



**НИС а.д. Нови Сад / NIS j.s.c. Novi Sad**  
**Народног фронта 12 / Narodnog Fronta 12**  
**ОДБОР ДИРЕКТОРА/ BOARD OF DIRECTORS**  
**КОМИСИЈА ЗА ИМЕНОВАЊА / NOMINATION COMMITTEE**  
**Број (No): 85-1/OD-iz/XXXV-2b**  
**Датум (Date): 05.05.2026**

Pursuant to the Article 412 Paragraph 1 Item 3 of the Law on Commercial Entities (Official Gazette of the Republic of Serbia No 36/2011, No 99/2011, 83/2014 – other law, 5/2015, 44/2018, 95/2018, 91/2019, 109/2021 and 19/2025 ), Article 9 Item 9.12 of Articles of Association of NIS j.s.c. Novi Sad (hereinafter referred to as the Company or NIS j.s.c. Novi Sad or NIS) No. 70/SA-od/XIV-10a dated 29.06.2022 (consolidated text) and Articles 15 and 17 of the Rules of Procedure of the Board of Directors and Committees of the Board of Directors of NIS j.s.c. Novi Sad No 85/1-3a dated 25.06.2012, the Nomination Committee of the Board of Directors of NIS j.s.c. Novi Sad (hereinafter referred to as the Nomination Committee) hereby presents the following

### **REPORT**

#### **ON SUITABILITY OF THE COMPOSITION OF THE BOARD OF DIRECTORS AND THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS OF NIS J.S.C. NOVI SAD TO THE NEEDS OF NIS J.S.C. NOVI SAD**

**Subject of the Report:** *Assessment of compliance of the composition of the Board of Directors of NIS j.s.c. Novi Sad (hereinafter referred to as the Board or the BoD of NIS) and the number of members of the BoD to the needs of NIS j.s.c. Novi Sad taking into account the provisions of paragraph 5.1 of clause 5 of the Corporate Governance Code of NIS j.s.c. Novi Sad.*

The sufficiency of the composition and the number of members of the Board of Directors of NIS for the Company's needs was assessed based on the following criteria offered by B1 – Consult LLC that were developed in course of their cooperation with numerous clients:

- Independence of each member of the BoD;
- Board diversity (personalities, gender diversity);
- Education of members of the BoD;
- Necessary expertise, knowledge and skills in a specific economic sector – oil and gas sector (vast technical skills, experience in different organizations, including state bodies and oil companies, etc.);
- Best practice of petroleum companies (the Board size ranges between 9 and 15 Board members, with an average of 12 Board members).

At the XVII Ordinary Meeting of Shareholders' Assembly of NIS j.s.c. Novi Sad that was held on 20.06.2025, 11 members of the BoD were elected, which meets the requirements of the Articles of Association of NIS.

At the meeting held on 02.07.2025, the BoD nominated, through co-option, two new members to vacant positions within the BoD, following the resignation from the duty of two non-executive members of the BoD on 28.06.2025 (including the positions of Chairman and Deputy Chairman of the BoD of NIS).

At the meeting held on 24.07.2025, members of the BoD of NIS elected a new Chairman and Deputy Chairman of the BoD of NIS among the non-executive members.

Board of Directors of NIS j.s.c. Novi Sad consists of 11 members i.e. foreseen positions include:

- Chairman of BoD is a non-executive member of BoD;
- 1 executive member of BoD is General Director of NIS j.s.c. Novi Sad;
- 7 non-executive members of BoD, one of which at the same time is the Deputy Chairman of the BoD;
- 2 non-executive members of BoD which at the same time are independent members of the BoD.

Board of Directors has established the following Committees:

- Nomination Committee;
- Remuneration Committee;
- Audit Committee.

Therefore, the size of the Board of Directors of NIS is consistent with the practices of major European petroleum companies.

Current composition of the Board of Directors of NIS possesses the knowledge of audit, finance, economics, strategic management, investor relations, law, logistics, oil refining, trading in crude oil and derivatives, sales and distribution.

Members of the Board of Directors of NIS have international MBA qualification.

The composition of the BoD of NIS also complies with the criterion of selection and engagement of BoD members with a working experience in state sector and oil and gas sector.

The Board of Directors includes both men and women.

Based on a thorough and detailed analysis and the aforementioned information, it may be concluded that the composition of the Board of Directors of NIS is consistent with the needs of corporate governance of NIS j.s.c. Novi Sad and principles indicated in the Article 5 Paragraph 5.1 of the Corporate Governance Code of the Company.

Председник Комисије за именовања / Chairman of the Nomination Committee

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Драгутин Матановић / Dragutin Matanovic  
(потпис и печат) / (signature and seal)