

Pursuant to Article 269 Item 3 of the Companies Act, the Supervisory Board of Ericsson Nikola Tesla d.d. (hereinafter: the Company) submits for approval to the General Meeting that will be held in 2021 the following:

Decision on the Remuneration of the Members of the Supervisory Board

1. This Decision on remuneration of the Supervisory Board members is based on the principle of engaging, motivating and retaining high quality professionals with the aim to promote an efficient supervisory function in line with the Company's long-term strategy for the benefit of all its stakeholders.
2. When defining a remuneration model for work various internal factors were taken into consideration, such as the Company's position and opportunities, practices of local companies in telecom industry, as well as the policies of salaries and remunerations in the Company and Ericsson Nikola Tesla Group.
3. To maintain its independence and full objectivity, the remunerations of the Supervisory Board members are independent of the Company's results and do not include a variable part of compensation.
4. The members of the Supervisory Board are entitled to receive a monthly remuneration from the day they are appointed on duty, until the day of its termination.
5. Each member of the Supervisory Board is entitled to receive a monthly remuneration amounting to half of the average monthly gross salary paid in the Company in the month for which the remuneration is paid. The member of the Supervisory Board, who is also a member of the Audit Committee, additionally receives a monthly amount of EUR 500.00 paid in HRK equivalent according to the middle exchange rate of the Croatian National Bank on the proceeding date.
6. The members of the Supervisory Board have the right to reimbursement of appropriate expenses incurred during the performance of their duties.
7. The members of the Supervisory Board are not entitled to severance pay, additional payments from the Company or the Company's affiliated Companies, or the right to participate in the plan of awarding shares.
8. The Supervisory Board shall, on annual level, monitor the application of this decision. If the Supervisory Board reconsiders to change this Decision, they will submit the proposal and an explanation to the General Meeting, in line with the applicable legal provisions.
9. This Decision comes into force on the day it is approved by the General Meeting and remains in force until the General Meeting decides otherwise.

Chairman of the Supervisory Board of Ericsson Nikola Tesla d.d.

Franck Pierre Roland Bouetard

