

# Statement of Compliance with the Corporate Governance Code

The company Management Board and the Supervisory Board hereby declare that Gorenje, d.d., observes in its work and operations the Corporate Governance Code for Public Limited Companies as adopted on December 8, 2009, by the Ljubljana Stock Exchange, the Slovenian Director's Association, and the Managers' Association of Slovenia, available at the Ljubljana Stock Exchange website at <http://www.ljse.si> in Slovenian and English, with particular discrepancies or deviations disclosed and explained below:

The contents of the statement pertain to the period from the adoption of the previous Statement on the compliance with the Corporate Governance Code, i.e. from April 24, 2014, to April 22, 2015, when its contents were jointly drawn up and adopted by the Gorenje, d.d., Management Board and Supervisory Board.

## **Chapter: Company Management Framework**

### **Recommendation 1:**

The fundamental goals of the company are not specified in the Articles of Association; however, they are clearly specified in the company mission: "We create innovative, technologically superior products and services inspired by design, which bring simplicity to the lives of our users."

## **Chapter: Relations with shareholders**

### **Recommendation 5.8:**

According to the current practice, the General Meeting of Shareholders votes on the discharge to the members of the Management Board and Supervisory Board simultaneously. This has been proven appropriate and consistent with the method of work employed so far, the high standards of cooperation of the two bodies in their joint response to issues of relevance for the Company and its development, the reasonable equal treatment of the duties and responsibilities of their members as stipulated by law, and the attained level of trust.

## **Chapter: Supervisory Board**

### **Recommendation 8.4:**

The Company devotes special care to protection of business secrets. The documents intended for the members of the Supervisory Board are discussed with absolute confidentiality. Materials and notices of meetings are primarily sent to the members of the Supervisory Board as a hard copy.

### **Recommendation 9:**

The Supervisory Board assesses its work and the work of its committees as a whole; in addition, it assesses the work of individual members. Since the current Supervisory Board started its term of office on July 20, 2014, the Supervisory Board did not conduct self-assessment for the period from July 20, 2014, to the date of 2014 Annual Report approval. The Supervisory Board and its committees are generally in full attendance in their meetings; all members regularly participate in discussions and their responsibility, enthusiasm, and professional and other experience contribute

to the quality of their work. Thus, the Supervisory Board finds that individual evaluation is not necessary.

**Recommendation 13 (13.1–13.6):**

The issue of founding Supervisory Board committees is regulated in the Supervisory Board Rules of Procedure as adopted by the Supervisory Board at the session on November 23, 2010. The Supervisory Board has an Audit Committee, a Corporate Governance Committee, a Benchmark Committee, and a Remuneration Committee. The Supervisory Board members assumed their terms of office on July 20, 2014, for a period of four years, and the term of the previous Nomination Committee expired on July 19, 2014; a new Nomination Committee has not yet been appointed by the Supervisory Board.

**Chapter: Management Board:**

**Recommendation 16.3:**

Recommendation on severance payments to the Management Board shall be observed and implemented to the greatest extent possible, except for the case of dismissal pursuant to Article 268, Paragraph 2, Section 4 of the Companies Act.