

MINUTES

OF THE REGULAR GENERAL MEETING OF BANK'S SHAREHOLDERS HELD ON
28.04.2021



MINUTES

of the Regular General Meeting of Shareholders of Komercijalna banka AD Beograd, held on 28.04.2021 in Belgrade – in Bank's premises, at 14, Svetog Save Street- beginning at 12.00 hours

Shareholders – holders of ordinary shares specified on the List of Shareholders of the Bank composed on the Cut-off Date on 18.04.2021, with reference to the excerpt from the Central Registry of Securities were attending the regular session of the General Meeting of Shareholders of Komercijalna Banka AD Beograd that was held on 28.04.2021, in the Bank's premises at 14, Svetog Save Street, as follows:

1. NLB D.D. Ljubljana – proxy Igor Stebernak;
2. BDD M&V Investments AD Beograd summary account – proxy Andrija Sofijanić
3. Jugobanka in bankruptcy, Belgrade – proxy Zvezdana Stojanovski and
4. Dunav osiguranje A.D.O. Beograd – proxy Ivan Aćimović

Representatives of the Bank who attended the session were:

1. Vlastimir Vuković, President of the Executive Board - via video conference
2. Dejan Janjatović, Deputy President of the Executive Board - via video conference
3. Jelena Mirković, Corporate Secretary
4. Sanja Đeković, Executive Director for Finance and Accounting – via video conference (during the review of items no. 1 and no. 2 of the Agenda) and
5. Vesna Velemir, Head of the Unit for Administrative and Technical Support to the Secretariat

The General Meeting of Bank's Shareholders was also attended, via video conference, by the representatives of the external auditor Ernst & Young d.o.o. Beograd, Danijela Mirković and Nikola Ribar, during the review of items no. 1 and no. 2 of the Agenda.

The present representatives of the Bank's shareholders are informed that in accordance with Article 8 of the Terms of Reference of the General Meeting of Bank's Shareholders, the session of the General Meeting is chaired by and the competences of the Chairperson of the General Meeting of Shareholders are performed by the present representative of shareholder with the largest number of votes at the General Meeting of Shareholders, which is at this session of the General Meeting of Bank's Shareholders the proxy of the shareholder NLB d.d. Ljubljana, Mr Igor Stebernak.

The Chairperson of the General Meeting of Shareholders Igor Stebernak opened the session of the General Meeting of Shareholders, welcomed the present representatives of shareholders and the present representatives of the Bank. He informed the present representative of Bank's shareholders that in accordance with the Law on Banks and the Company Law, he, in his capacity as Chairperson of the General Meeting of Shareholders, passed the following:

1. Decision on Appointment of the Voting Commission, wherewith the following persons were appointed as members of the Voting Commission:
 - 1) Zvezdana Stojanovski – Chair, proxy of Jugobanka in bankruptcy shareholder
 - 2) Ivan Aćimović – Member, proxy of Dunav osiguranje A.D.O. shareholder
 - 3) Jelena Mirković – Member, employee of the Bank
2. The Decision on Appointment of the Minutes Taker, wherewith appointing Vesna Velemir, employee of the Bank.

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Chairperson of the Voting Commission, Zvezdana Stojanovski, informed the General Meeting of Shareholders that the Voting Commission determined the list of attending shareholders and verified the identity of the proxies of four (4) shareholders with voting rights holding 15.763.966 votes, which accounts for 93,7329% of total number of Bank's ordinary shares, as follows::

No.	Shareholder	Number of ordinary shares	% OF STAKE
1	2	3	4
1.	NLB D.D.	14.799.562	87,9986%
2.	BDD M&V INVESTMENTS AD BEOGRAD - SUMMARY ACCOUNT (80200ZMVI0018)	352.590	2,0965%
3.	JUGOBANKA IN BANKRUPTCY, K. PETRA 19, BEOGRAD	321.600	1,9122%
4.	COMPANY DUNAV OSIGURANJE ADO, MAKEDONSKA 4, BEOGRAD	290.214	1,7256%
	TOTAL:	15.763.966	93,7329%

Source of data: Central Securities Depository and Clearing House, Shareholders' Day 18.04.2021.

The Voting Commission noted that there was a quorum and that the General Meeting of Bank's Shareholders may pass legally binding decisions as per proposed items of the agenda, as follows:

1. Decision on Adoption of the Annual Report on Operations and Regular Financial Statements of the Bank for 2020 with the opinion of the external auditor – *by simple majority of votes of the present shareholders*
2. Decision on Adoption of the Annual Report on Group's Operations and Consolidated Financial Statements of the Group for 2020 with the opinion of the external auditor - *by simple majority of votes of the present shareholders*
3. Decision on Distribution of Profit from 2020, as well as Undistributed Profits from Previous Years - *67% of votes of the total number of votes attached to ordinary shares*
4. Decision on Repealing the Bank's Dividend Policy - *67% of votes of the total number of votes attached to ordinary shares*
5. Decision on Adoption of Terms of Reference of the General Meeting of Shareholders - *by simple majority of votes of the present shareholders*
6. Decision on Release from Duty of the Member of the Board of Directors *Guy Richard Steel Stevens* - *by simple majority of votes of the present shareholders*
7. Decision on Appointment of the Member of the Board of Directors - *Veljko Kuštrov* - *by simple majority of votes of the present shareholders*

The Chairperson of the General Meeting of Shareholders Igor Stebernak informed the representatives of shareholders that he was notified that in Item 7 of the draft Agenda there is a technical error with regard to surname of the proposed member of the Board of Directors. It is Veljko Kuštrov, not Kustrov. He proposed that the General Meeting of Shareholders adopts the so amended Agenda, and thus the General Meeting of Bank's Shareholders, after adopting the Agenda, continued its work as per established items of the Agenda:

1. Decision on Adoption of the Annual Report on Operations and Regular Financial Statements of the Bank for 2020 with the opinion of the external auditor
 2. Decision on Adoption of the Annual Report on Group's Operations and Consolidated Financial Statements of the Group for 2020 with the opinion of the external auditor
 3. Decision on Distribution of Profit from 2020, as well as Undistributed Profits from Previous Years
 4. Decision on Repealing the Bank's Dividend Policy
 5. Decision on Adoption of Terms of Reference of the General Meeting of Shareholders
 6. Decision on Release from Duty of the Member of the Board of Directors - *Guy Richard Steel Stevens*
 7. Decision on Appointment of the Member of the Board of Directors - *Veljko Kuštrov*
1. Decision on Adoption of the Annual Report on Operations and Regular Financial Statements of the Bank for 2020 with the opinion of the external auditor
 2. Decision on Adoption of the Annual Report on Group's Operations and Consolidated Financial Statements of the Group for 2020 with the opinion of the external auditor

The representative of the external auditor Ernst & Young Danijela Mirković pointed out that Ernst & Young as the external auditor of the Bank issued the opinion on individual financial statements for 2020 and the opinion on consolidated financial

statements for 2020. The reports they issued have no disclaimers, these are unqualified opinions and they include key auditing issues given that Komercijalna banka is listed on Belgrade Stock Exchange and therefore their obligation as auditor is to present the key audit considerations in the Report itself.

As none of the present representatives of shareholders wished to further discuss the proposed agenda items, the Chairperson of the General Meeting of Shareholders Igor Stebernak put to the vote the Decision on Adoption of the Annual Report on Operations and Regular Financial Statements of the Bank for 2020 with the opinion of the external auditor and the Decision on Adoption of the Annual Report on Group's Operations and Consolidated Financial Statements of the Group for 2020 with the opinion of the external auditor.

1. Decision on Adoption of the Annual Report on Operations and Regular Financial Statements of the Bank for 2020 with the opinion of the external auditor

- „*IN FAVOUR*” 15.763.966 votes or 100% of the present number of votes attached to ordinary shares.
- „*AGAINST*” /
- „*ABSTAINED*” /

It is hereby affirmed that the General Meeting of Bank's Shareholders passed the Decision on Adoption of the Annual Report on Operations and Regular Financial Statements of the Bank for 2020 with the opinion of the external auditor

2. Decision on Adoption of the Annual Report on Group's Operations and Consolidated Financial Statements of the Group for 2020 with the opinion of the external auditor

- „*IN FAVOUR*” / 15.763.966 votes or 100% of the present number of votes attached to ordinary shares.
- „*AGAINST*” /
- „*ABSTAINED*” /

It is hereby affirmed that the General Meeting of Bank's Shareholders passed the Decision on Adoption of the Annual Report on Group's Operations and Consolidated Financial Statements of the Group for 2020 with the opinion of the external auditor

3. Decision on Distribution of Profit from 2020, as well as Undistributed Profits from Previous Years

The President of the Executive Board, Vlastimir Vuković, pointed out that the Board of Directors made a proposal for a decision to distribute the profit realized in 2020 and transfer it to undistributed profit, for several reasons. The first and main reason is the increased risk in the conditions of the pandemic of the infectious disease COVID-19. In this way, the capital base of the Bank is strengthened, so that the Bank will be a support to both the economy and the population in the coming period. The second reason is that the Bank, together with other banks operating in Serbia, in order to contribute to preserving and strengthening the stability of the financial system of the Republic of Serbia in a state of health emergency due to the COVID-19 infectious disease pandemic, signed an Agreement with the Ministry of Finance and the National Bank of Serbia, whereby no profit is paid to shareholders in order to preserve the stability of the financial system and prevent the risks caused by the COVID-19 infectious disease pandemic. Given the particularly increased risk at times of Covid, and the fact that due to current Agreement the Bank cannot distribute profit by paying the dividend to its shareholders, the proposal of both Executive Board and the Board of Directors to the General Meeting of Bank's Shareholders is to pass the Decision on Distribution of Profit Realized in 2020 to Undistributed profit.

As none of the present representatives of shareholders wished to further discuss the proposed item on the agenda, the Chairperson of the General Meeting of Shareholders Igor Stebernak put to the vote the Decision on Distribution of Profit from 2020, as well as Undistributed Profits from Previous years

3. Decision on Distribution of Profit from 2020, as well as Undistributed Profits from Previous Years

- „*IN FAVOUR*” 15.089.776 votes or 89,7242% of the total number of votes attached to ordinary shares
- „*AGAINST*” /
- „*ABSTAINED*” 674.190 votes or 4,0087% of the total number of votes attached to ordinary shares

It is hereby affirmed that the General Meeting of Bank's Shareholders passed the Decision on Distribution of Profit from 2020, as well as Undistributed Profits from Previous Years.

4. Decision on Repealing the Bank's Dividend Policy

The President of the Executive Board Vlastimir Vuković explained that it was proposed the General Meeting of Shareholders to adopt the Decision on Repealing the Bank's Dividend Policy. The Policy was adopted in 2014, and the wording of the Dividend Policy was then determined by conclusion of the Deed of Undertaking which the Bank signed with the then shareholders EBRD, IFC, DEG and Swedfund International AB and by the Agreement which the Republic of Serbia, as the Bank's shareholder, had signed with the same shareholders as Bank did. Since there was a change in ownership over the Bank's shares and the NLB banka became the owner of 83,23% of ordinary shares of Komercijalna banka a.d. Beograd, it is proposed to repeal the Dividend Policy, and Komercijalna banka will, in the coming period, adopt a new internal document that will define the new rules on distribution of profit in compliance with the policies of the NLB Group.

Proxy of shareholder BDD M&V Investments AD Beograd Andrija Sofijanić pointed out that usually when deciding on the abolition of the existing rules for the payment of dividends to shareholders, it is also decided on new rules, i.e. a new Dividend Policy that will be applicable in the coming period. NLB Group is listed on the London Stock Exchange, it bought Komercijalna Banka, which is a systemically important bank in the Republic of Serbia, and now it is proposed to abolish the Dividend Policy, which could be interpreted as a negative signal for small investors, i.e. existing small shareholders after the offer which did not exceed the threshold of 90%. The explanation that the new rules for the payment of dividends will be adopted in the future can be interpreted that it will be in 1, 2 or 3 years, and until then, small investors will be on hold. He emphasized that the position and opinion of small shareholders is that at the time of the abolition of the existing Dividend Policy, it was necessary to define a new Dividend Policy and that the rules of future business and future distribution of profits should be defined.

The President of the Executive Board, Vlastimir Vuković, pointed out that all shareholders are respected in the same way, regardless of whether they are small or large. As for the success or failure of the takeover of shares by NLB, it is an ongoing process. On the other hand, the goal of the majority shareholder, and he is certain the minority shareholders, as well, is to distribute profits, but it remains to be seen how to do it most rationally. In the following period, new rules for the payment of dividends will be proposed, which will specify the method of distribution. No shareholder should feel that his rights have been violated in any way.

The proxy of the shareholder NLB d.d. Igor Stebernak pointed out that NLB Banka does not have the Dividend Policy document adopted by the General Meeting of Shareholders, but they have a statement that goes to investors. He is of the opinion that there should be no official policy adopted by the General Meeting of Shareholders in Komercijalna banka either. The next step is to adopt a rulebook on profit distribution and communication thereafter.

As none of the present representatives of shareholders wished to further discuss the proposed item on the agenda, the Chairperson of the General Meeting of Shareholders Igor Stebernak put to the vote the Decision on Repealing the Bank's Dividend Policy.

4. Decision on Repealing the Bank's Dividend Policy

- „*IN FAVOUR*” 15.411.376 votes or **91,6364%** of the total number of votes attached to ordinary shares.
- „*AGAINST*” /
- „*ABSTAINED*” 352.590 votes or **2,0965%** of the total number of votes attached to ordinary shares.

It is hereby affirmed that the General Meeting of Bank's Shareholders passed the Decision on Repealing the Bank's Dividend Policy.

5. Decision on Adoption of Terms of Reference of the General Meeting of Shareholders

Corporate Secretary Jelena Mirković explained that for the purpose of complying the provisions of the Terms of Reference with amendments and supplements of the Bank's Articles of Association to which the Bank received the approval of the National Bank of Serbia on 05.03.2021, and in order to act in accordance with the Report of the Compliance Division, the required amendments and supplements to the Terms of Reference of the General Meeting of Shareholders were made.

As none of the present representatives of shareholders wished to further discuss the proposed item on the agenda, the Chairperson of the General Meeting of Shareholders Igor Stebernak put to the vote the Decision on Adoption of Terms of Reference of the General Meeting of Shareholders.

5. Decision on Adoption of Terms of Reference of the General Meeting of Shareholders

- „*IN FAVOUR*” 15.763.966 votes or **100%** of the present number of votes attached to ordinary shares.
- „*AGAINST*” /
- „*ABSTAINED*” /

It is hereby affirmed that the General Meeting of Bank's Shareholders passed the Decision on Adoption of Terms of Reference of the General Meeting of Shareholders.

6. Decision on Release from Duty of the Member of the Board of Directors - *Guy Richard Steel Stevens*

Corporate Secretary Jelena Mirković explained that Guy Richard Steel Stevens, an independent member of the Board of Directors of the Bank, on 05.02.2021 submitted to the Bank his resignation to his position as the member of the Bank's Board of Directors, at his personal request. The Bank's Articles of Association regulate that the member of the Board of Directors is appointed and release from duty by the General Meeting of Shareholders at the proposal of the Bank's Board of Directors. The Board of Directors of the Bank at its session held on 15.03.2021 passed the Decision determining the Draft Decision of the General Meeting of Bank's Shareholders on Release from Duty of the Member of the Board of Directors - Guy Richard Steel Stevens. The subject decision enters into force on the day the Decision on appointment of the new member of the Board of Directors is adopted by the General Meeting of Shareholders, but not before obtaining the preliminary consent from the National Bank of Serbia for the appointment of the new member of the Bank's Board of Directors.

As none of the present representatives of shareholders wished to further discuss the proposed item on the agenda, the Chairperson of the General Meeting of Shareholders Igor Stebernak put to the vote the Decision on Release from Duty of the Member of the Board of Directors - *Guy Richard Steel Stevens*.

6. Decision on Release from Duty of the Member of the Board of Directors *Guy Richard Steel Stevens*

- „*IN FAVOUR*” 15.763.966 votes or 100% of the present number of votes attached to ordinary shares.
- „*AGAINST*” /
- „*ABSTAINED*” /

It is hereby affirmed that the General Meeting of Bank's Shareholders passed the Decision on Release from Duty of the Member of the Board of Directors *Guy Richard Steel Stevens*

7. Decision on Appointment of the Member of the Board of Directors - *Veljko Kuštrov*

Corporate Secretary Jelena Mirković explained that at the proposal of Bank's shareholders, the Board of Directors passed the Decision determining the Draft Decision of the General Meeting of Bank's Shareholders on appointment of independent member of the Bank's Board of Directors Veljko Kuštrov.

As none of the present representatives of shareholders wished to further discuss the proposed item on the agenda, the Chairperson of the General Meeting of Shareholders Igor Stebernak put to the vote the Decision on Appointment of the Member of the Board of Directors - *Veljko Kuštrov*.

7. Decision on Appointment of the Member of the Board of Directors - *Veljko Kuštrov*

- „*IN FAVOUR*” 15.763.966 votes or 100% of the present number of votes attached to ordinary shares.
- „*AGAINST*” /
- „*ABSTAINED*” /

It is hereby affirmed that the General Meeting of Bank's Shareholders passed the Decision on Appointment of the Member of the Board of Directors - *Veljko Kuštrov*

The proxy of shareholder BDD M&V Investments AD Beograd Andrija Sofijanić asked for information on Bank's operations in 1Q 2021.

The President of the Executive Board, Vlastimir Vuković, pointed out that regardless of the situation related to the Covid 19 pandemic, the Bank achieved business results fully in accordance with the plan. In March, record results were achieved in retail banking operations. Much has been done when it comes to harmonizing processes and procedures with the standards of the NLB Group, which are fully harmonized with European regulations. In 1Q 2021, a lot of systemic changes were made regarding Corporate Governance, especially to raise the risk culture to a higher level, and on the other hand, they also managed to start the sale.

The Deputy President of the Executive Board Dejan Janjatović emphasized that in the first three months the focus was on complying with the standards of the Group, a lot of activities were initiated in that direction and those activities have been successfully completed. Komercijalna banka has now been operating according to the standards of the NLB Group, the same risk standards are applied and hence it will lead to a better quality of work and raising the appropriate culture in the Bank.

The Chairperson of the General Meeting of Shareholders Igor Stebernak stated that there were no more items on the Agenda left for discussion, and thanked the present representatives of Bank's shareholders, the present representatives of the Bank, after which the General Meeting of Bank's Shareholders ended at 12:25 hours

Minutes Taker
Vesna Velemir

CHAIRPERSON OF GENERAL MEETING OF SHAREHOLDERS
Igor Stebernak

VOTING COMMISSION:

1. Zvezdana Stojanovski – Chair, proxy of shareholder Jugobanka in bankruptcy
2. Ivan Aćimović – Member, proxy of shareholder Dunav osiguranje A.D.O.
3. Jelena Mirković, Employee of the Bank