

**SLATINSKA BANKA d.d.**  
**Vladimira Nazora 2, Slatina**

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INDEPENDENT AUDITOR'S LIMITED  
ASSURANCE REPORT ON THE REMUNERATION  
REPORT FOR THE YEAR 2023

MARCH 2024

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## INDEPENDENT LIMITED ASSURANCE REPORT ON THE REMUNERATION REPORT FOR THE YEAR 2023

to the Management Board and the Supervisory Board of  
SLATINSKA BANKA d.d.

### **SUBJECT MATTER**

Pursuant to the provisions of Article 272.r (3) of the Companies Act and the contract concluded with the Company SLATINSKA BANKA d.d. (hereinafter: „the Bank“), we conducted a limited assurance engagement for the accompanying Remuneration report for the year ended 31 December 2023 (“Remuneration report”) prepared by the Management Board of the Bank.

Our engagement with the expression of limited assurance refers to the subject of the investigation as to whether the Remuneration Report contains information in accordance with Article 272.r paragraphs 1 and 2 of the Companies Act.

### **APPLICABLE CRITERIA**

The applicable criteria for determining individuals to be included in the Remuneration report and requirements concerning the disclosure thereof have been defined in the provisions of Article 272.r (1) and (2) of the Companies Act.

### **INHERENT LIMITATIONS**

In the event of additional information or data provided to us, or in the event of misleading oral or written statements or explanations, our findings, interpretations or conclusions in our independent limited assurance report may be incomplete or may result in the need for additional procedures not included in the scope of this engagement.

The scope of our work does not include reviewing the above; therefore, we do not assume any responsibility for any changes and additions that may occur in this Report based on this Report with the expression of limited assurance or any difference between the reports we have issued and the data presented in the financial statements.

### **SPECIAL PURPOSE AND RESTRICTIONS ON THE USE**

This Report is intended exclusively for the Management Board and Supervisory Board of the Bank for the purpose of fulfilling the provisions of Art. 272. r. paragraph 3 of the Companies Act and announcements on the Bank's website in accordance with Art. 272. r. paragraph 4 of the Companies Act and may not be used for any other purpose, nor are we responsible for the direct or indirect consequences of unauthorized distribution and use.

The Bank's management is responsible for the publication of the Remuneration Report on the Bank's website, for the accuracy of the data contained and the identity of the published Remuneration Report and the Remuneration Report for which we have published an Independent Report with the expression of limited assurance, and therefore we are not responsible for additions and changes as well as updates that may follow as a result of any differences between the published Remuneration Report

and the Remuneration Report for which we have issued an Independent Report with the expression of limited assurance.

Based on the procedures performed and described below, this Report expresses a conclusion with limited assurance, and its purpose is not, nor does it represent, a legal opinion on compliance with Article 272.r of the Companies Act.

To the fullest extent permitted by law, we accept no responsibility and accept no liability to any other party, other than to the Company's Management and Supervisory Board, in connection with our work or this limited assurance report or the conclusions reached.

### **RESPONSIBILITIES OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD**

The Management and Supervisory Board are responsible for:

- Preparing the Remuneration report for the year 2021 in line with disclosure requirements defined in Article 272.r (1) and (2) of the Companies Act;
- Preparation, application and maintenance of the system of internal controls necessary for the preparation and presentation of the Remuneration Report, without material errors that could arise as a result of fraud or error;
- Selecting and then applying relevant remuneration policies for 2023, as well as adopting reasonable judgements and estimates in relation to data disclosed in the Remuneration report;
- Determining individuals to be included in the Remuneration report in line with Article 272.r (1) of the Companies Act.
- Measurement, calculation, compilation, reporting and publication of the Remuneration Report on the Bank's website in accordance with the Applicable Criteria for 2023 and Art. 272. r. paragraphs 1, 2 and 4 of the Companies Act.

The Management and Supervisory Board of the Company are responsible for the design, implementation and maintenance of internal control systems ensuring to a reasonable extent that the previously described data contain no material misstatements, whether due to fraud or error. In addition, the Management and Supervisory Board of the Company are required to secure the completeness and accuracy of the documentation delivered.

### **OUR RESPONSIBILITY**

Our responsibility is to issue a report on the conclusion of the Remuneration Report in accordance with the requirements of Article 272.r paragraph 3 of the Companies Act. We have completed our limited assurance engagement in line with the International Standard for Assurance Engagements (ISAE) 3000 – *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (Revised).

### **APPLICABLE QUALITY MANAGEMENT REQUIREMENTS**

PKF FACT revizija d.o.o. applies the International Quality Management Standard 1 and, according to the aforementioned, we ensure the establishment, implementation and functioning of the quality management system, including policies and procedures related to compliance with ethical requirements and professional standards and with applicable legal and regulatory requirements.

### **COMPLIANCE WITH INDEPENDENCE AND OTHER ETHICAL REQUIREMENTS**

We have met the independence requirements and other ethical requirements of the *International Code of Ethics for Professional Accountants*, including the *International Standards of Independence* issued by the International Ethical Standards Board for Accountants (IESBA), which are based on the fundamental principles of integrity, objectivity, professional competence and due diligence, confidentiality and professional behaviour.

## SUMMARY OF WORK PERFORMED

The examinations were carried out as part of the audit of the annual financial statements and during the compilation of this Report and included the following procedures:

- We interviewed members of the Management Board, the Supervisory Board and other people in the Bank to understand the remuneration policy and the procedure for preparing the Remuneration Report;
- From the Bank and from public announcements, we received a list of all members of the Management Board and Supervisory Board during 2023 and compared whether the information on the remuneration of these natural persons is contained in the Remuneration Report
- We interviewed the responsible persons to understand how is the reporting information generated;
- We compared whether the attached reports are harmonized in part with the published financial information with the annual financial statements and accounting records;
- We compared the calculations of remuneration by month in 2023 with payments in individual months, analytical accounts where payments were recorded, and the recapitulation of receipts contained in the Remuneration Report;
- We have checked whether the Remuneration Report contains all the information required in Art. 272. r. paragraphs 1 and 2 of the Companies Act.

The nature and extent of our procedures are determined based on risk assessment and our professional judgment, in order to express a limited assurance conclusion.

The scope of a limited assurance engagement is significantly less than the scope of a reasonable assurance engagement with respect to risk assessment procedures, including an understanding of internal control and the procedures implemented in response to the assessed risks.

We believe that the evidence we have received is sufficient and adequate and that it forms an appropriate basis for our limited assurance conclusion.

## LIMITED ASSURANCE CONCLUSION

Based on the procedures conducted and evidence obtained, nothing caused us to believe that the Remuneration report for the year ended 31 December 2023 did not contain data, in all material aspects, stipulated in Article 272.r (1) and (2) of the Companies Act

U Zagrebu, 26. ožujka 2024. godine



Jeni Krstičević, univ.spec.oec.  
Predsjednica uprave

**PKF FACT revizija d.o.o.**  
**ZAGREB, OIB: 66538066056**  
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Jeni Krstičević, univ.spec.oec.rra.  
Ovlašteni revizor

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10000 Zagreb

**ATTACHMENT - REMUNERATION REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

## REMUNERATION REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

During 2023, the Bank's Supervisory Board worked with the following composition:

First and last name	Supervisory Board	From	To
Domagoj Petrinović	Chairman of the Supervisory Board	01 January 2023	31 December 2023
Domagoj Karačić	Deputy Chairman of the Supervisory Board	01 January 2023	31 December 2023
Anita Zelić	Member off the Supervisory Board	01 January 2023	31 December 2023

Each member of the Supervisory Board has the right to a fixed monthly remuneration from the day of his/her appointment to that position until the termination of the same.

Members of the Supervisory Board for 2023 received compensation for their work for the duration of their arrangement and in accordance with the work they perform in the Bank.

The receipts of the Supervisory Board for 2023 are shown as follows:

FIRST AND LAST NAME	FIXED REMUNERATION 2023	%	VARIABLE REMUNERATION 2023	%	TOTAL REMUNERATION	%
Domagoj Petrinović	13,366.63	100.00%	0.00		13,366.63	100.00%
Domagoj Karačić	10,720.16	100.00%	0.00		10,720.16	100.00%
Anita Zelić	10,891.32	100.00%	0.00		10,891.32	100.00%
TOTAL	34,978.11	100.00%	0.00		34,978.11	100.00%

The remuneration of the members of the Supervisory Board does not depend on the Bank's results and does not contain variable remuneration that is calculated on the basis of the achieved results in order to maintain their independence and complete objectivity.

The remuneration report for the Supervisory Board for 2023 was made according to the relevant legal provisions of Article 272 of the Companies Act.

### Remuneration of the members of the Management Board

The Bank's Management Board has three members:

First and last name	Management Board	From	TO
Andrej Kopilaš	President of the Management Board	01 January 2023	31 December 2023
Marin Prskalo	Member of the Management Board	01 January 2023	21 March 2023
Oliver Klesinger	Member of the Management Board	01 January 2023	31 December 2023
Damir Kaluđer	Member of the Management Board	12 October 2023	31 December 2023

The table below shows the fixed, variable and tax-free remuneration of the members of the Management Board paid in 2023.

Fixed remuneration consists of the contracted gross salary.

Variable remuneration consists of the right to use Bank's vehicles for private purposes, while non-taxable remuneration consists of allowances for meals during work; holiday allowances, Christmas gifts, gifts for children and awards paid to all workers for work results.

Remuneration of members of the Management Board for 2023:

FIRST AND LAST NAME	FIXED	%	VARIABLE	%	TOTAL	%	NON-TAXABLE
Andrej Kopilaš	166,240.34	98.71%	2,175.11	1.29%	168,415.45	100.00%	2,512.69
Marin Prskalo	23,859.56	96.51%	861.57	3.49%	24,721.13	100.00%	177.66
Oliver Klesinger	149,624.04	97.59%	3,689.82	2.41%	153,313.86	100.00%	2,379.96
Damir Kaluđer	24,017.44	100.00%	0.00		24,017.44	100.00%	1,876.83
<b>TOTAL</b>	<b>363,741.38</b>	<b>98.18%</b>	<b>6,726.50</b>	<b>1.82%</b>	<b>370,467.88</b>	<b>100.00%</b>	<b>6,947.14</b>

The salary of the members of the Management Board is agreed in a fixed amount, which is not related to performance. Management contracts allow annual awards for business results achieved in the previous period.

During 2023, the Bank recognized awards to the members of the Management Board based on the Bank's Remuneration Policies that were in force for the years 2017, 2018, 2020, 2021 and 2022, and the agreed provisions of the Management Board members. The Bank has undertaken the obligation to pay awards, as a variable income through shares that were awarded without compensation, as a reward for work performance based on the Decision of the Supervisory Board adopted on 28 December 2023, which is based on the assessment of work performance and the achieved results of the Management Board for the period from 2017 to 2022, except for 2019, in which the performance parameters were not achieved.

The President of the Management Board Mr. Andrej Kopilaš was awarded 30,936 shares of SLATINSKA BANKA d.d., and the member of the Management Board Mr. Oliver Klesinger was awarded 19,229 shares of SLATINSKA BANKA d.d.

The total gross amount reserved for the allocation of those shares amounted to EUR 539,067.76.

The presentation of realized awards as variable receipts is shown as follows:

Description	President of the Management Board	Members of the Management Board	Total
Number of shares	30,936	19,229	50,165
Market price at the time of the decision on the allocation of shares (22 December 2023)	8.21	8.21	
<b>Market value (Net receipt)</b>	<b>253,984.56</b>	<b>157,870.09</b>	<b>411,854.65</b>



### **Comparison of the presentation of annual changes in remuneration, income, profit ratio of the Bank and average receipts of full-time employees for the last five years**

In 2023, the Bank's total income was EUR 11,731 thousand, and the profit before taxation was EUR 900.

The ratio of the receipts of the members of the Management Board in relation to the receipts of the Bank's full-time employees in 2023 was 9.85%.

Below is an overview of annual receipts, income and net profit for the last five years.

The overview below shows the average salary of SLATINSKA BANKA d.d. employees in the gross II amount, which includes the fixed and variable part of the salary, other receipts in kind and all other receipts made in connection with the employee's status (reimbursement for transportation costs, meals, special awards, support, etc.) for a particular year. The number of workers for a particular year is calculated as the average of the final balance for each month during a particular year.

Average gross annual income per employee (in EUR)	2019	2020	2021	2022	2023
Annual base for all employees - gross (II)	17,412	18,756	20,470	22,053	25,355
Average gross annual income per member of the Management Board (in EUR)	2019.	2020	2021	2022	2023
Annual base - gross (II)	125,312	141,465	140,944	131,322	147,385
Slatinska banka d.d. (in '000 EUR )	2019	2020	2021	2022	2023
Total income	13,263	9,531	9,123	9,290	11,731
Total operating income, net	10,932	7,711	8,007	8,409	10,229
Net profit/loss	301	180	496	963	900

### **The number of shares and stock options that the Bank gave or undertook to give to members of the Management Board and members of the Supervisory Board**

Based on the decision of the Supervisory Board on 28 December 2023, the Bank undertook to allocate 30,936 shares of SLATINSKA BANKA d.d. to the President of the Management Board, Mr. Andrej Kopilaš, and to the member of the Management Board, Mr. Oliver Klesinger, the Bank undertook to allocate 19,229 shares of SLATINSKA BANKA d.d.

The market price of the shares at the time of award was calculated as the average weighted trading price on the last day before the decision was made, which was 22 December 2023 at a price of EUR 8.21.

The acquirers of the shares may not dispose of the same shares for at least two years from the date of allocation.

### **Return of variable receipts**

In 2023, SLATINSKA BANKA d.d. did not demand the return of variable receipts from the members of the Management Board, nor the members of the Supervisory Board.

### **Has the Bank deviated from the Remuneration Policy in accordance with the provisions of Article 247a paragraph 2 of the Companies Act?**

The Bank has not deviated from the Remuneration Policy that it prescribed.

### **Remuneration that the Bank has undertaken to pay to a member of the Management Board in the event of premature termination of membership in the Management Board**

Board member Marin Prskalo, who was a member of the Board from 20 July 2017 for a term of office until 19 July 2024, terminated his membership in the Board on 21 March 2023.

The Bank paid Mr Marin Prskalo a proportionate part of his salary for the month of March 2023 according to the concluded Agreement until the day of its termination, on 21 March 2023.

### **Remuneration that the Bank has undertaken to pay to a member of the Management Board in case of regular termination of membership in the Management Board**

In 2023, there was no regular termination of membership in the Management Board of SLATINSKA BANKA d.d.

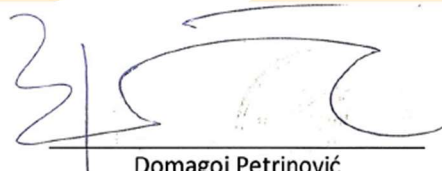
### **Conclusion**

This Remuneration Report of the members of the Bank's Management Board and Supervisory Board for 2023, together with the auditor's limited assurance report, will be submitted by the Bank's Management Board and Supervisory Board to the Bank's General Assembly for approval.

This Remuneration Report of the members of the Management Board and the Supervisory Board for 2023, together with the auditor's limited assurance report the Bank will publish and make freely available on its website, for 10 years after the same has been submitted for discussion and approval to the General Assembly.



Andrej Kopilaš  
Predsjednik Uprave



Domagoj Petrinović  
Predsjednik Nadzornog odbora

U Zagrebu 26. ožujka 2024.