

Extraordinary General Meeting

29 November 2017

(explanation of proposed decisions)

Agenda

1. Decision on the suitability of a candidate for member of the Supervisory Board of the Bank
2. Decision on the election of a member of the Supervisory Board of the Bank

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1. Decision on the suitability of a candidate for member of the Supervisory Board of the Bank

According to the provisions of the Credit Institutions Act and the CNB's Decision on the assessment of the suitability of the chairperson of the management board, members of the management board, members of the supervisory board and key function holders in a credit institution, the General Meeting decides on the suitability of candidates for members of the Supervisory Board of the Bank.

Before submitting the draft decision to the Extraordinary General Meeting, a suitability assessment of the candidate for member of the Supervisory Board was conducted at the Bank in accordance with the *Policy on the assessment of the suitability of members of the Supervisory Board of the Bank* and the *Policy on the structure of the Supervisory Board of the Bank*, both adopted by the General Meeting of the Bank.

The suitability assessment was conducted for Mr Giulio Moreno, candidate for a member of the Supervisory Board, and a proposal for his election is put forth before the Extraordinary General Meeting.

2. Decision on the election of a member of the Supervisory Board of the Bank

Pursuant to Article 275 of the Companies Act the General Meeting decides on the election of members of the Supervisory Board.

In the light of the resignation of Mr Fabrizio Centrone from the Supervisory Board as well as the fact that the Supervisory Board of the Bank will continue to be composed of seven members, a proposal is made to elect Mr Giulio Moreno to the Supervisory Board of the Bank for a three-year term of office, effective from the date when the Croatian National Bank grants its prior approval for the performance of the function of a member of the supervisory board of a credit institution.

The resumes of the nominated candidate is available on the Bank's web site.

Zagreb, 18 October 2017

Privredna banka Zagreb d.d.