

**STATEMENT OF COMPLIANCE**  
WITH THE CORPORATE GOVERNANCE CODE  
FOR JOINT STOCK COMPANIES

The Management Board and the Supervisory Board of the Company hereby declare that Gorenje, d.d. observes the Slovenian Corporate Governance Code for Joint Stock companies in its work and operations, except in the cases disclosed below together with relevant explanations:

**Chapter 1. Relationship between the Corporation, Shareholders and other Stakeholders**

**1.1. Company goals**

**Recommendation under item 1.1.1.:** The key goals of the Company are not specifically defined in the Articles of Association, but are included and clearly defined in the mission of the Company: »To create original, technically perfected, superiorly designed, as well as user- and environment-friendly products for the home. We are focused on improving the satisfaction of customers while creating value for our owners, employees and other stakeholders of the Gorenje Group in a socially responsible manner.«.

**1.3. General Meeting of Shareholders**

**Recommendation under item 1.3.19.:** According to the current practice, the General Meeting of Shareholders adopts resolutions on discharges of the Management and Supervisory Boards jointly. Given the established work practices and the recognized high standards of cooperation between these two bodies in jointly addressing issues relevant for the Company and its development, the legally prescribed equal treatment of duties and responsibilities of their members and the attained level of trust, this has proved to be appropriate in practice. Furthermore, the members of the Management Board and the Supervisory Board who are also shareholders and participate in general meetings may vote on resolutions on their discharge. Considering the small number of shares held by these members, the limitation of voting rights in practice has no major relevance. Therefore, in the given circumstances the Company does not plan on introducing any such limitation of voting rights and allows shareholders to decide on such matters at their discretion.

**Chapter 2. Management Board**

**2.3. Remuneration, compensation and other benefits, and the ownership of company shares**

**Recommendations under items 2.3.2. to 2.3.3.:** In connection with the policy of determining the remunerations, compensations and other benefits of the members of the Management Board, the Supervisory Board fully observes the principles and criteria of the Code. The Supervisory Board assesses the performance of the Management Board as a whole on the basis of the Criteria for the Determination of Corporate Performance of the Gorenje Group, which were adopted for this purpose by the Supervisory Board of the Company and have so far proved to be appropriate in practice.

**Chapter 3. Supervisory Board**

**3.1. Duties and responsibilities**

**Recommendation under item 3.1.10.:** The Supervisory Board evaluates the performance of the Supervisory Board as a whole and not of its individual members. The Supervisory Board generally meets in its full composition and all of its members regularly

participate in discussions and in this way contribute to the integral performance of the Supervisory Board in accordance with their responsibilities, professional and other experience. The Company has therefore assessed that individual evaluations are not necessary.

### 3.4. Remuneration, compensation and other benefits, and ownership of the Company's shares

**Recommendation under item 3.4.1.:** For their work, the members of the Supervisory Board are entitled to meeting attendance fees and the reimbursement of expenses for meeting attendance. The members of the Supervisory Board are also entitled to remuneration for their performance in the form of profit sharing, if so decided by the General Meeting of Shareholders, which has proved to be appropriate in practice.

### 3.6. Formation of supervisory board committees

**Recommendation under items 3.6.1. to 3.6.6.:** The issue of establishing supervisory board committees is laid down in the Rules of Procedure of the Supervisory Board. In line with amended legislation, a five-member audit committee was formed in 2008, of which four members are appointed from among members of the Supervisory Board, and one member is appointed from among external experts in the fields of accounting and auditing. Otherwise, the Supervisory Board deals with all issues within its competences without forming any special committees, as this has not proved to be necessary in current practice. In the past, the Supervisory Board formed individual working groups without specific competences for the purpose of dealing with certain less relevant issues.

## Chapter 7. Audit and the System of Internal Control

### 7.1. External auditors

**Recommendation under item 7.1.5.:** The audit of the financial statements of Gorenje, d.d. has been conducted by the selected auditing company, KPMG Slovenija, d.o.o., for more than 5 years. However, the composition of the audit group auditing the annual report of the Company has changed several times in this period.

This statement and the disclosure of deviations and their explanations relate to the provisions of the Corporate Governance Code for Joint Stock Companies, which was jointly phrased and adopted by the Ljubljana Stock Exchange, Inc., Ljubljana, the Association of Supervisory Board Members of Slovenia, and the Managers' Association of Slovenia on 18 March 2004, which agreed on and adopted amendments thereto on 14 December 2005 and on 5 February 2007. The Code is accessible on the website of the Ljubljana Stock Exchange ([www.ljse.si](http://www.ljse.si)) in the Slovene and English languages.

The contents of this Statement comprise the period from the adoption of the previous Statement of Compliance with the Corporate Governance Code for Joint Stock Companies, i.e. from April 24 2008 to 23 April 2009, when its contents were jointly phrased and adopted by the Management Board and the Supervisory Board of Gorenje, d.d..

Velenje, Slovenia, 23 April 2009

Management Board

Supervisory Board

Franc Bobinac  
President of the Management Board

Dr. Jože Zagožen  
Chairman of the Supervisory Board