during the meeting. This obligation shall be fulfilled also in the case the Member cannot attend the meeting.

If further explanations or clarifications are necessary, the President of the Supervisory Board may inform the Member, also before the meeting, so that he/she can duly supplement the communication provided to enable an adequate assessment for the purposes of the decision to be taken.

Whenever a conflict with the company's interest is involved, the Members are also required to abstain from resolutions, in accordance with the provisions of the relevant local legislation.

The responsibility for the declaration lies exclusively with the Member. If the Member concerned considers that, in relation to the actual case examined, the situations indicated in paragraphs 5.4.2.1 and 5.4.2.2 above do not represent a situation of conflict of interest (with the activation of the consequent obligation to abstain), he/she shall inform the Supervisory Board, fully stating the supporting reasons.

5.4.2.4 The resolution

For the purposes of the validity of the Supervisory Board's resolution, the presence of the Member in conflict shall be taken into account for the meeting quorum, but not for the resolution quorum, given the abstention.

If the obligation to disclose the existence of a conflict of interest is fulfilled, the Supervisory Board or Committee resolution shall duly justify the reasons and advantages for the company of the transaction. The justification shall take into account the information provided by the Member concerned, the analysis carried out and the basis for which the reputation and correctness and appropriateness of the decision taken is not affected, nor may appear to be affected, by the situation of the Member.

In the event of a conflict of interest, the Supervisory Board is required to examine, in a timely and reasoned manner, the underlying reasons, the nature and extent of the potential damage associated with the decision and any other significant impact of the initiative under examination. Similar obligations apply where the situation of interest relates to matters examined by a Supervisory Board's Committee.

5.4.3. Control measures

The Bank's Expert Service, with the support of the Compliance Department, ensures that appropriate operating procedures and information systems are adopted:

- ✓ to identify the situations indicated in paragraphs 5.4.1 and 5.4.2 based on the declarations of the Member and, where possible, also based on the information available to the Bank and the Group;
- ✓ to record and report to the Supervisory Board – as part of the periodic flow of information on transactions carried out with related parties and associated entities – transactions carried out for which the Members declared a situation of interest or conflict of interest.

The controls are linked to the procedures for transactions with related parties, associated entities and relevant persons[13].

To this end, at least once a year, the Members are required to provide all the information necessary to keep the internal control procedures up to date.

5.5. LIMITATION OF DIRECTORSHIPS

The Supervisory Board Members are required to comply with the provisions of the law, the Articles of Association and Supervisory Board's regulations/rules of procedures that regulate the assumption of offices in companies other than the Bank.

[13] For references, please see 'Group Procedures regulating the Conduct of Transactions with Related Parties, of Intesa Sanpaolo S.p.A., Associated Entities of the Group and Relevant Parties pursuant to art. 136 of the Consolidated Law on Banking', January 2021.

The Members of the Supervisory Board can hold at most the following combinations of company directorships at the same time (including the directorship in the Bank):

a) 1 executive directorship with 2 non-executive directorships; or
b) 4 non-executive directorships.

For this purpose, in accordance with the EBA/ESMA Guidelines, the following shall be considered as a single directorship:

i) directorships held within the same group;
ii) directorships held within companies in which the Bank has a qualifying holding ([14])
iii) directorships held in banks belonging to the same institutional protection scheme, if applicable[15].

Taking into account the guidance provided by the EBA, ESMA and the ECB, directorships held in organizations which do not primarily pursue commercial objectives are not relevant to the assessment of the number of directorships held. Accordingly, directorships held in the following entities are not included:

- companies set up solely for the purpose of managing the personal economic interests of the Member or a Family Member, and which do not require daily management activities by the Member;
- charities.

However, any directorship is still relevant for the purpose of assessing the time commitment, as detailed below.

In any event, the Member cannot assume the role of shareholder with unlimited liability in competing companies or conduct a competing activity on his/her own behalf or on behalf of third parties or be an executive director or general manager in competing companies, unless authorized by the Supervisory Board.

Lastly, the rules on incompatibilities for civil servants and public office holders shall be considered.

5.6. TIME COMMITMENT

The Members of the Supervisory Board are required to devote sufficient time to the performance of their role at the Bank and to confirm this availability in writing.

To this end, the Bank estimates the time deemed necessary for the effective performance of the office and assesses whether or not the Member is able to commit sufficient time to performing his/her functions, taking separate account of the different functions performed within the Supervisory Board and of all directorships held in companies or outside of the Bank, other job or professional activity carried out or any other circumstances relating to their professional sphere that may significantly affect their time commitment.

For this purpose, the Member of the Supervisory Board is required to disclose, at the time of his/her appointment and of the annual self-assessment, all offices held in companies other than the Bank, other jobs or professional activities carried out and to report promptly of any circumstances that may arise and confirm in writing that they can devote at least the time estimated by the Bank for the office held.

[14] In this respect, further guidance on how to calculate the directorships is provided in the related EBA/ESMA Guidelines and ECB Guidelines.
[15] See the definition of institutional protection scheme in Article 91 (4)(b)(i) of Directive 2013/36/EU and Article 113(7) of Regulation (EU) No 575/2013.

The following are taken into account for the assessment of the time connected with the role of Member of the Supervisory Board or of a Supervisory Board Committee:

i. number and duration of meetings in previous years;
ii. number of meetings scheduled for the current year;
iii. number and duration of induction sessions in previous years;
iv. estimate of the preparation time for each meeting;
v. the coordinating role of the Supervisory Board's President and Committee's President.

Taking into account the above, the minimum time estimated by the Bank as an indication in relation to each role performed in the Board shall be expressed at least in accordance with the terms set out in Attachment 1.

The indication of the estimated time is reassessed annually by the Expert Service.

The Expert Service shall assess also whether each Member devotes sufficient time to the performance of his/her office, taking into account the time estimated by the Bank in relation to the specific role and the information obtained.
The assessment of the sufficient time commitment, particularly when made on annual basis, will take into account the level of attendance of the Member in the meetings of the Supervisory Board and of the individual Committees they belong to, as well as the induction sessions. In particular, if the meeting attendance is less than 80%, the reasons given by the Member concerned are specifically assessed.
If the time commitment provided by the Member is not deemed sufficient, the Expert Service may ask the Member to undertake specific commitments to increase his/her time availability.

5.7. INDIVIDUAL SUITABILITY ASSESSMENT

For the assessment of the individual suitability requirements as defined in the previous paragraphs the Bank, being established in European Union Member States that is part of the Single Supervisory Mechanism (SSM) Area shall collect all the relevant information for the "ECB Fit & Proper questionnaire", in case of new appointment and in case it is requested by banking authorities or national law[16]. The new communication's method involves the use of "IMAS portal". The operating practices regarding the initial application phase and the management of the process of communicating information on the suitability requirements of Members of the Supervisory Board are established in "Group rules for the communication of information on suitability requirements of Members of the Management Body and Key Function Holders", to which reference is made for the sake of completeness.

6. CRITERIA FOR THE ADEQUATE COMPOSITION SUPERVISORY BOARD

The composition of the Supervisory Board shall be sufficiently diverse in order to foster discussion and dialogue within the Body itself, to encourage different approaches and perspectives in the analysis of the matters and in the decision-making process; to support Bank's processes for the preparation of strategies and risk management activities and to consider all the interests that contribute to the sound and prudent management of the Bank.

[16] The Banks in SSM Area are required -starting from January 2021- to adopt new methods of communicating with the Supervisory Authorities for managing the process of assessment of the suitability requirements of Members of the Management Body and Key Function Holders, in accordance with Article 93 of Regulation 468/2014 of the European Central Bank as transposed in the national legislation on banking supervision.

At the time of appointment and, during the mandate, on annual basis, Expert Service assesses the Supervisory Board's adequacy of composition, both in qualitative and quantitative terms, allowing for its correct and effective functioning.

In assessing the adequate composition, the Expert Service takes into account all the related regulations and, in particular, the need to ensure the presence of different criteria such as:

- sufficient diversity of age, gender, geographical provenance and educational and professional background;
- suitability of the skills considered collectively in relation to the targets;
- sufficiency in number to ensure the functioning;
- compliance with the limitation in terms of directorships and time commitment.

The Expert Service takes into account, among other things, the business model of the Bank and the Group, the type of activity carried out, the Bank/Group's strategy and the associated risks.

6.1. OVERALL EXPERIENCE REQUIREMENTS

In addition to the experience requirements for the individual Members set out in paragraph 5.2 above, the areas of knowledge relating to the activities carried out by the Bank, as well as the related risk, including money laundering and terrorist financing risks and ESG risks, shall be met by the Supervisory Board on an overall basis.
For each area of activity, there shall be a sufficient number of Members in the Supervisory Board with knowledge of the specific area to allow for constructive discussion of the decisions to be taken.

The composition of the Supervisory Board shall reflect the knowledge, skills and experience necessary to fulfil its responsibilities and enable it to effectively understand and monitor the decisions taken by the Management Board, the President of the Management Board and the individual Members in the course of their day-to-day work.

For the assessment of the adequate composition, the Expert Service assesses a specific document (skills matrix) which reflects the actual composition of the Body in terms of overall experience and enables the presentation of the additional requirements to be met for the expected optimal composition.

The skills matrix is periodically assessed by Expert Service.

6.2. INDUCTION PLANS

The participation of the Members in dedicated training initiatives is promoted, based on the individual and collective skills and experience of the Members.
The initiatives are aimed at providing increasing knowledge of the Bank's and the Group's business sectors, the corporate dynamics and their evolution, the principles of correct risk management, and the applicable legislative and self-regulatory framework (so-called "induction plans").

The Supervisory Board, in coordination with the Parent Company and with the support of the Nomination Committee, approves induction plans addressed to all the Members of the Supervisory Board, as well as personalized programs for individual Members, when needed to strengthen their areas of competence.

The induction plans are drawn up periodically following (i) the first assessment carried out after appointment and (ii) the self-assessment carried out annually by the Supervisory Board.

Within one month from the appointment, the new Members of the Supervisory Board shall be provided with a set of essential information to enable an immediate understanding of the structure and operations of the Bank and the Group, the business model and the risk profile. For the same purpose, the Bank shall distribute to the new Members of the Supervisory Board the Code of Conduct and the most relevant Group Rules and regulations.

The induction sessions are organized in cooperation with the Parent Company and the Members of the Supervisory Board are formally asked to take part, having been given access to the related documentation in due time and with the possibility of connecting via video conference call.

The induction plans are also structured on the recommendation of the Supervisory Board and based on the results of the self-assessments carried out, with the joint support of HR and Organization, Legal and Compliance Departments and the competent corporate functions in relation to the subject-matter of the individual sessions.

The structuring of the sessions takes into account, in addition to the indications of the President of the Supervisory Board, the needs expressed by the Members upon their appointment – when assessing their suitability for the office – or during the annual self-assessment process. In any event, the Members are provided the possibility of making individual requests for training in a particular area, whenever they consider it necessary, or reporting any other needs to the Expert Service.

During the annual self-assessment, the Supervisory Board with the opinion of the Nomination Committee, expresses its opinion on the implementation and quality of the past induction plan, also with a view to helping refine the process and strengthen the quality of training.

6.3. DIVERSITY CRITERIA

The criteria adopted by the Bank in identifying the qualitative and quantitative composition of the Supervisory Board are designed to ensure the presence on the Supervisory Board of a wide range of profiles and skills that are diversified in terms of age, gender, geographical provenance and educational and professional background, also at international level.

In particular, the presence in the Supervisory Board of Members belonging to different age groups helps to enhance dialogue and constructive discussion within the Body.

With regard to gender diversification, the Supervisory Board approves the target in terms of proportion of the less represented gender[17] set by Nomination Committee and a plan for recovering the set target if it has not been met.

With particular regard to its term of mandate, the Supervisory Board, with the support of the Nomination Committee, takes into account the need to safeguard adequate continuity of experience and knowledge and an overall balance in the composition and functioning of the Supervisory Board and its Committees, in order to prevent the risks associated with simultaneous replacements of an excessive number of Members.
Diversity criteria for the Supervisory Board composition and other related matters may be further defined in a separate Regulation.

6.4. COLLECTIVE SUITABILITY OF THE SUPERVISORY BOARD

The collective acquired knowledge, skills and expertise at the level of the entire Supervisory Board ensures high-quality supervision of the management of the Bank's operations and the

[17] The defined target for the representation of the underrepresented gender for the Supervisory Board is set as one third of the number of Members of the Supervisory Board rounded –to the unit.

suitability of the Supervisory Board as a whole, meaning that the Members have to collectively possess suitable professional knowledge, skills and experience required to perform necessary functions in accordance with the set business model, assume risk in line with the strategy and markets in which the Bank operates, and in accordance with the target structure of the Supervisory Board set out in this policy.

In accordance with this policy, the Supervisory Board shall have a sufficient number of Members with adequate professional knowledge in the areas listed below:

- ✓ strategic planning;
- ✓ financial markets;
- ✓ banking and financial services and products;
- ✓ human resources, organization and corporate governance structures;
- ✓ risk management (identifying, assessing, monitoring, controlling and mitigating the main types of risk of a bank and its group as well as the related risk, including money laundering and terrorist financing risks and ESG risks);
- ✓ regulations in the banking and financial sector;
- ✓ internal control systems;
- ✓ accounting and financial information;
- ✓ digital & information technology and cybersecurity;
- ✓ international experience.

Members evaluation implies Members undertaking a constructive but critical review of their own performance, identifying strengths, weaknesses, and implementing plans for future professional development.

6.5. SUCCESSION PLAN

In all cases in which it is necessary to replace a Member, the the Expert Service as soon as it is informed of the termination of office and in close coordination with the Parent Company in its governance role, shall promptly inform the President of the Nomination Committee[18], who shall convene the Nomination Committee.

The Nomination Committee prepares a description of the profile of the candidate to be appointed in terms of experience and possession of the other necessary requirements, taking into account the following aspects in particular:

- ✓ the profile of the outgoing candidate in terms of experience and the role held in the Supervisory Board;
- ✓ the regulatory provisions, the Articles of Association and the requirements set in this Policy in terms of possession of the necessary requirements;
- ✓ the requirements for the overall Supervisory Board composition, also based on skills matrix;
- ✓ any need to change the composition of the Supervisory Board's Committees.

[18] The Banks, in which the Nomination Committee has not been established, shall ensure carrying out of the above duties directly by the competent Supervisory Board.

7. PRELIMINARY ANALYSIS AND ASSESSMENT PROCESS

7.1. TIMING OF THE ASSESSMENT

The assessment of the individual requirements of the Members, usually in conjunction with the assessment of the adequacy of the overall composition of the Supervisory Board, in accordance with the local legislation, is conducted in the following situations:

- at the appointment of the Members of the Supervisory Board at the beginning of the mandate;
- for each new appointment of a Member during the term of the mandate;
- when there are new circumstances, situations or events communicated by the Members that may affect the suitability requirements, taking into account the related EBA/ESMA Guidelines and ECB Guide or in case of significant changes in the position held within the Supervisory Board;
- in response to any specific requests from the Supervisory Authorities.

The assessment shall be conducted before the appointment or in due time in compliance with the applicable local regulations.

7.2. DISCLOSURE REQUIREMENTS FOR THE MEMBERS

Each Member is required to comply with the following disclosure and certification requirements:

i. at the time of the assessment of the requirements, either prior to the appointment or on an annual basis if required by the local regulator, submitting to the Expert Service the declarations and documentation proving the possession of the suitability requirements and absence of grounds for incompatibility, using the forms prepared by the Bank, in compliance with the applicable regulations and Articles of Association provisions;

ii. notifying any changes and any information regarding each of the requirements and criteria relevant to the overall assessment of suitability for the office held, by means of timely disclosure to the Expert Service.

The Member shall also provide the necessary documentation to support the assessment to be carried out.

The personal data acquired by the Bank shall be processed in compliance with the specific internal rules issued in accordance with the legislative and regulatory provisions on the protection of confidentiality, with particular regard to the acquisition and management of data, the information required and the purposes of the processing.

7.3. PRELIMINARY ANALYSIS PROCESS

The process of analysis of the requirements shall be documented and the outcome of the assessments shall be justified.

Taking into account the information available and the information provided by Members, the Expert Service, carries out the preliminary analysis on the suitability requirements.
If the analysis carried out identifies the presence of significant matters requiring attention, the Expert Service shall:

- ✓ ask the Member concerned – if necessary, with the help of General Secretariat – for the additional feedback to be acquired for a complete analysis;
- ✓ ask the structures involved in the performance of the analysis for any additional information needed to conduct the necessary further analysis.

The Expert Service, with the support of General Counsel and Compliance Departments, prepares the preliminary assessment conclusions regarding the satisfaction of the suitability requirements by each Member and the correspondence of the Member's knowledge and skills with the indications provided in the document on the assessment of the qualitative and quantitative composition of the Supervisory Board.

The conclusions reached are presented individually to the Management Board , for their subsequent submission to the Nomination Committee and Supervisory Board and, finally, to the General Meeting for the adoption.

7.4. OUTCOME OF THE ASSESSMENT OF THE SUPERVISORY BOARD

Taking into account the preliminary analysis conducted by the above structures and based on the information acquired, the General Meeting adopts decision on the individual assessment for each Member, with the abstention of the person concerned, and the overall assessment of the Body.

The minutes of the meetings provide precise and detailed information on the assessments carried out, together with the related justifications.

When necessary, the Supervisory Board adopts, if possible, the necessary or appropriate corrective measures provided for in this Policy.

Corrective measures may include, but are not limited to: adjusting responsibilities between Members of the Supervisory Board; replacing certain Members; recruiting additional Members; possible measures to mitigate conflicts of interest; training single Members; or training for the Supervisory Board collectively to ensure the individual and collective suitability of the Supervisory Board.

In case the Supervisory Board, based on the outcome of the performed assessment, finds out that the requirements declared when taking office are absent or have ceased for one or more Members, the Supervisory Board adopts all the necessary measures for the reinstatement of the requisites, in line with the provisions of the present Policy and the applicable regulations.

If the lack of suitability requirements cannot be remedied through specific measures, where permitted, or such measures have not been taken, the Supervisory Board shall declare the disqualification from office, with the abstention of the Member concerned.

8. STEERING AND COORDINATION BY THE PARENT BANK

The Parent Company oversees the updating of these rules, to ensure they are suitable for governing processes of assessment of Subsidiaries' Management Body and are constantly aligned with developments in primary and secondary laws/regulations and interpretations provided by national and international Supervisory Authorities.

The Parent Company's Functions in charge of supervising/coordinating the processes of adoption/revision of this Policy and the assessment of the Bank's ' Supervisory Board are, according to their respective competence, IBD HR Contracts, Data Analysis and Cost Management and IBD Governance Function, which, as necessary, will involve the other H.O. Functions as described below.

8.1 ASSESSMENT CONCERNING THE SUPERVISORY BOARD OF THE BANK

For what concerns Supervisory Board Members, IBD Functions involved in the suitability assessment process are:

IBD - HR Contracts, Data Analysis and Cost Management:

- to coordinate, in cooperation with the ISP Group Shareholdings, the process of selection and first assessment (in addition to the one already performed by the Subsidiaries) of the candidates as Member of the Supervisory Board, supporting the International Subsidiaries in the execution of their duties and in the relationship with the Supervisory Authority; with reference to the Members of the Management Board, HR Contracts, Data Analysis and Cost Management gathers the feedbacks from IBD People Management & Development as well as the corresponding competent function in IBD/ISP;
- to review, before their submission to the Banks' corporate bodies, the suitability assessments on the individual Members of the Supervisory Board and on the Supervisory Board collectively, performed by the Expert Service (including the Fit & Proper Questionnaires to be submitted to the Regulators) – limited to what is in its competence – involving in the evaluation the ISP Group Shareholdings;
- to communicate to IBD People Management & Development the need to plan and organize the induction/training plans for single Members of the Supervisory Board or for the Supervisory Board collectively;
- to appraise, in cooperation/alignment with ISP Group Shareholdings and IBD – Governance Function, the adequateness of the size and composition of the Supervisory Board;
- to evaluate with regard to gender diversification, in cooperation/alignment with ISP Group Shareholdings, the proposed targets in terms of the proportion of the less represented gender and in the light of the applicable policies in the matter;
- to coordinate the succession plans for the Members of the Supervisory Board in its supervisory function while for the Members of the Management Board, IBD HR & Change Management Dept. is involved.

IBD – Governance Function:

- to review, before their approval, the Banks' policies and procedures drafted based on the present Policy, in close cooperation with IBD HR Contracts, Data Analysis and Cost Management and ISP Group Shareholdings;
- to monitor periodically the collective suitability outcome of the Supervisory Board and share the information with IBD and central ISP Group Shareholdings;
- to support and advise, in cooperation/alignment with IBD HR Contracts, Data Analysis and Cost Management and ISP Group Shareholdings, the International Subsidiaries on the evolution of the local and international legal framework pertaining to the suitability assessment of the Members of the Supervisory Board;
- to provide support in the adoption and application by all International Subsidiaries of the Group regulatory framework in the matter of the suitability assessment, in alignment with ISP Group Shareholdings.

For the purpose of the individual and collective assessment of the Supervisory Board, the Bank is requested to submit to the above-mentioned Functions – according to the timing defined at previous chapter 7.1 - the following documentation:

IBD - HR Contracts, Data Analysis and Cost Management

- ✓ copy of documentation submitted by the Members of Supervisory Board for appointment/renewal/self-assessment of their positions (including the F&P Questionnaires to be submitted to the Regulators);
- ✓ results of assessment of individual Members of Supervisory Board;
- ✓ results of collective assessment of Supervisory Board;
- ✓ results of audit inspections carried out by local/European Supervisory Authorities and concerning the qualification of the individual Members or of the Supervisory Board as a whole;
- ✓ any other information relevant for the composition of the Bank's Supervisory Board (prolonged absence of Members, insurgence of conflicts of interest, etc.).

IBD - Governance Function

- ✓ results of the collective assessment of Supervisory Board;
- ✓ any request for amendment to the Suitability Requirements for Members of Supervisory Board's Policy and Procedures.

9. FINAL PROVISIONS

These Rules shall become effective as of the date of their approval by the GSM and may be amended by a subsequent decision of the GSM.

In the event that any provision of these Rules contradicts the provisions of the Bank's Articles of Association, the regulatory acts of the National Bank of Croatia, or any other local applicable legislation, the latter shall prevail.

ATTACHMENT 1 - INDICATION OF THE MINIMUM TIME ESTIMATED BY THE BANK IN RELATION TO EACH ROLE PERFORMED WITHIN THE SUPERVISORY BOARD

As per a general rule, the minimum time estimated as an indication in relation to each role performed in the Supervisory Board is expressed at least in the following terms, bearing in mind that the different quantifications are to be summed together when the Member performs two or more roles in the Supervisory Board ([19]):

a) President of the Supervisory Board: 35 working days a year;

b) Member of the Supervisory Board: 24 days a year;

c) President of the Audit Committee: 4 working days a year;

d) Member of the Audit Committee: 3 working days a year;

e) President of the Risk and Sustainability Committee: 3 working days a year;

f) Member of the Risk and Sustainability Committee: 2 working days a year;

g) President of the Remuneration Committee: 3 working days a year;

h) Member of the Remuneration Committee: 2 working days a year;

i) President of the Nomination Committee: 3 working days a year;

j) Member of the Nomination Committee: 2 working days a year;

The indication of the estimated time is reassessed annually by the Expert Service, during the self-assessment meeting, and during re-election also for the purpose of documenting the qualitative and quantitative composition of the Supervisory Board.

[19] By way of example, in order to calculate the overall time required of the Member who is also President of the Risk and Sustainability Committee, the quantification indicated for the office of Member (letter b), Member of the Risk and Sustainability Committee (letter f) and President of that Committee (letter e) will need to be summed together.

ATTACHMENT 2 – COLLECTIVE SUITABILITY ASSESSMENT MATRIX

Skills overview *This section is meant to define required experience, knowledge and skills of the Supervisory Board map them with individual members of the Supervisory Board, define standard for the collective possession (Supervisory Board as a whole) of the required experience, knowledge and skills, and finally assess the collective suitability of the Supervisory Board in respect to the required experience, knowledge and skills.**									
Required experience, knowledge and skills	*X to be put with a member which possesses those experience, knowledge and skills in extensive degree*						*Expected collective presence of the required experience, knowledge and skills*	*Effective presence of collective presence of the requred experience, knowledge and skills*	*Collective suitability in respect to the required experience, knowledge and skills*	***General Assessment of the Suitability***
							VE = Very extensive (present with at least 2/3 of the members) *EP= Extensive Presence (present with more than 50% of the members)* *MP= Moderate Presence (present with at least one of the members)*	*VE = Very extensive (present with at least 2/3 of the members)* *EP= Extensive Presence (present with more than 50% of the members)* *MP= Moderate Presence (present with at least one of the members)*	*A = Achieved (Valuation of collective presence equal or more than Expected collective presence)* *NA=Not Achieved (Valuation of collective presence less then Expected collective presence)*	***1) Collective Suitability Criteria are met if at least 90% of the listed categories marked with A = Achieved*** ***2) Collective Suitability Criteria are NOT met if less than 90% of the listed categories marked with NA = Not Achieved***
1. Overal knowledge of the banking business and typical strategies of the industry and of risk assessment and management techniques connected with the exercise of banking activities, appropriate to the complexity of the Bank										***MET THE COLLECTIVE SUITABILITY CRITERIA***
2. Knowledge of financial markets and the economic-financial system										
3. Knowledge of regulations in the banking industry and financial activities										
4. Strategic view and planning (ability to understand the medium/long-term scenario of the Bank and the industry and related strategic options										
5. Experience in business and/or corporate management										
6. Ability to read and interpret financial statements data of a financial institution and accounting and financial information										
7. Expertise in risk management and internal control systems										
8.Experience in prevention of money laundering and terrorist financing and the risks associated with money laundering and terrorist financing can have on the operations of the Bank.										
9. Knowledge of ESG risks										
10. Knowledge of organisational and corporate governance structures										
11. Experience in auditing and control										
12. Knowledge of remuneration systems and tools										
13. Knowledge of the insurance market and products and the related regulations										
14. Knowledge of matters related to digital & information technology and cybersecurity										

(*) Methodology explanation :

Column 1 = Identified criteria for collective suitability assessment
Column 2 = individual self-assessment by the member of the Management Body. To mark with "X" when present
Column 3 = expected presence of the required experience, knowledge and skills at collective level (to be defined by the Bank)
Column 4 = effective presence of the required experience, knowledge and skills at collective presence (to be calculated depending on the outcome from column 3)
Column 5 = depending on the outcome of column 4, A = Achieved, NA = Not Achieved

City, date **Head of competent functions signature**

Explanation of the proposal:

A proposal is made to the Extraordinary General Meeting to adopt the Policy on Suitability Assessment of the Members of the Supervisory Board (hereinafter: the Policy) in order to align with the provisions of the Croatian National Bank's Decision on the assessment of the suitability of the chairperson of the management board, members of the management board, chairperson of the supervisory board, members of the supervisory board and key function holders in a credit institution (Official Gazette no. 30/2026) and the most recent amendments to the Credit Institutions Act (Official Gazette no. 22/2026), and the parent bank's document "Rules on Suitability Assessment of the Members of the Management Body and Key Function Holders for International Banks".

This Policy shall supersede the Policy on the Target Structure of the Supervisory Board and on the Suitability Assessment Criteria, number EGM_4_22/3 of 9 November 2022.

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

In line with Article 56 of the Articles of Association of Privredna banka Zagreb d.d., the right to participate in or vote at the General Meeting of the Bank can be exercised by those shareholders who are registered with the depository of the Central Depository & Clearing Company six (6) days inclusive prior to the General Meeting of the Bank (day of establishment

of the list of shareholders) provided that they give notice to the Bank of their intention to participate in or vote at the General Meeting of the Bank and that the Bank receives the notice at the address: Privredna banka Zagreb d.d., General Secretariat Office, Radnička cesta 44, 10000 Zagreb, no later than six (6) days before the General Meeting of the Bank. The time limit does not include the day when the Bank receives the notice.

Each of 18,765,747 shares with a nominal value of EUR 13,00 that the share capital of the Bank is divided in gives its holder the right to one vote.

The shareholder may be represented by a proxy at the Extraordinary General Meeting. The proxy shall be prepared in writing, and it need not be notarized by a notary public.

The legal person giving proxy shall enclose with the notice/proxy an excerpt from the court register or another register where that person is registered or its copy, transcription or another deed showing that the proxy was signed by the person authorised by law to represent the legal person. Deeds prepared in a foreign language shall be translated into Croatian by an authorised court interpreter.

A duly filled in and signed notice/proxy form with attachments shall be delivered to the address: Privredna banka Zagreb d.d. – General Secretariat Office, Radnička cesta 44, 10000 Zagreb, no later than six (6) days before the Extraordinary General Meeting of the Bank.

The material for the Extraordinary General Meeting of the Bank, serving as basis for making the published decision, will be made available to the shareholder starting from the date of publication of the invitation to the Extraordinary General Meeting of the Bank, on the Bank's premises in Zagreb, Radnička cesta 44, B1-8A every work day from 10.00 a.m. to 12.00 noon 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 Extraordinary General Meeting of the Bank, then the Extraordinary General Meeting of the Bank will be held on 1 July 2026, at the same location, beginning at the same time, and the Agenda of the meeting will remain the same.

The information on personal data protection can be found in the document *Information on personal data processing of PBZ d.d. - Extraordinary General Meeting,* which is attached to this Invitation.

Shareholder rights

As regards exercising of a right to:

- call the General Meeting (which is the right of those shareholders who, together, hold shares equal to the twentieth part, i.e. 5% of the share capital) – the shareholder is advised to consult the provisions of Article 278, par. 1 of the Companies Act.
- have the Management Board of the Bank inform the shareholder, upon request, at the General Meeting about the company business where necessary for proper evaluation of the items on the agenda – the shareholder is advised to consult the provisions of Article 287 of the Companies Act.

Privredna banka Zagreb d.d.

PRIVREDNA BANKA ZAGREB
Intesa Sanpaolo Group

INFORMATION ON PERSONAL DATA PROCESSING - EXTRAORDINARY 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.
Radnička cesta 50
10000 Zagreb
Phone number: 0800 365 365
E-mail: pbz365@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.
Data Protection Officer
Radnička cesta 42
10000 Zagreb
E-mail: sluzbenik.za.zastitu.osobnih.podataka@pbz.hr

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

For the purpose of participating at the Bank's Extraordinary General Meeting (hereinafter referred to as: the Meeting) which will be held on 30 June 2026, 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, copy of personal identity card, e-mail address (necessary for the purpose of voting by means of electronic communication). In addition to the aforementioned, with regard to the shareholders, we will collect the shareholder's CDCC account and the number of shares. The purpose of data processing is the execution of the shareholders rights prescribed by law.

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 Extraordinary 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.

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.

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, June 2026.

PRIVREDNA BANKA ZAGREB d.d.