

**Intereuropa, d. d.**, with its registered office at Vojkovo nabrežje 32, Koper, registration no. 5001684, represented by the Chairman of the company's Supervisory Board Boris Novak, MSc,

pursuant to Article 283 of the Companies Act (Official Gazette of the Republic of Slovenia Nos. 65/09 [official consolidated text], 33/11, 91/11, 32/12, 57/12, 44/13 [Constitutional Court decision], 82/13, 55/15, 15/17 and 22/19 [ZPosS]), Act Governing the Remuneration of Managers of Companies with Majority Ownership Held by the Republic of Slovenia or Self-Governing Local Communities (Official Gazette of the Republic of Slovenia Nos. 21/10 and 43/12), Decree setting the highest correlation of basic salaries and the amount of variable remuneration of directors (Official Gazette of the Republic of Slovenia, Nos. 34/10 and 52/11), the fourth paragraph of point 6.19 of the Articles of Association of Intereuropa, d. d. and resolution no. 24/20 of the company's Supervisory Board dated 10 February 2020, hereby adopts the following:

## **REMUNERATION POLICY FOR MEMBERS OF INTEREUROPA, d. d.'s MANAGEMENT BOARD**

### **1. Purpose and objective**

1.1 The remuneration policy for members of Intereuropa, d. d.' Management Board (hereinafter: the policy) lays down the rules by which the remuneration and rights to which all members of the Management Board are entitled are defined in contracts.

1.2 The purpose of this policy is to ensure that the total remuneration of members of the Management Board of Intereuropa, d. d. (hereinafter: the company) is proportionate to their tasks and responsibilities, and in line with the company's financial position, taking into account the provisions of the Act Governing the Remuneration of Managers of Companies with Majority Ownership held by the Republic of Slovenia or Self-Governing Local Communities (hereinafter: the ZPPOGD), the Companies Act (hereinafter: the ZGD-1) and the Employment Relationships Act (hereinafter: the ZDR-1).

1.3 The objectives of the policy are:

- to recruit top experts for the company's Management Board;
- to motivate members of the Management Board to work responsibly and actively;
- to motivate members of the Management Board to achieve established objectives; and
- to set limits on the level of remuneration of members of the Management Board.

### **2. Remuneration of Management Board members**

2.1 The members of the Management Board shall perform their managerial tasks based on a contractual relationship concluded with the company in writing.

2.2 In addition to a corporate legal relationship, members of the Management Board shall typically be in an employment relationship with the company based on an employment contract.

2.3 Members of the Management Board shall be entitled to wages for their work (remuneration).

2.4 The remuneration received by members of the Management Board shall comprise:

- wages,
- other employment-related remuneration, and
- payments for material costs.

### **2.5 Wages**

2.5.1 Taking into account the concept set out in the ZPPOGD, wages shall comprise a basic salary and variable remuneration.

2.5.2 The basic salary of the President of the Management Board shall be set in the amount of the average gross wage paid by Pošta Slovenije Group companies in the previous year times a multiplier determined by the company's Supervisory Board. All supplements (years of service allowance, loyalty bonus, allowance for inconvenient work, overtime pay, etc.) shall already be included in the basic salary. Given the size of the company, the aforementioned multiplier shall be 5 and may be reduced by the Supervisory Board through an amendment to this policy.

2.5.3 Until the confirmation of the annual report of Pošta Slovenije, d. o. o., the annual report of the company and the compilation of the consolidated annual report of the Pošta Slovenije Group, all for the 2019 financial year, the basic salary of the President of the Management Board shall be paid in an amount equal to the average gross wage paid at Intereuropa Group companies registered in Slovenia during the 2018 financial year times a multiplier of 5.

2.5.4 The basic salary of the President and other members of the Management Board for the 2019 financial year shall be calculated taking into account the provisions of the ZPPOGD in connection with the inclusion of the company and its subsidiaries in the Pošta Slovenije Group in November 2019.

2.5.5 During every financial year, members of the Management Board shall receive a basic salary calculated based on data from two years prior until the calculation of the amount of the basic salary of the President of the Management Board based on data from the previous financial year. A reconciliation of basic salaries paid during the current year shall be performed following the calculation of the amount of the basic salary based on data from the previous year.

2.5.6 The basic salary of other members of the Management Board shall be set at 90% of the basic salary of the President of the Management Board.

2.5.7 Variable remuneration shall not exceed 30% of the basic salaries of a member of the Management Board during the financial year in which the variable element of remuneration is paid.

2.5.8 Variable remuneration shall be set by resolution of the Supervisory Board following the end of the financial year, within one month following the confirmation (adoption) of the annual report for the previous year by the company's Supervisory Board.

2.5.9 Performance criteria that are defined in advance by the Supervisory Board and that serve as part of this policy shall be taken into account when determining the right to and amount of variable remuneration.

## 2.6 Other remuneration from employment

2.6.1 In accordance with the ZDR-1 and the provisions of the company's valid collective agreement, members of the Management Board shall have the right to:

- basic wage compensation for absence from work, breaks during working hours, and daily and weekly rest periods,
- annual leave allowance, and
- jubilee benefits,

if so recommended by the company's General Meeting of Shareholders or Slovenski državni holding, d. d.

## 2.7 Payments for material costs

2.7.1 Members of the Management Board shall have the right to payments for material costs (reimbursement of the costs of travel to and from work if they do not use a company car for private purposes, meal allowances, reimbursement of business travel costs, daily allowances, accommodations, etc.) in accordance with the ZDR-1, and the company's valid collective agreement and bylaws governing a specific area.

## 2.8 Severance pay

2.8.1 In the event of the recall of a member of the Management Board for other economic or business reasons before the end of their term of office, that person shall be entitled to the severance pay agreed in their employment contract, which shall not exceed six basic monthly salaries of that member of the Management Board.

2.8.2 In addition to the cases defined by law, severance pay may not be paid if a member of the Management Board is employed or remains an employee of the company or another Pošta Slovenije Group company following the end of their term of office or employment contract.

## **3. Performance criteria**

3.1 From the 2020 financial year on, the variable element of remuneration paid to members of the Management Board shall be set by the Supervisory Board taking into account achieved business results. The following performance criteria for the company shall be applied when setting the variable element of remuneration:

- the achievement of planned value-added per employee;
- the achievement of planned return on equity (ROE); and
- the achievement of planned earnings before interest, taxes, depreciation and amortisation (EBITDA).

3.2 The effect of each indicator shall be equal, while the overall performance index shall be calculated based on the following formula:

Overall performance index = indicator 1 + indicator 2 + indicator 3

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The amount of the variable element of remuneration to which members of the Management Board are entitled shall be set according to the following scale:

<u>overall index of up to 96:</u>	<u>members of the Management Board are not entitled to the variable element of remuneration;</u>
<u>overall index of more than 96 and up to 98:</u>	<u>members of the Management Board are entitled to the variable element of remuneration in the amount of 10%;</u>
<u>overall index of more than 98 and up to 100:</u>	<u>members of the Management Board are entitled to the variable element of remuneration in the amount of 20%;</u> <u>and</u>
<u>overall index of more than 100:</u>	<u>members of the Management Board are entitled to the variable element of remuneration in the amount of 30%.</u>

3.3 Notwithstanding the provision of the previous paragraph of this article, members of the Management Board shall not be entitled to the variable element of remuneration if the company does not generate a net profit of at least the amount set out in the company's approved business-financial plan for a particular financial year.

3.4 The Supervisory Board may set the variable element of remuneration differently than defined in point 3.2 of this policy for objective reasons that derive from circumstances over which the members of the company's Management Board had no influence.

3.5 Members of the Management Board shall be paid 50% of the variable element of remuneration following the adoption of the relevant resolution by the company's Supervisory Board, while payment of the remaining 50% of the variable element of remuneration shall be deferred for two years.

3.6 Performance criteria for the 2019 financial year shall be determined and calculated based on the Rules on the remuneration of the management board for work performance adopted on 22 November 2018 by the company's Supervisory Board and on annex 2 to the aforementioned rules of 10 February 2020, which set quantitative criteria for the 2019 financial year.

#### **4. Prohibition of competition and non-compete clause**

4.1 Employment contracts with members of the Management Board shall include the prohibition of competition and a non-compete clause.

4.2 The prohibition of competition shall apply to members of the Management Board in accordance with the ZGD-1 and ZDR-1. For the duration of their employment contract, members of the Management Board may not, without the Supervisory Board's consent, perform works or conclude transactions, in their own name, on their own behalf or on behalf of a third party, that fall within the activity performed by the company, and their performance or conclusion could represent competition for the company. Those works shall primarily comprise the conclusion of transactions on behalf of a Management Board member or a third party with business partners whom members of the Management Board meet in the course of their work, the implementation of business ideas that are developed in the workplace, or at their own company or a third company, and the dissemination of information regarding procedures and technologies that are the fruit of members' own research, work and experiences at the company. For the duration of their employment contract, members of the Management Board may not establish a company nor may they begin to perform the same activity as that of the company as a sole trader.

4.5 In the event of a breach of the prohibition of competition, a member of the Management Board shall pay the company a contractual penalty in an amount equal to six basic monthly salaries under an individual Management Board member's employment contract, and transfer to the company, at the latter's request, all concluded transactions or benefits from concluded transactions. In doing so, the company shall not waive its right to claim all damages resulting from a breach of the prohibition of competition from the member of the Management Board in question.

4.3 Following the termination of their employment contract, members of the Management Board may not perform, on their own behalf or on behalf of a third party, any works or conclude any transactions that are the same or similar to the transactions they concluded as members of the Management Board or that could be linked to a work area or activity of the company. Moreover, they may not exploit work, technical and business knowledge and business links obtained through or in connection with their work at the company (content of the non-compete clause).

4.4 The prohibition from the previous point shall be valid for one year following the termination of an employment contract and only in cases when an employment contract is terminated mutually by both parties, due to ordinary termination by a member of the Management Board, ordinary termination of a Management Board member's employment contract on grounds of fault or extraordinary termination of a Management Board member's employment contract by the company, except in the case of extraordinary termination as set out in the sixth indent of the first paragraph of Article 110 of the ZDR-1.

4.5 For the duration of the prohibition of the performance of a competitive activity, a member of the Management Board shall be entitled to receive monthly financial compensation for respecting the prohibition of competition, in an amount equal to the difference between the earnings a member of the Management Board receives following the termination of their employment relationship with the company and the average basic salary received during the final three months of their employment relationship with the company, where that amount shall not be less than one third of the average basic monthly salary of a member of the Management Board in the three months prior to the termination of their employment contract.

## **5. Annual leave**

5.1 Members of the Management Board shall be entitled to annual leave of up to 30 days.

## **6. Use of company car**

6.1 Members of the Management Board shall have the continuous right to use a mid-size or full-size vehicle for business and private purposes. The relationship between a member of the Management Board and the company in connection with the use of a company vehicle shall be regulated by a contract.

## **7. Use of a business payment card**

7.1 Members of the Management Board shall be entitled to use a business payment or credit card for the payment of work-related obligations at home and abroad. The Supervisory Board shall set the monthly limit on payment cards.

## **8. Use of a company mobile phone and data packages**

8.1 Members of the Management Board shall be entitled to use a business mobile phone under a subscriber relationship, as well as data packages.

## **9. Training and education**

9.1 In the interest of the company, members of the Management Board shall have the right and duty to pursue training and education at home and abroad in accordance with work needs. If members of the Management Board attend courses to obtain additional formal education in the interest of the company, they may enter into a training and education contract.

9.2 The amount of annual funds earmarked for education and professional training at home and abroad for an individual member of the Management Board shall be set by resolution of the Supervisory Board, taking into account the following bases:

- members of the Management Board shall be entitled to additional education and training at home and abroad of up to 10 (ten) days a year and up to the total annual amount of EUR 5,000. During that time, they shall be entitled to wage compensation in the amount of 100% for the period of absence, and to the reimbursement of education- and training-related costs. A contract shall be concluded for education and training of more than 10 working days or exceeding the total amount of EUR 5,000 following the prior approval of the Supervisory Board;
- a member of the Management Board shall obtain the approval of the Supervisory Board for education and training that lasts more than 5 (five) consecutive working days; and
- a member of the Management Board shall report on business travel abroad that lasts more than 5 (five) days to the Supervisory Board at the next session thereof.

## **10. Preventive medical examinations**

10.1 In accordance with an indicative analysis and health assessment of their position, members of the Management Board shall be entitled to an annual preventive medical examination.

## **11. Liability insurance (D&O)**

11.1 Members of the Management Board shall be entitled to directors and officers (D&O) insurance.

## **12. Supplementary pension and accident insurance**

12.1 Members of the Management Board shall be entitled to supplementary accident insurance and supplementary pension insurance via the service provider with whom the company has concluded a collective supplementary pension insurance contract. The costs of supplementary pension insurance and accident insurance shall be borne in full by the company. All of the company's employees are included in collective supplementary pension insurance. Thus, similar to other employees, members of the Management Board are not subject to the calculation of fringe benefits due to the exercising of that right. If necessary, the rights and obligations of a member of the Management Board in connection with supplementary pension insurance and accident insurance shall be set out in a contract.

## **13. Representation**

13.1 Members of the Management Board shall use funds earmarked annually for representation purposes in the amount set out in the company's business-financial plan for a given year.

## **14. Limitation on the amount bonuses**

14.1 The rights and benefits of members of the Management Board that constitute bonuses in accordance with valid tax legislation may not exceed the limits set in regulations or in the recommendations issued by Slovenski državni holding, d. d.

## **15. Membership in professional associations**

15.1 Members of the Management Board shall be entitled to the reimbursement of membership fees for professional managers' associations and clubs up to the annual amount of EUR 1,000 for each member. The Supervisory Board may adopt a resolution at any time setting a different amount of membership fees for an individual member of the Management Board if legitimate reasons exist.

Koper, 10 February 2020

Intereuropa, d. d.

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Boris Novak, MSc  
Chairman of the Supervisory Board