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**Certified translation from the Croatian language**

**CROATIA osiguranje d.d.**

# **REMUNERATION REPORT**

Zagreb, April 2024

Pursuant to Article 272r of the Companies Act (Official Gazette 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 125/11, 152/11, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23, hereinafter: “the Companies Act” or “the CA”), the Management Board and the Supervisory Board of CROATIA osiguranje d.d. on 8 April 2024 adopt the following:

## REMUNERATION REPORT for 2023

### 1. INTRODUCTION

CROATIA osiguranje d.d. (hereinafter: “the Company”) is the largest and oldest insurance company in Croatia. We are a market leader particularly focused on digitalisation and responding to challenges of the future. For over a century, we have been continuously investing resources in the development of new products and supporting projects that encourage positive social change. CROATIA osiguranje is a leader in the Croatian insurance market, a successful member of Adris grupa d.d. and a reliable partner to all internal and external stakeholders. Our business operations are driven by excellence, social responsibility and dedication, with the aim of achieving continuous growth and providing our clients with top-quality services.

In accordance with Article 247a of the CA, on 22 May 2020, the Company’s Supervisory Board adopted the Remuneration Policy for Management Board members, which was approved by the Company’s General Assembly at a meeting held on 3 July 2020 (hereinafter: “the Remuneration Policy”). The Policy applies to the fiscal year in which it was adopted. The Company’s Remuneration Policy is the Company’s fundamental document which pertains to establishing a system of defining the remuneration and reward policy for the Company’s Management Board. The Policy complies with the Company’s and CROATIA osiguranje Group’s business strategy, tradition, objectives, values and long-term interests.

The Remuneration Report provides an overview of the remuneration of the Company’s Management and Supervisory Board members.

#### 1.1. Main principles of the Company’s Remuneration Policy

As part of its corporate strategy, the Company’s aim is to strengthen and expand its position as the leading company in Croatia and the region even further and to remain a leader by the criteria of competitiveness, profitability and innovativeness. In other words, the Company’s principal strategic focus is on achieving growth and adjusting its procedures according to long-term and sustainable success of the Company and the Group.

The Company’s Supervisory Board established the Remuneration Policy in a manner that it incentivises the Company’s Management Board members to ensure long-term success of the Company and the



Group as a whole, at the same time defining an appropriate combination of fixed and variable remuneration.

Fixed remuneration is paid as base salary with other common benefits, while variable remuneration comprises short-term remuneration in the form of annual bonus and long-term remuneration in the form of multiannual bonus, where variable remuneration is limited by a maximum portion of the fixed remuneration. The Remuneration Policy also provides for defining different fixed and variable remuneration in relation to the Chairman and members of the Management Board, taking into account the position and responsibility of individual persons and performance analysed on an individual basis, but also on the basis of achieving the Company's and the Group's financial and nonfinancial objectives arising from the long-term business strategy. Variable remuneration is usually focused on a multiannual assessment, which takes into account positive and negative changes in the Company's and the Group's performance.

Regarding the reward system, the Company's Supervisory Board is entitled to temporarily deviate from the Remuneration Policy in accordance with Article 247a, paragraph 2 of the CA, if such action is necessary for the long-term benefit of the Company.

The Remuneration Policy is examined and revised every fiscal year and the Supervisory Board decides whether additional adjustments or amendments to the adopted Remuneration Policy are required, taking into account the state of the market and the Company's economic environment. In that regard, the main focus is on examining whether the Company's Remuneration Policy is purposeful and adequate.

## 1.2. Financial reporting year

The Company's mission is to achieve long-term financial security for individuals and community, as well as to provide top-quality and innovative services tailored to clients' needs, while also providing employees with a stimulating work environment and meeting the expectations of our shareholders.

Client is one of key stakeholders in the Company's business sustainability. We analyse client needs and satisfaction at various points of contact in order to improve our services and meet clients' expectations, but also to clearly distinguish ourselves as a digital and market leader.

Despite substantial losses recorded in 2023, CROATIA osiguranje operated successfully. Consolidated insurance revenue, including from regional branches, amounted to EUR 476 million in 2023, which is an 11% year-over-year increase. In 2023, CROATIA osiguranje earned consolidated net profit before minority interests in the amount of EUR 58.5 million.

The Company's insurance revenue in 2023 amounted to EUR 395 million, which is an 11% year-over-year increase. In 2023, the Company earned a net profit of EUR 47 million, which is a 3% year-over-year increase.

In July and August 2023, areas in Zagreb and its surroundings, as well as in central and eastern Croatia were hit by inclement weather causing material loss in an amount exceeding EUR 35 million. The intensity and consequences of inclement weather are best illustrated by the fact that in the first few days after the storm, a greater number of claims was notified than the total number of claims notified following the Zagreb and Petrinja earthquakes in 2020. Even though the Company has adequate reinsurance protection and a significant portion of the losses will be reimbursed through reinsurance, such losses had a negative effect on the Company's operations in an amount exceeding EUR 20 million.

The Company's digital business segment recorded positive results in 2023. Insurance revenue earned from digital business increased by 27%, where the Company's digital brand LAQO achieved growth of 64% in terms of insurance revenue. In March 2023, LAQO introduced the world's first Metaverse Insurance Museum.

In November, CROATIA osiguranje was the first in Europe to introduce an innovation in the form of use of artificial intelligence (AI) in motor vehicle loss adjustment. This concerns a sophisticated digital system which makes it possible to settle a claim in less than three minutes. The automated adjustment system relies on implemented claim notification via QR code, which allows clients to notify their claim in just a few minutes, without the need for any physical documents. More than EUR 400,000 was invested in the new claim adjustment facility and development of the AI platform.

Investments of CROATIA osiguranje in the health business segment amounted to approximately EUR 20 million in the last three years. Compared to the previous year, in 2023, Croatia Polyclinic recorded an increase in revenue from basic operations of 55%. Three new Croatia Polyclinics were opened in 2023 – in Osijek, Zadar and Varaždin, which means that the strategic objective of provision of top-quality medical services to persons across Croatia was achieved.

## 2. TOTAL REMUNERATION OF MANAGEMENT BOARD MEMBERS

### 2.1. Total remuneration of Management Board members

In accordance with the Remuneration Policy and Article 272r, paragraph 1, item 1 of the CA, below is an overview of total fixed and variable remuneration of the Company's Management Board members subject to the Remuneration Policy, their percentage shares in total remuneration, an explanation as to how remuneration was adjusted to the applicable Remuneration Policy, including how it supports the Company's long-term success and how the criteria for measuring success were applied.

Members of the Management Board in 2023:

1. Mr. Davor Tomašković, Chairman of the Management Board
2. Mr. Robert Vučković, member of the Management Board
3. Mr. Vančo Balen, member of the Management Board
4. Mr. Luka Babić, member of the Management Board



In the financial reporting year, current Management Board members were paid total remuneration in the gross 1 amount of EUR 1,957,939, where the gross 1 amount of EUR 917,873 pertains to fixed remuneration, and the gross 1 amount of EUR 1,040,066 pertains to variable remuneration.

**TABLE 1 – Remuneration of the Company’s Management Board members in the financial reporting year (gross 1 EUR)**

MANAGEMENT BOARD MEMBER	Fixed remuneration		Variable remuneration		Total remuneration	Percentage shares of fixed and variable remuneration in total remuneration	Remuneration from a third party	Remuneration due to early termination of term of office	Remuneration due to regular expiry of term of office
	Salary a)	Additional benefits b)	Annual bonus a)	Multiannual bonus b)					
Davor Tomašković, Chairman of the Management Board	275,434	34,214	199,449	293,948	803,046	39/61	-	-	-
Robert Vučković, member of the Management Board	185,178	33,397	88,951	136,086	443,612	49/51	-	-	-
Vančo Balen, member of the Management Board	170,317	32,572	67,348	100,142	370,379	55/45	-	-	-
Luka Babić, member of the Management Board	153,328	33,433	60,659	89,783	337,202	55/45	-	-	-
Damir Vandelić, Chairman of the Management Board until 30 April 2019	-	-	-	3,701	3,701	0/100	-	-	-
<b>TOTAL</b>	<b>784,257</b>	<b>133,616</b>	<b>416,407</b>	<b>623,659</b>	<b>1,957,939</b>	-	-	-	-

Additional benefits pertain to personal use of a company vehicle, life insurance policy, personal accident insurance policy, additional health insurance policy, payments into a voluntary pension fund, liability insurance policy and other benefits in kind.

For performance in fiscal year 2019, Damir Vandelić was entitled to receive payment of the deferred part of the bonus in the gross 1 amount of EUR 3,701.

For performance in fiscal year 2022, the following Management Board members were entitled to receive the multiannual part of the bonus in the total gross 1 amount of EUR 392,276, where the portion in the gross 1 amount of EUR 333,742 was paid immediately together with the bonus for 2022, considering the end of term of office, and is shown in Table 1, while payment of the portion in the gross 1 amount of EUR 58,534 was deferred: for Davor Tomašković in the gross 1 amount of EUR 47,610; for Robert Vučković in the gross 1 amount of EUR 4,478; for Vančo Balen in the gross 1 amount of EUR 3,392; and for Luka Babić in the gross 1 amount of EUR 3,053. Payment of said gross amounts will be made with a three-year delay (2026), in accordance with the Remuneration Policy, and will be confirmed by virtue of the Decision on Annual and Multiannual Bonus for 2025.

## 2.2. Compliance of remuneration presented with the Remuneration Policy, including how it supports the Company's long-term success

This overview of the remuneration of the Company's Management Board members represents application of the fixed and variable remuneration system defined in the Remuneration Policy.

The requirements for granting and determining the amount of fixed remuneration are based on the Company's internal documents, the employment contract and relevant applicable regulations. They are not dependent on performance evaluation, but remain consistent throughout the period in relation to a specific function and organisational responsibility.

The variable remuneration system applicable to the Company's Management Board members has been defined in accordance with the Company's and the Group's strategic indicators, values and long-term interests, all in accordance with achieved financial and specific nonfinancial objectives. The final calculation of a multiannual bonus as long-term variable remuneration is paid out after expiry of term of office based on the fulfilment of multiannual objectives in accordance with the performance plan.

Moreover, in order to support the Company's long-term success, fixed remuneration ensures financial independence from variable remuneration at an individual level, including the possibility of non-payment of variable remuneration. This incentivises the Company's Management Board members to perform their duties in the best interest of the Company and always act in accordance with the principle of good faith and with due care of a prudent businessman. Variable elements of rewards are aimed at the results set out to be accomplished in the future and based on a period of several years, taking into account positive and negative changes in the Company's and the Group's performance, as well as the criteria for payment of variable remuneration as they are defined in the Remuneration Policy.



### 2.3. Application of criteria for performance evaluation in terms of remuneration under 2.1. and 2.2.

For the purpose of evaluating the fulfilment of criteria for payment of variable remuneration to the Company's Management Board members, the Company has performed certain actions to determine and evaluate whether the objectives have been met and whether the criteria for payment of variable remuneration to the Management Board members have been fulfilled.

Fixed remuneration comprises base salary and applicable benefits in accordance with item 4.3. of the Remuneration Policy. Base salary is not based on work performance and it is aligned with the remuneration paid in other comparable companies in the market, because the objective is for the base salary to reflect the demands of the position and the skills and experience required to perform the relevant type of work.

Variable remuneration is intended to reward the Management Board members' work performance, which is determined based on the fulfilment of the Company's and the Group's financial and specific nonfinancial objectives arising from the long-term business strategy.

Out of the total variable remuneration, 80% depends on the Company's and the Group's performance, and 20% depends on individual evaluation (specific nonfinancial objectives). The evaluation of the Company's and Group's performance included market share in Croatia, gross premium income earned, operating profit at the Group level, while the evaluation of nonfinancial objectives achieved included successful deliveries in accordance with ESG initiatives, business digitalisation project management and achievement of the health segment strategy with promotion of the Company's corporate culture and image.

Variable remuneration is paid if the KPIs reach 95% of the values planned for the relevant year.



### 3. COMPARISON OF ANNUAL CHANGES IN REMUNERATION, THE COMPANY'S PERFORMANCE AND AVERAGE REMUNERATION OF FULL-TIME EMPLOYEES

TABLE 3 – Comparison of annual changes in remuneration and performance of the Company (EUR)					
Year	2023	2022	2021	2020	2019
<b>1) Performance of CROATIA osiguranje d.d.*</b>					
Revenue from insurance contracts	395,384	357,229	-	-	-
Gross written premium (income)	-	411,311	384,334	363,902	363,488
Profit before tax (profit) – IFRS 17	55,153	54,048	-	-	-
Profit before tax (profit) – IFRS 4	-	48,915	52,113	36,385	46,902
<b>2) Average remuneration of the Company's full-time employees (gross 1 in EUR)</b>					
Company employees	29,699	26,053	23,567	25,559	24,404

\*Due to change in the manner of reporting under IFRS (International Financial Reporting Standard) 17, data for 2022 and 2023 are presented in accordance with the new standard, while data for 2021, 2020 and 2019 were converted into EUR pursuant to IFRS 4.

When calculating average remuneration of employees, the following is taken into account: fixed parts of remuneration (base salary and other types of benefits, such as reimbursement of transportation costs, Christmas bonus, vacation allowance, etc.), variable parts of remuneration (such as annual bonuses, performance bonus, etc.), and other material rights arising from employment, divided by the average number of employees corresponding to the number of full-time employees.

### 4. COMPANY SHARES AND SHARE OPTIONS GRANTED TO MANAGEMENT BOARD MEMBERS AS REMUNERATION

In accordance with the Remuneration Policy, annual and/or multiannual bonus is paid in cash and/or Company shares, which is decided upon by the Company.

In 2023, variable remuneration to Management Board members was paid as shares, in the form of preference shares of Adris grupa d.d., in the established number of shares, all in accordance with the regulations.

Management Board members were allocated the following number of shares in 2023:

TABLE 4 – Remuneration of the Company’s Management Board members in the financial reporting year – shares (EUR)					
MANAGEMENT BOARD MEMBER	Year of remuneration	Number of shares	Value of shares as at the date of allocation	Price of shares as at the date of allocation	Date of allocation
Davor Tomašković, Chairman of the Management Board	2023	4,464	259,582	58.15	2 Aug 2023
Robert Vučković, member of the Management Board	2023	2,209	128,453	58.15	2 Aug 2023
Vančo Balen, member of the Management Board	2023	1,674	97,343	58.15	2 Aug 2023
Luka Babić, member of the Management Board	2023	1,506	87,574	58.15	2 Aug 2023
<b>TOTAL</b>		<b>9,853</b>	<b>572,952</b>		

The indicated value of shares is included in Table 1 under Variable remuneration, Annual bonus.

In 2023, Supervisory Board members did not acquire shares and/or share options in the Company or in a related company, and the Company did not undertake to provide them therewith.

## 5. RETURNS OF VARIABLE REMUNERATION

In the fiscal reporting year, the Company did not make any requests for return of variable remuneration paid to the Management Board members.

## 6. DEVIATION FROM THE REMUNERATION POLICY

There were no deviations from the Policy.

## 7. REMUNERATION OF SUPERVISORY BOARD MEMBERS

In 2020, the Supervisory Board adopted the Remuneration Policy defining the reward system for the Management Board members. In addition, the Company’s Supervisory Board also monitored the Management Board’s performance as well as compliance of their work with the Company’s long-term interests and multiannual business plans.



In 2023, there were no changes in the Supervisory Board, and its members were as follows:

1. Roberto Škopac, Chairman of the Supervisory Board in the period 1 Jan 2023 – 31 Dec 2023,
2. D.Sc. Željko Lovrinčević, Deputy Chairman of the Supervisory Board in the period 1 Jan 2023 – 31 Dec 2023,
3. Vitomir Palinec, member of the Supervisory Board in the period 1 Jan 2023 – 31 Dec 2023,
4. Hrvoje Patajac, member of the Supervisory Board in the period 1 Jan 2023 – 31 Dec 2023,
5. Zoran Barac, member of the Supervisory Board in the period 1 Jan 2023 – 31 Dec 2023,
6. Pero Kovačić, member of the Supervisory Board in the period 1 Jan 2023 – 31 Dec 2023,
7. Hrvoje Šimović, member of the Supervisory Board in the period 1 Jan 2023 – 31 Dec 2023.

On 18 June 2021, the Company's General Assembly adopted a decision on the amount of remuneration for members of the Supervisory Board of CROATIA osiguranje d.d. Said decision applies to the members of the Supervisory Board, as well as to the members of the Audit Committee, and Appointment and Remuneration Committee, as committees of the Supervisory Board. In accordance with said decision, members of the Supervisory Board and its committees are entitled to monthly remuneration in the fixed net amount of EUR 265.45.

Any Supervisory Board member who is also a member of a Supervisory Board committee is entitled to remuneration for their engagement at each individual position in the Supervisory Board or its committee.

All Supervisory Board members who are also employed at another Group member company have given up fixed remuneration.

If they work in special committees of the Supervisory Board, Supervisory Board members are entitled to receive an additional reward as members of the Audit Committee.

In the financial reporting year, Supervisory Board members were paid total rewards in the amount of EUR 23,624.

Supervisory Board members are entitled to reimbursement of costs incurred in relation to performance of their duties. However, in 2023, no Supervisory Board member sought reimbursement of such costs. Calculation of benefits in kind under liability insurance policy is found in the column pertaining to reimbursement of costs.

**TABLE 5 – Remuneration of Supervisory Board members (EUR)**

Supervisory Board member	Fixed remuneration	Variable remuneration	Reimbursement of costs	Total in 2023
Željko Lovrinčević*	9,265	-	67	9,332
Zoran Barac	4,633	-	67	4,699
Pero Kovačić	4,633	-	67	4,699
Hrvoje Šimović	4,633	-	67	4,699
Roberto Škopac	-	-	67	67
Vitomir Palinec	-	-	67	67

Hrvoje Patajac	-	-	60	60
<b>TOTAL</b>	<b>23,163</b>	<b>0</b>	<b>461</b>	<b>23,624</b>

\*In addition to receiving remuneration as Supervisory Board member, Mr. Željko Lovrinčević also received fixed remuneration as member of the Audit Committee. Remuneration for work in the Audit Committee is paid on a monthly basis, in the net amount of EUR 265.45.

## 8. DECISION OF THE GENERAL ASSEMBLY OF 3 JULY 2020

At the meeting of the Company's General Assembly held on 3 July 2020, the Decision Approving the Remuneration Policy of 22 May 2020 was adopted, and was applied in 2023 without any amendments thereto. The Remuneration Policy is publicly available free of charge at the Company's website.

## 9. FINAL PROVISIONS

Company's auditor, Deloitte d.o.o., assessed the Remuneration Report in accordance with Article 272r of the CA. In that regard, the auditing company Deloitte d.o.o. prepared the Independent Auditor's Limited Assurance Report on the Remuneration Report for 2023, which is enclosed to the Remuneration Report and forms an integral part thereof.

The Company's Remuneration Report, together with the Independent Auditor's Limited Assurance Report on the Remuneration Report for 2023 made by the auditing company Deloitte d.o.o., is submitted to the Company's General Assembly for approval. Upon approval by the Company's General Assembly, the Company will publish the Remuneration Report and the Independent Auditor's Limited Assurance Report on the Remuneration Report for 2023 made by the auditing company Deloitte d.o.o. on its website, which reports will be available free of charge for a period of ten years.



The Company's Remuneration Report, together with the Independent Auditor's Limited Assurance Report on the Remuneration Report for 2023 made by the auditing company Deloitte d.o.o., is submitted to the Company's General Assembly for approval. Upon approval by the Company's General Assembly, the Company will publish the Remuneration Report and the Independent Auditor's Limited Assurance Report on the Remuneration Report for 2023 made by the auditing company Deloitte d.o.o. on its website, which reports will be available free of charge for a period of ten years.

**CROATIA osiguranje d.d.**

CHAIRMAN OF THE MANAGEMENT BOARD  
DAVOR TOMAŠKOVIĆ

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MEMBER OF THE MANAGEMENT BOARD  
LUKA BABIĆ

*(Handwritten signature)*

CHAIRMAN OF THE SUPERVISORY BOARD  
ROBERTO ŠKOPAC

*(Handwritten signature)*

Addendum:

Independent Auditor's Limited Assurance Report on the Remuneration Report for 2023, Deloitte d.o.o., 8 April 2024

**CROATIA OSIGURANJE d.d., Zagreb**

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



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

To the Management Board and Supervisory Board of the company CROATIA osiguranje d.d., Zagreb.

### *Subject of assessment*

Pursuant to Article 272r, paragraph 3 of the Companies Act and the agreement concluded with CROATIA osiguranje d.d. ("the Company"), we carried out our engagement, expressing limited assurance on the accompanying Remuneration Report for the year ended 31 December 2023 ("Remuneration Report"), prepared by the Company's Management and Supervisory Boards.

Our engagement with expressing of limited assurance pertains to the subject of assessment whether the Remuneration Report contains information in accordance with Article 272r, paragraphs 1 and 2 of the Companies Act.

### *Applicable criteria*

The applicable criteria for identifying the individuals to be included in the Remuneration Report and requirements pertaining to the disclosure of their remuneration are specified in Article 272r, paragraphs 1 and 2 of the Companies Act.

### *Responsibilities of the Management Board and Supervisory Board*

The Company's Management Board and Supervisory Board are responsible for the following:

- Drawing up the Remuneration Report for 2023 in accordance with the disclosure requirements referred to in Article 272r, paragraphs 1 and 2 of the Companies Act;
- Identifying the individuals to be included in the Remuneration Report in accordance with Article 272r, paragraph 1 of the Companies Act;
- Selecting and applying appropriate remuneration policies and making reasonable judgements and assessments in relation to the information disclosed in the Remuneration Report;
- Measuring remuneration for the year ended 31 December 2023 in accordance with Article 272r, paragraphs 1 and 2 of the Companies Act; and
- Publishing the Remuneration Report on the Company's website in accordance with Article 272r, paragraph 4 of the Companies Act.

The Company's Management Board is responsible for designing, implementing and maintaining an internal control system which provides reasonable assurance that the aforementioned information is free from material misstatement, whether due to fraud or error. In addition, the Company's Management Board and Supervisory Board are responsible for ensuring that the documents provided to us are complete and accurate.

Company registered in the Court Register of the Commercial Court in Zagreb: Company's Reg. No. (MBS): 030022053; subscribed share capital: EUR 5,930.00; company directors: Katarina Kadunc, Goran Končar and Helena Schmidt; business bank: Privredna banka Zagreb d.d., Radnička cesta 50, 10 000 Zagreb, giro account: 2340009-1110098294; SWIFT Code: PBZGHR2X, IBAN: HR3823400091110098294.

Deloitte means Deloitte Touche Tohmatsu Limited, abbreviated DTTL, and the network of its members and their affiliates (jointly "Deloitte Organization"). DTTL ("Deloitte Global") and each of its members and its affiliates are legally separate and independent entities, which cannot commit one another to any actions in relation to third parties. DTTL and all its affiliates are solely responsible for their own, not each other's, acts and omissions. DTTL does not provide services to clients. A detailed description of DTTL and its members may be found at [www.deloitte.com/hr/o-nama](http://www.deloitte.com/hr/o-nama).

## INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE REMUNERATION REPORT FOR 2023 (CONTINUED)

### *Our responsibility*

Our responsibility is to publish a report on the Remuneration Report in accordance with the requirements of Article 272r, paragraph 3 of the Companies Act. We conducted our engagement with expression of limited assurance in accordance with the *International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements other than Audits and Reviews of Historical Financial Information ("ISAE 3000")*. These regulations require that we meet ethical standards and plan and perform the procedures so as to form a conclusion, based on the evidence obtained, about whether the Remuneration Report contains the information required under the relevant legal requirements.

### *Our independence and quality management*

We conducted our engagement in accordance with the requirements concerning independence and ethical requirements set out in the Code of Ethics for Professional Accountants (including International Independence Standards) ("Code"), issued by the International Ethics Standards Board for Accountants. The Code is based on principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We act in accordance with the *International Standard on Quality Management for audits or reviews, or other assurance or related services engagements ("ISQM 1")* and, accordingly, maintain a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards, as well as applicable legal and regulatory requirements.

### *Summary of the work performed*

With regard to the subject of assessment, we have performed the following procedures:

- We inquired the members of the Management Board, Supervisory Board and other persons within the Company to gain understanding of remuneration policies and the process applied in preparing the Remuneration Report;
- We received from the Company a list of all members of the Management and Supervisory Boards during 2023 and checked whether their remuneration has been disclosed in the Remuneration Report;
- We reconciled the remuneration data presented in the Remuneration Report with the Company's accounting records (general ledger and subledgers) for the year ended 31 December 2023;
- We reviewed, on a sample basis, relevant documents of the Company (contracts and payments) related to the remuneration data presented in the Remuneration Report; and
- We checked whether the Remuneration Report contains all the information required by Article 272r, paragraphs 1 and 2 of the Companies Act.

The nature and extent of our procedures were determined based on risk assessment and our professional judgement in order to issue a limited assurance conclusion.

An engagement for expressing a limited assurance conclusion is substantially less in scope than an engagement for expressing a reasonable assurance conclusion in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for expressing our limited assurance conclusion.



**INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE REMUNERATION REPORT FOR 2023 (CONTINUED)***Limited assurance conclusion*

Based on the work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Remuneration Report for 2023, prepared by CROATIA osiguranje d.d., does not comply, in all material respects, with the requirements specified in Article 272r, paragraphs 1 and 2 of the Companies Act.

*Restrictions on the use of our report*

This report has been prepared solely for the Company's Management Board and Supervisory Board, for the purpose of notifying the Company's General Assembly of the Remuneration Report prepared by the Company for the year ended 31 December 2023, pursuant to Article 272r of the Companies Act. We permit that this report be published on the Company's website in accordance with Article 272r, paragraph 4 of the Companies Act. Our report is not, nor is it intended to be, a legal opinion on the Company's compliance with Article 272r, paragraph 4 of the Companies Act.

In the case of additional information or data provided to us, or in the case of misleading verbal or written statements or explanations, our findings, interpretations or conclusions in our Independent Auditor's Limited Assurance Report may be incomplete or may result in the need for additional procedures not included in the scope of this engagement.

To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company's Management Board and Supervisory Board for our work, for this Independent Auditor's Limited Assurance Report, or the conclusions we have reached.

The Company's Management Board and Supervisory Board are responsible for publishing the Remuneration Report on the Company's website and for accuracy of the information disclosed in the Report. The scope of our work performed does not include a review of said matters; therefore, we do not assume any responsibility for any amendments that may be made to the Remuneration Report based on the Independent Auditor's Limited Assurance Report or for any differences between the report we issued and the information published on the Company's website.

*(Handwritten signature)*

**Goran Končar**

Director and Certified Auditor

*(Stamp of Deloitte d.o.o.)*

Deloitte d.o.o.

8 April 2024  
Radnička cesta 80  
10 000 Zagreb  
Republic of Croatia

I, Ana Brezovac, authorized court interpreter for the English and German language, as appointed by the Decree of the Minister of Justice and Public Administration, Class: UP/I-710-02/23-01/606, Reg. No.: 514-03-03-03/02-23-09 of 9 January 2024 do hereby certify that the above translation fully corresponds to the attached document written in the Croatian language.

Cert. No.: 510/2024

Zagreb, 9 April 2024

Ana Brezovac





