

WORKING CONDITIONS POLICY

I. INTRODUCTION

Article 1.

The Company is committed to the implementation of the UN principles on business and human rights, as well as the fundamental conventions of the International Labor Organization, and persists in the intention that the Company's activities never result in the abuse of human rights.

The Company respects and applies positive Labor law regulations of the Republic of Croatia, its internal acts and the Company's Collective Agreement that is in force.

II. WORKING HOURS, RESTS AND LEISURE

Article 2.

In the Company, due to the nature of business in the hospitality industry, especially due to the seasonal nature of the Company's business and the nature of certain jobs, work can be carried out in a redistribution of working hours, under condition that the employee submits a written statement of voluntary consent to such work.

Every employee has the right to a break, daily rest, weekly rest and annual leave in the time and in the manner prescribed by the Labor Law and the Collective Agreement of the Company.

The Company ensures that part-time workers have the same rights as full-time workers regarding rest between two consecutive

working days, weekly rest, the shortest duration of annual leave and paid leave.

Every employee has the right to paid leave with salary compensation for the cases prescribed by the Company's Collective Agreement. Any employee may be granted unpaid leave at his request as prescribed by the Company's Collective Agreement.

III. SALARY, SALARY COMPENSATION AND BENEFITS

Article 3.

The salary of each employee is above the prescribed minimum wage in the Republic of Croatia and is calculated and paid in accordance with the compulsory regulations of the Republic of Croatia and the Collective Agreement of the Company.

The Company pays equal wages to female and male employees for equal work or work of equal value. Any discrimination based on gender and sexual orientation, racial or ethnic origin, religion or belief, disability, age, etc. is not tolerated when determining salaries.

For the period when the employee does not work due to legitimate reasons established by the law, other regulations of the Republic of Croatia or the Collective Agreement of the Company, he or she has the right to compensation in the amount of worked hours. This right belongs to the employees, for example, on holidays and non-working days specified by law, during an annual leave, for days when he or she uses the right to paid leave for important personal needs specified in the Company's Collective Agreement. In the case that an employee works on public holidays or non-working days as stipulated by the Labor Law, on Sundays, in double shifts as part of an altered work schedule, during night shifts, and similar circumstances due to work schedule requirements or

other reasons, they shall have the right to receive an increase in salary as per the Collective Agreement of the Company.

The Company continuously improves the relevance of the reward system for the Company's employees and provides a quality system of material and non-material benefits.

IV. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Article 4.

The Company shall uphold the right of each employee to his freedom of thought and expression. Every employee has the right to establish and join a trade union of his own choice without fear of discrimination, retaliation, intimidation, or harassment, and has the right to participate in decision-making on issues related to their economic and social rights and interests.

In the case where the workers are represented by a recognized trade union, the Company tries to achieve a constructive dialogue with its democratically elected representatives by negotiating in good faith.

V. FORCED LABOR AND HUMAN TRAFFICKING

Article 5.

The Company respects and acts in accordance with the European Convention on the Protection of Human Rights and Fundamental Freedoms and is familiar with Directive 2011/36/EU of the European Parliament and of the Council of April 5, 2011, on preventing and combating human trafficking and protecting its victims and on the replacement of

the Framework Council Decision 2002/629/PUP, as well as other regulations governing the subject area, which are applicable in the Republic of Croatia.

The Company has zero tolerance for forced labor and human trafficking and will not detain workers against their will.

VI. REALIZATION OF RIGHTS AND OBLIGATIONS FROM EMPLOYMENT RELATIONSHIP

Article 6.

An employee who considers that his or her employment rights have been infringed by the Company, may within 15 days from the service of the decision that violated his or her right, or from the date of knowing about the right violation, demand from the Company to exercise that right.

All decisions regarding the realization of the rights and obligations from the employment relationship or regarding the employment relationship in general, are made by the Company or a person authorized by the Company through written authorization.

VII. FINAL PROVISIONS

Article 7.

The Company will regularly review this policy to assess its continued relevance for monitoring the compliance of the policy with the laws of the Republic of Croatia and the Collective Agreement, as well as encourage the constant improvement of working conditions and social dialogue with each interested party.