

The Management Board of the company Gorenje, d.d., hereby informs its shareholders that it has received, with regard to the

**23<sup>rd</sup> Shareholders Assembly of the company Gorenje gospodinjski aparati, d.d.,**

which is to take place on Friday, July 8, 2016, at 11 a.m. at the **Grand Hall of Hotel Paka in Velenje, Rudarska ul. 1,**

**a counter-proposal to item 4 (resolution 4.2) of the Shareholders Assembly agenda, titled "Informing the Shareholders Assembly about the resignation of a Supervisory Board member and appointment of a new Supervisory Board member". The counter-proposal was submitted by our shareholders Home Products Europe B.V. (June 9, 2016), Karlo Kardov (June 10, 2016), Raiffeisenbank Austria d.d., Zagreb (June 10, 2016), Alpen Invest d.d. (Alpen.SI, mešani fleksibilni podsklad - Jugovzhodna Evropa and Alpen.Developed) (June 13, 2016), Societe Generale - Splitska banka d.d. (June 13, 2016), Unicredit Bank Hungary ZRT (June 13, 2016), and KD Skladi, družba za upravljanje, d.o.o. (KD Balkan, delniški in KD Vitalnost, delniški) (June 13, 2016).**

**Resolution counter-proposal from the shareholders**

**to item 4 (resolution 4.2.) "Informing the Shareholders Assembly about the resignation of a Supervisory Board member and appointment of a new Supervisory Board member"**

"4.2. Karlo Kardov, MS, shall be appointed Supervisory Board member representing the interests of the shareholders, with a term of office from July 9, 2016 to July 20, 2018.

The proposing parties for the counter-proposal propose that their counter-proposal be voted on before the initially proposed resolution and before any counter-proposals by other shareholders.

**Explanation by the shareholders:**

"In their proposal for a new Supervisory Board member, the Nomination Committee of the Supervisory Board does not propose a shareholder representative. The Proposing Party is therefore looking to balance out the Supervisory Board composition to some extent by proposing the appointment of one member to represent the portfolio (institutional) investors and minority shareholders. Since such shareholders represent, combined, over 50% of the company's total share capital, we find it appropriate and entirely in compliance with the standards of modern corporate governance for the portfolio investors and/or minority shareholders to have their representative in the company Supervisory Board. In this way, continuity in the Supervisory Board will be maintained, and a member will be added to represent the interests of portfolio and/or minority shareholders who represent (after a partially successful capital increase) over 50% of the company's total share capital.

The Proposing Party hereby proposes to appoint Mr Karlo Kardov, BS mech. eng., MS, born October 8, 1975, as the Supervisory Board member. He graduated in 2001 at the Faculty of Mechanical Engineering in Mostar, BiH, majoring in manufacturing machinery. In 2011, he completed his post-graduate studies in finance and banking at the Faculty of Economics in Split, Croatia. He is currently enrolled in a PhD program in economics at the Faculty of Economics in Rijeka, Croatia. He has worked as a mechanical engineer at the company Zec, Međugorje, BiH. He has been active in investment in regional and global capital markets since 2000. From 2006 to 2010 he was employed as a fund manager at the Croatian asset management company Aureus. Since 2010, he has worked as a consultant on renewable energy investments, regional capital market investments, mergers and acquisitions, and finance sourcing in Eastern Europe. Since 2016, he has been a member of the Supervisory Board at JP Elektroprivreda HZ HB d.d. (public power utility company) Bosnia and Herzegovina, as a representative of minority shareholders.

**Position of the Supervisory Board of the company Gorenje, d.d., regarding the said counter-proposal:**

The Supervisory Board supports its initial proposal and opposes the submitted counter-proposal.