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|  Ilirija d.d. BIOGRAD NA MORU | Decision on remuneration of the Supervisory Board Members of Ilirija d.d., Biograd na Moru | 30/07/2021 |
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**DECISION ON REMUNERATION OF THE SUPERVISORY BOARD MEMBERS
OF ILIRIJA d.d. BIOGRAD NA MORU**

*Attachment 2 to the invitation of the General Assembly of Ilirija d.d.
Applied as of 24/09/2021-24/09/2025, unless a different decision is made on the same matter by the competent body of Ilirija
d.d. in the meantime.*

According to Article 269, paragraph 3 of the Companies' Act (Official Gazette No. 152/11-consolidated text, 111/12, 68/13, 110/15 and 40/19), the Supervisory Board of the company Ilirija d.d. for hospitality and tourism, Tina Ujevića 7, Biograd na Moru (hereinafter referred to as: ILIRIJA d.d.) proposes to the General Meeting which will be held on 24th September, 2021 to make the following

DECISION ON REMUNERATION OF THE SUPERVISORY BOARD MEMBERS

1. This decision on the remuneration of the Supervisory Board Members aims to ensure that the remuneration of the Supervisory Board Members is appropriate to the condition of the Company, is stimulating to attract and retain qualified staff and it supports the long-term development and interest of the Company. In determining the amount of the remuneration, the Company considered, among other things, the economic conditions, the average paid net salary to employees of the Company and best practices and remuneration in comparable and relevant companies.
2. Members of the Supervisory Board neither exercise the right to a part of the remuneration in the Company's shares nor are there delays in the remuneration or a part of the remuneration for the members of the Supervisory Board. The Members of the Supervisory Board are not entitled to severance pay.
3. A member of the Supervisory Board who is not Company employee is entitled to a fixed monthly remuneration in the net amount of: HRK 6,500.00, while a member of the Supervisory Board who is also a Company employee is entitled to a fixed monthly remuneration in the net amount of: HRK 4,500.00.
4. If a member of the Supervisory Board is also a Company employee, in addition to the remuneration determined by this Decision, he/she is also entitled to the remuneration in accordance with the valid Employment Contract.
5. Each member of the Supervisory Board may, while performing the duty in the Supervisory Board, be a member of the Supervisory Board Committee (e.g. Audit Committee) and based on membership in the Supervisory Board Committee be entitled to additional remuneration/reward for membership in one of the Committees. The amount of this remuneration is determined by the Supervisory Board, guided by the principles and frameworks established by this Decision, and it is paid together with the remuneration for the membership in the Supervisory Board.
6. Taxes and contributions on the remuneration of the Supervisory Board Members are calculated and paid by the Company in accordance with applicable tax regulations.
7. The Members of the Supervisory Board are entitled to the remuneration from the day of their appointment to this position until the day of dismissal from this position. If a member of the Supervisory Board has been a member of the Supervisory Board for a part of the fiscal year, he/she is entitled to the remuneration in proportion to the time spent in performing the duty ("pro rata temporis").
8. Participation in the meeting includes the participation by telephone or videoconference.
9. The Supervisory Board Members are entitled to reimbursement of all business-related reasonable and documented expenses incurred in connection with participation in the meeting of the Supervisory Board or the work of the Supervisory Board.




Ilirija d.d.
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10. The Supervisory Board shall monitor the application of this Decision on an annual basis. In case of consideration of the amendment to this Decision, the Supervisory Board shall submit a reasoned proposal for amendments to the General Meeting, all in accordance with the applicable legal provisions.
11. This Decision shall enter into force following the adoption thereof by the General Meeting and shall apply by the time a different decision is made by the General Meeting of the Company.


Goran Medić
President of the Supervisory Board