



CORPORATE COMMUNICATIONS

Agreement reached on new wage increases for employees of Podravka, Mirna and Belupo

- Starting in January 2023, the net wage of employees will be increased by HRK 500 to 560
- In December 2022, employees will receive a bonus payment of HRK 2000
- In total, HRK 41 million will be invested into improving the material rights of employees of Podravka, Mirna and Belupo

The negotiating teams of the employers and unions have reached an agreement on amendments to the Collective Agreement and a new package of measures to additionally increase wages and other material rights of employees of Podravka, Mirna and Belupo, worth over HRK 41 million.

As of January 2023, the net earnings of employees Podravka, Mirna and Belupo will be increased by between HRK 500 and 560 per month.

As of 1 December 2022, for the salary payment in January 2023, the agreement will see an increase in the base salary from HRK 1.880 to 1.910, an increased in the fixed supplement from HRK 470 to 510, and an increase in the bonus supplement to the monthly salary from the current net HRK 250 to 500. An increase for the monthly transport allowance from HRK 170 to 220 was also agreed.

With the aim of supporting young families, the maternity allowance will be increased to HRK 10.000, and the gift for children increased from the current HRK 600 to 1000. The difference of HRK 400 will be paid out this December, together with the Christmas bonus of HRK 1.500.

As of 1 December, the retirement allowance will be increased from the current HRK 10.000 to 15.000, and the per diem rate will be aligned with the legal maximum.

The participation of employees in food costs as of 1 January will be EUR 0.50 in comparison with the current HRK 5. In all, the agreed increases to the material rights of employees in 2023 amounts to around HRK 25 million.



CORPORATE COMMUNICATIONS

With a view of the business results in 2022, a one time payment of a company performance bonus in the amount of HRK 3.500 has been agreed, and will be paid out as follows: HRK 2.000 to be paid out in December 2022, and the remaining HRK 1.500 will be paid in HRK 125 monthly instalments throughout 2023. Through this performance bonus, an additional HRK 16 million will be paid out to employees, bringing the total value of agreed increases to the employee material rights to HRK 41 million.

Bearing in mind that salaries were already raised once this year, in March, with an investment of HRK 35 million, this collective bargaining agreement will mean that the Podravka Group will have invested more than HRK 76 million in the rights of employees in Croatia in less than a year.

"I am pleased with this agreement, as we have found a way to ensure that employees receive a significant increase in their net earnings in 2023, and that Podravka, Mirna and Belupo retain the growth of salary expenditures within the framework that also considers the downturn of operating conditions expected in 2023. In this, we have been greatly assisted by the decision of the Government to increase the level of tax-free payments. I am exceptionally proud that the results we have achieved in this year have enabled us to pay out bonuses and allowances that will assist our colleagues in more easily facing the challenges of inflation and the growing cost of living. I think that we have achieved a good deal for employees in all three companies in the Podravka Group", said President of the Management Board of Podravka Martina Dalić.

"The negotiations in Podravka, which were by no means simple, were successfully completed. When we draw the line after everything, we can say that the result is more than visible. The burden of the increase in material rights is divided into 2022 and 2023, and when we add it all up, the increase for workers amounts to about HRK 850 per month. It is important to emphasize that all agreed measures will be an integral part of the Podravka Collective Agreement, which is extremely important for our members. The dialogue between the unions and the Management of Podravka will continue at the beginning of next year, all with the intention of increasing the gross base and allowance, as well as changing the tariff. The agreed changes would apply from July 1, 2023", said Denis Paradiš, president of the PPDIV union.