



25th ORDINARY GENERAL MEETING OF SHAREHOLDERS OF CINKARNE CELJE, d.d.

**that will be held on Tuesday, 15 June 2021 at 2.00 p.m. at the
premises of a multi-purpose building at the address of the registered
office of the Company at Kidričeva ulica 26.**

AGENDA AND RESOLUTION PROPOSALS WITH EXPLANATIONS



1 Opening of the General Meeting, election of working bodies and establishment of the presence

RESOLUTION PROPOSAL No. 1:

The presence at the General Meeting is established, Stojan Zdolšek, Chairman of the General Meeting, and IXTLAN FORUM, d.o.o., a vote counter are approved. The meeting shall be attended by Katja Fink, a notary public.

Explanation:

The persons appointed by the Management Board of Cinkarna Celje, d.d. are suitably qualified for the conduct of the General Meeting and for the counting of votes. The notary is present at the General Meeting in order to confirm the resolutions passed by the General Meeting pursuant to Article 304/1 of the ZGD-1.

Chairman of the Supervisory Board
Mario Gobbo

President of the Management Board
Aleš Skok, u.d.i.k.t., MBA-USA

2. Notification of the General Meeting of the audited annual report for 2020, remunerations received by the members of management and supervisory bodies in 2020, the report of the Supervisory Board, the decision on the distribution of the accumulated profit and the granting of discharge to the members of the Management Board and the Supervisory Board for 2020.

RESOLUTION PROPOSAL No. 2.1:

The General Meeting is notified of the audited annual report for 2020, the remunerations received by the members of the management body in 2020 in the total gross amount of EUR 1,149,153, remunerations received by the members of the supervisory body in 2020 in the total gross amount of EUR 121,410 and the report of the Supervisory Board.

RESOLUTION PROPOSAL No. 2.2:

In accordance with the proposal of the Management Board and the Supervisory Board, the accumulated profit in the amount of EUR 16,522,136 shall be used for the following purposes:

- **A portion of the accumulated profit in the amount of EUR 8,614,144 EUR shall be used for the payment of dividends in the gross value of EUR 11,00 per share.**
- **The remaining accumulated profit in the amount of EUR 7,907,992 shall be transferred to the 2021 financial year as retained earnings.**

The Company shall pay out the dividends on 24 June 2021 to the shareholders registered with KDD as of 23 June 2021.

RESOLUTION PROPOSAL No. 2.3:

The General Meeting shall grant discharge to the members of the Management Board for the 2020 financial year.

RESOLUTION PROPOSAL No. 2.4:

The General Meeting shall grant discharge to the members of the Supervisory Board for the 2020 financial year.

Explanation:

The Management Board and the Supervisory Board are of the opinion that the proposed distribution of the accumulated profit suitably reflects the Company's performance. In this way, the appropriate dividend yield is ensured, and the Company thus serves the interests and expectations of its owners. The proposal is perceived as a responsible reaction to the ongoing extremely uncertain macro-economic conditions related to the SARS-CoV-2 (Covid 19) pandemic. In addition, the proposed distribution of the accumulated profit contributes to the appropriate capital adequacy of the Company which is necessary for the start of the new investment cycle.

The proposers estimate that the Company's management in 2020 was appropriate, dedicated and carried out in a legitimate and supervised way. They therefore propose the General Meeting to discharge the members of the Management Board and the Supervisory Board for the 2020 financial year.



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3. Amendments to the Articles of Association of Cinkarna Celje, d.d.

RESOLUTION PROPOSAL No. 3.1:

Article 5 of the Articles of Association is amended and now reads as follows:

»The Company's share capital amounts to EUR 19,900,475.72 and it is composed of 794,825 ordinary registered freely transferable unit shares. «

RESOLUTION PROPOSAL No. 3.2:

Article 56 the Articles of Association is supplemented with additional paragraphs 2, 3, 4 and 5.

The amended Article 56 of the Articles of Association now reads as follows:

»The General Meeting shall as a rule be conducted at the place of the Company's registered office.

Upon the prior consent of the Supervisory Board, the Management Board shall be entitled to state in the notice convening the general meeting that the shareholders are allowed to participate in and vote at the General Meeting by using electronic devices without being physically present (electronic General Meeting).

The members of management or supervisory bodies may participate in the General Meeting based on the picture and sound transmission if the General Meeting is held on-line as defined in paragraph 4 of Article 297 of the ZGD-1 and in other cases as set out in the Rules of Procedure of the General Meeting.

The following rules shall be observed in the event of an electronic General Meeting:

- The technical solution shall ensure the real-time transmission of picture and sound of the entire General Meeting;**
- The Company shall ensure conditions to verify the identity of shareholders or their proxies in a proportionate manner with the aim of holding an electronic General Meeting that will make it possible for shareholders to exercise their voting rights in a secure way;**
- The technical solution shall be such that it allows shareholders to vote on proposed resolutions, submit counter proposals and submit statements of intent to contest resolutions in real time; and,**
- In the rules of procedure set out in paragraph 5 of this article of the Articles of Association, the Company's Management Board may make the exercising of rights set out in third indent of this paragraph conditional on a shareholder announcing their intention to exercise those rights at least by the end of the fourth day before the General Meeting;**
- The technical solution shall ensure secure electronic communication.**
- The minutes of the General Meeting shall mention how the content of the votes was established.**

The Company's Management Board shall be authorised to define detailed rules of procedure for participating in and voting at an electronic General Meeting as well as other aspects of holding such a meeting and to publish those rules on the Company's website and/or in the notice convening the General Meeting.«

RESOLUTION PROPOSAL No. 3.3:

The first paragraph of Article 71 of the Articles of Association is amended and now reads as follows:

»The Company shall publish individual data or Company communications specified by an Act or by the Articles of Association on the website of the Agency of the Republic of Slovenia for Public Legal Records and Related Services (hereinafter: AJPES) or in a daily newspaper published throughout Slovenia and on the Company's website in a way stipulated by the Market in Financial Instruments Act and by other regulations. «

RESOLUTION PROPOSAL No. 3.4:

Article 55 of the Articles of Association is amended and now reads as follows:

»Only those shareholders who are registered in the central register of dematerialised securities as at the end of the seventh day prior to the General Meeting can attend the General Meeting and vote. «

Explanation:

3.1

Pursuant to Resolution No. 6 adopted by the General Meeting at its 23rd ordinary General Meeting of 4 June 2019 and resolution No. 5 adopted by the General Meeting at its 24th ordinary General Meeting of 17 June 2020, the Company's Management Board has been acquiring own shares with the purpose to withdrawal of shares in accordance with the law, the Articles of Association and the authorisation received at both General Meetings to withdraw the shares by reducing share capital. In accordance with the granted authorisation, the Management Board issued a resolution on a withdrawal of 13,152 own shares and a reduction of the Company's share capital. The Articles of Association were amended according to the above stated facts.

3.2

According to Article 56 of the Articles of Association, the General Meeting shall as a rule be conducted at the place of the Company's registered office. The proposed supplementation of the mentioned Article with paragraphs 2, 3, 4 and 5 stipulates the implementation of the General Meeting with electronic means in line with the provision from paragraph 4 of Article 297 of the ZGD-1 which stipulates that the Articles of Association may define that the shareholders can participate in and vote at of before a General Meeting by using electronic devices without being physically present and define the relevant procedure while observing the fact that this kind of participation and voting depend only on the requirements and limitations concerning the verification of the identity of shareholders and on secure electronic communication and in a proportionate manner with the aim of achieving this objective.

At a time of increasing digitalisation, it is appropriate to allow the Company to hold electronic General Meetings by providing it with an appropriate basis in the Articles of Association. An electronic General Meeting can also be one of the preventive measures against the spread of the COVID-19 virus. The Articles of Association set out the basic rules for conducting electronic General Meetings and authorising the Company's Management Board to determine more detailed rules of procedure for participation and voting in electronic meetings and define other aspects of conducting electronic General Meetings and make them public. The mentioned option is explicitly allowed by the provision of paragraph V of Article 297 of the ZGD-1. The electronic General Meeting is basically organized as a General Meeting with the physical presence of members of the management and supervisory bodies, the chairman of the general meeting, a notary and shareholders at the meeting place, while shareholders are offered the opportunity not to be physically present and use electronic means instead. The possibility of participation using electronic means at a distance should also be provided to members of management and supervision bodies, so the proposed amendment to this article of the Articles of Association also includes this possibility. A deadline was determined within which a shareholder shall notify the Company about the exercise of rights in the manner referred to in the proposed article, which



allows the expected time required for the preparation of their participation in the General Meeting at a distance.

3.3

The first paragraph of Article 71 of the Articles of Association now stipulates that data and communications of the Company that must be published is published in the newspaper Delo or in electronic form on the website of the Ljubljana Stock Exchange, d.d. The mentioned provision is no longer appropriate, as in accordance with the applicable legislation it is necessary to inform the shareholders and the public by publishing the relevant information on the AJPES website or in a daily newspaper published in the entire territory of the country, in a newsletter or electronic medium of the Company as well as on the website of the Company. The Company's shares are traded on a regulated market as well as in the manner prescribed by ZTFI-1 and other regulations. The proposed amendment will determine the manner of informing shareholders and the public in the Articles of Association in accordance with the applicable regulations.

3.4

Article 55 of the Article of Association stipulates that the number of votes of an individual shareholder is defined according to the number of shares they own based on the data from the share register at the end of the fourth day before the date of the General Meeting. Pursuant to the amended Companies Act (ZGD-1) which entered into force on 24 February 2021, the attendance and the exercise of voting rights of a shareholder at a General Meeting depend on the ownership of shares registered in the central register of dematerialised securities at the end of the seventh day prior to the General Meeting. This proposed amendment shall ensure compliance of the provision with the legislative amendment.

Chairman of the Supervisory Board
Mario Gobbo

President of the Management Board
Aleš Skok, u.d.i.k.t., MBA-USA

4. Appointment of a member of the Supervisory Board

RESOLUTION PROPOSAL No. 4:

The General Meeting takes note of the letter of resignation of Aleš Skok, member of the Supervisory Board, of 8 December 2020.

The General Meeting appoints Mitja Svoljšak as a member of the Supervisory Board from 16 June 2021 on for a five-year term of office acting on a proposal from the Supervisory Board.

Explanation:

Mitja Svoljšak hold a bachelor's degree in economics, and he has been implementing demanding tasks in various financial companies, in the Capital Assets Management Agency of the RS and in Slovenian Sovereign Holding, d.d. for more than 20 years. He started his career as a stockbroker and investment fund manager, and he then became an executive director of the Capital Assets Management Agency of the RS. In 2012, he was in charge of the controlling and risk management department, director of finance or controlling department, analysis and reporting in SDH, d.d. where he currently holds a position of a director of the department of management of financial companies and he participates in the development of corporate management and reporting on the performance of companies. He obtained a stockbroker licence (ATVP), CFA Charterholder (CFA Institute, Charlottesville, ZDA) and the Directors Certification.

The Nomination Committee of the Supervisory Board of Cinkarna Celje, d.d. implemented a nomination procedure and underlines that in its opinion, Mitja Svoljšak possesses broad knowledge and experience and due to his competences and personality traits he could significantly contribute to a further successful performance of the Supervisory Board.

Chairman of the Supervisory Board
Mario Gobbo

5 Remuneration of the Supervisory Board

RESOLUTION PROPOSAL No. 5:

The General Meeting defines the following amounts to be awarded to the members of the Supervisory Board and committees of the Supervisory Board for the implementation of their functions:

1. Members of the Supervisory Board shall receive an attendance fee for the attendance at the Supervisory Board meeting in the gross amount of EUR 275.00 per individual member of the Supervisory Board. Members of the Supervisory Board's committees shall receive an attendance fee for their attendance at the committee meeting in the amount of 80% of the attendance fee for the Supervisory Board meeting per individual member. An attendance fee for the participation at a meeting by correspondence amounts to 80% of the regular attendance fee. Notwithstanding the above mentioned and thus irrespective of the number of meetings an individual member of the Supervisory Board attended in an individual financial year, they are entitled to the payment of attendance fees in the total amount that should not be higher than 50% of the basic remuneration for the performance of the function of the Supervisory Board member at an annual level. An individual member of the Supervisory Board who is a member of a committee or committees of the Supervisory Board is thus notwithstanding the above mentioned and thus irrespective of the number of meetings of the Supervisory Board or of the committees an individual member of the Supervisory Board attended in an individual financial year, is entitled to the payment of attendance fees in the total amount of attendance fees for the meetings of the Supervisory Board meetings and the committees as long as the total amount does not exceed 75% of the of the basic remuneration for the performance of the function of the Supervisory Board member at an annual level.

2. In addition to the attendance fees, members of the Supervisory board shall also receive the basic remuneration for the performance of the function in the gross amount of EUR 15,000.00 per year per individual member. The Chairman of the Supervisory Board is also entitled to the additional payment in the amount of 50% of the basic remuneration for the performance of the function of a member of the Supervisory Board. The vice-chairman/deputy chairman of the Supervisory Board is entitled to the additional payment in the amount of 10% of the basic remuneration for the performance of the function of a member of the Supervisory Board. Each member of the Supervisory Board's committee shall receive an additional payment for the performance of the function which amounts to 25% of the basic remuneration for the performance of the function of a member of the Supervisory Board. The chairman of the committee is entitled to an additional payment for the performance of the function in the amount of 37.5% of the basic remuneration for the performance of the function of a member of the Supervisory Board. Notwithstanding the above mentioned and thus irrespective of the number of committees in which an individual member of the Supervisory Board participates or the number of committees he chairs in an individual financial year, they are entitled to the additional payment of the total amount that should not exceed 50 % of the basic remuneration for the performance of the function of the Supervisory Board member at an annual level. In the event that the term of office of an individual member of the Supervisory Board is shorter than the financial year, an individual member of a committee of the Supervisory Board is entitled to the additional payment, notwithstanding the above mentioned and thus irrespective of the number of committees in which an individual member of the Supervisory Board participates or the number of committees he chairs in an individual financial year, as long as the total amount of such additional payment does not exceed 50% of the basic remuneration for the performance of the function of an individual member of the



Supervisory Board in relation to the justified payments made during the term of office in the relevant financial year.

3. Members of the Supervisory Board and members of the Supervisory Board committee receive the basic remuneration and additional payment for performing the function in proportional monthly payments to which they are entitled while performing the function. The monthly payment is one twelfth of the above-mentioned annual amounts.

4. The limitation of the amount of total attendance fees or additional payments to a member of the Supervisory Board does not in any way affect their duty to actively participate in all meetings of the Supervisory Board and meetings of the committees of which he is a member, and his statutory responsibility.

5. Members of the Supervisory Board are entitled to reimbursement of transport and accommodation costs incurred in connection with their work on the Supervisory Board, up to the amount specified in the regulations governing the reimbursement of expenses related to work and other income not included in tax base (provisions applicable to business travel and overnight accommodation). The amount due to the member of the Supervisory Board according to the cited regulation is reversed, so that the net payment represents the reimbursement of actual travel expenses. The mileage shall be determined by taking into account the distances between places calculated on the AMZS public website. Accommodation costs may be reimbursed only if the distance of permanent or temporary residence of a member of the Supervisory Board or a member of the Supervisory Board from the place of work of the body is at least 100 kilometres, if they could not return because no public transport was planned, or for other objective reasons.

6. This resolution shall enter into force and apply from the day of its adoption by the General Meeting. It repeals Resolution No. 3, adopted by the General Meeting on 6 June 2012.

Explanation:

The amount of remuneration of the members of the Supervisory Board for performing the function, which has remained unchanged since 2012, is no longer proportional to the responsibility of the members of the Supervisory Board and the complexity the tasks that must be performed in order to ensure extensive and effective supervision of the Company. Due to the above, the Supervisory Board prepared a proposal for gross attendance fees and reimbursement of expenses and payments to members of the Supervisory Board and members of its committees, in accordance with ZGD-1, taking into account the size of the Company and its financial condition.

Chairman of the Supervisory Board
Mario Gobbo



6. Power of attorney to obtain own shares

RESOLUTION PROPOSAL No. 6:

The General Meeting of Shareholders grants a Power of Attorney to the Management Board of the Company to obtain own shares.

The Management Board is authorised to obtain own shares so that the total share of all own shares, including the shares that the Company already has, may not exceed 10% of the Company's initial capital (79,482 shares).

The Power of Attorney to obtain own shares is valid for a period of 12 months from 18 June 2021 on.

The Company can obtain own shares by transactions conducted on the regulated and non-regulated market of securities, where the purchase price of shares may not be lower EUR 120.00 per share and not higher than EUR 270.00 per share.

The Company will obtain own shares with the purpose of withdrawal of shares, in line with the provisions of the Act and the Articles of Association of the Company on a decrease in share capital. The General Meeting of Shareholders authorises the Management Board to withdraw own shares without any further decision-taking on a decrease in share capital.

Explanation:

The purpose of acquiring and withdrawing own shares by reducing the share capital of the Company is to increase the value for shareholders and increase the return on equity of the Company and thus meet the expectations of owners. This activity is in line with the adopted strategy of the Company for the 2019-2023 period.

The current Power of Attorney of the Management Board of the Company for the purchase of own shares was issued at the General Meeting on 17 June 2020 and is valid for 12 months from the date it was signed and therefore it is proposed to the General Meeting to adopt a new Power of Attorney for the purchase of own shares pursuant to indent 8 of paragraph 1 of Article 247 of the ZGD-1.

The Company will report on the changes in the stock of own shares in accordance with applicable regulations.

Chairman of the Supervisory Board
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President of the Management Board
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7. Report on the acquisition of own shares

RESOLUTION PROPOSAL No. 7:

The General Meeting of Shareholders takes note of the Report on the acquisition of own shares.

Explanation:

Pursuant to paragraph 3 of Article 247 of the ZGD -1 the management shall report at the General Meeting on the grounds for and the purpose of acquisition, the total number, the minimum issue price and the proportion and value of the shares, the issuer acquired in line with indent 8 of paragraph 1 of Article 247 of the ZGD-1 that concerns the acquisition that is subject to authorisation by the general meeting for the purchase of own shares. The Power of attorney for the purchase of own shares was granted to the Company at the 24th General Meeting of shareholders that took place on 17 June 2020. The Company shall regularly inform the shareholders about the transactions with own shares with the reports on the acquisition of own shares.

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8. Application of the International Financial Reporting Standards

REGULATION PROPOSAL No. 8:

The General Meeting is informed that from 1 January 2021, annual and interim financial statements have been prepared in line with the International Financial Reporting Standards by the Company.

Explanation:

The amended Company's Act (ZGD-1) is the consequence of the incorporation of the provisions of the Directive 2013/34/EU on annual financial statements, consolidated financial statements and related reports of certain types of undertakings. The main purpose of transposing the directive is to harmonize accounting rules in the European Union and to provide comparable and equivalent information from companies' annual reports. Article 54 of the ZGD-1 stipulates that all companies whose shares are listed on a regulated securities market must prepare and report their annual reports in accordance with the International Financial Reporting Standards (IFRS). Accordingly, the Company undertakes to report in line with the IFRS.

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