Employee Handbook

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1. Introduction

Maistra Hospitality Group (MHG) is one of the leading tourist corporate groups in Croatia, within which two companies operate: MAISTRA d.d. and HUP-ZAGREB d.d. Maistra Hospitality Group operates as part of Adris Group. This Handbook applies to both companies listed (hereinafter referred to as: the Companies).

We have created the **Employee Handbook** to inform all of you - our employees - about common obligations, rights, responsibilities and expectations. In this way, we ensure equal and fair treatment for all our employees.

We believe in the importance of information transparency, and we want all our employees to have access to key information about working conditions, opportunities for action, and we invite you to join us on the way to creating and maintaining a fair, ethical, successful and modern organization.

You will notice that in some parts we refer to certain **official documents and regulations** from which we extracted part of the data, as well as to places where you can find more detailed information (marked by 💡)**.** This Handbook provides key information on the employment relationship, working conditions, association opportunities and activities to ensure a fair and non-discriminatory environment. If you want to learn more details about a topic or need more detailed information, you can access the documents we list.

As part of our commitment to corporate social responsibility and sustainability, we expect all employees to respect certain policies that contribute to environmental protection, respect for human rights and positive impact on the community. The principles and guidelines set out in key policies will help you understand our expectations and contribute to our common sustainability mission. Socially responsible policies include the following documents:

1) Quality and Sustainable Business Policy,
2) Code of Ethics,
3) Environmental Policy,
4) Policy on Labour Standards and Human Rights,
5) Child Protection Policy,
6) Health and Safety Policy,
7) Consumer Protection Policy,
8) Community Policy.

💡 Policies are available online: Sustainability Policy | Maistra.

2. Employment

2.1. Forms of work

Work at Maistra Hospitality Group can be done in the following ways:

1. On the basis of an employment contract (for a fixed period, for an indefinite period, for seasonal jobs) - employees of the Company
2. On the basis of the contract on the performance of student work - pupils and students
3. On the basis of the contract on assignment of employees - assigned employees
4. On the basis of the contract concluded with the college/high school institutions on the performance of compulsory student/student practice - pupils and students on practice, i.e. trainees

2.2. Rights and obligations of different groups of employees

2.2.1. General rules

All employees, regardless of the form in which they perform work in the Company, are obliged to perform their work personally, conscientiously and according to the instructions of their immediate superiors, in accordance with the nature and type of work, the Company's internal acts and positive regulations.

We will provide all employees, regardless of the form in which they perform work in the Company, conditions for working in a safe manner and in a manner that does not endanger their health, in accordance with a special law and other regulations.

All employees will receive remuneration for their work, which is regulated depending on the form in which an individual employee performs work in the Company.

The criteria for determining the remuneration of the employees of the Company are set out in the Fees annex which is an integral part of the Collective Agreement.

💡 Valid Fees annexes for both companies can be found on the Intranet; for Maistra and HUP.

The remuneration of the assigned employees is determined by a contract concluded between the Company and the temporary employment agency, making sure that the rights of the assigned employees are not impaired in relation to those of the Company's employees.

The remuneration of students and pupils is determined by the decision of the Company on an annual basis, making sure that it is not less than the statutory minimum remuneration.

2.2.2. Special rules depending on the form of work

Employees of the Company, who perform work in the Company on the basis of an employment contract, establish an employment relationship in the Company and exercise

special rights and obligations prescribed by the Labor Act, the Collective Agreement of the Company, the Anti-Discrimination Act, internal acts and decisions of the Company. These employees establish an employment relationship with the Company and, in addition to other rights, exercise the right to pension and health insurance based on that employment relationship.

Students and pupils who perform work at MHG on the basis of a contract on the performance of student/pupil contracts exercise special rights and obligations prescribed by the Act on the performance of student work (students) and the Ordinance on the performance of activities related to employment (pupils). Students and pupils do not establish an employment relationship with the Company, the Collective Agreement of the Company does not apply to them, and they do not exercise the right to pension and health insurance through the Company.
Students and pupils, in addition to the right to remuneration for their work, have the right to a 50% increase in allowances for working hours on public holidays, for working at night and for working on Sundays.
Students and pupils are entitled to compensation for transport costs and a hot meal at the expense of the Company.

Students and pupils who perform work in the Company as part of their mandatory professional practice exercise special rights and obligations in the manner determined by the contract concluded with college/high school institutions. In addition, the Company provides students and pupils with a hot meal at its own expense.

Assigned employees, i.e. employees who perform work based on the Assignment Agreement concluded between the Company as the user and the authorized agency for temporary employment, as the employer of the assigned employee, exercise special rights in accordance with the Assignment Agreement. The contracted salary and other working conditions of the assigned employee are determined by the Assignment Agreement in an amount that is not less favourable than the salary, nor less favourable than other working conditions of the employee employed by the Company in the same jobs. Other working conditions of the assigned employee include working hours, vacations and leaves, holidays and other days for which no work is stipulated by law, insurance of safety measures at work, protection of pregnant women, parents, adoptive parents and minors, and protection against unequal treatment in accordance with the anti-discrimination regulation.

2.3. Recruitment and selection process

The recruitment and selection process in our organization is structured in such a way as to ensure the finding and employment of the best candidates.

It mainly consists of several rounds of activities, listed below. We adapt the process depending on whether jobs are in operations or central services, on hierarchical level, seasonal group or individual employment...
Within Human Resources, a central Recruitment and Selection team is employed, which leads, directs and supervises all activities from the moment the need for new employees arises to the selection of candidates. Other members of Human Resources may also join, as needed.
The direct superior of the future employee is always present in the process, since we believe that every manager is professional and responsible for the selection of their employees. If you are a new manager, you can find more information in the **Instructions of the recruitment and selection department**. 💡 You can find them on Intranet; for properties and central services.

Recruitment and selection activities:

- Defining the need for new employees and forming a team for recruitment and selection
- Defining the exact job description, required skills, knowledge and qualifications
- Selection of recruitment channels through which we will reach candidates: internal/external recruitment, employment portals, referral program, previous candidate base, cooperation with agencies...
- Job posting and active search for candidates
- Collecting applications into a single candidate database and agreeing on the selection steps
- Review of documents of applied candidates
- Carrying out the selection depending on the chosen methods: telephone interview, live interview, psychological testing, assessment centre...
- Candidate selection and sending an offer to the selected candidate
- Sending feedback to non-selected candidates

After the selected candidate confirms the offer, further activities regarding documentation and application for employment are taken over by the Employment team.

We are currently focused on maintaining our strong commitment to gender balance. Our recruitment, selection and employment practices include the use of gender-neutral language in job advertisements, focus on job-relevant skills and knowledge during selection, and same structured questions for all candidates.

We are particularly proud of our **referral program "Share your experience - suggest a colleague"**, as one of the methods of recruitment, that is, reaching new candidates.
With this program, we want to involve you as Maistra Hospitality Group employees in finding new colleagues to work in the destinations of Rovinj, Vrsar, Zagreb, Dubrovnik and Split.
We believe that in the circle of family, friends and acquaintances you have candidates who, thanks to their knowledge and skills, would be our potential employees, your new colleagues. For those candidates who will be employed you will be financially rewarded.

💡 You can find more information on posters and flyers in the properties where you work, and we also send mobile messages and email notifications from Human Resources. You can also contact your supervisor directly for more information.

3. Working conditions

The Company's Collective Agreement stipulates the working conditions of employees who have an employment contract with the Company in relation to the conclusion of an employment contract, education and training for work, working hours, vacations and leaves, protection of life, health, privacy and dignity, salary, salary compensation and other remuneration, termination of the employment contract, realization of rights and obligations from the employment relationship and other issues of essential importance.

💡 You can find valid **collective agreements** for both companies on the Intranet; for Maistra and HUP.

3.1. Working hours

The employment contract can be concluded for full-time or part-time work, in accordance with the Labor Act.

With the work schedule, the daily working time can be distributed in a single period, in two periods and in shifts, in full, part-time and redistributed time.

Night work is work performed by an employee between 22:00 and 06:00 the next day. Minors (under 18 years of age) are not allowed to work the night shift, and for minors this refers to work between 22:00 and 06:00 the next day.

Due to the nature of work in the hospitality industry, working hours in the Company are redistributed in such a way that during one period determined by the Company's Collective Agreement it lasts longer, and during another period it lasts less than full or part-time, i.e. in a certain period the employees do not work.

The working time during the redistribution cannot be longer than 60 hours per week (in the case of seasonal operations), provided that the employee submits to the Company a written statement of voluntary consent to such work.

3.1.1. Rest and leaves

Employees are entitled to:

- Break - an employee who works more than 6 hours during one working day (or a minor who works more than four and a half hours) - 30 minutes a day
- Daily rest - during each 24-hour period - at least 12 continuous hours. By way of exception, an adult employee engaged in seasonal work performed in split shifts or shift work, as well as in other circumstances where required by the intensity of work during a particular period (such as the tourist season, special events, and similar situations), shall be entitled to a daily rest period of not less than 8 consecutive hours.
- Weekly leave - for a continuous duration of at least 24 hours, plus daily rest (for minors, for a continuous duration of at least 48 hours)

- Annual leave - for each calendar year, the right to a paid annual leave lasting at least 4 weeks (or 5 weeks for minors), and a maximum of 28 working days. The exact number of annual leave days is determined for each employee in accordance with the Collective Agreement.
- Paid leave - during the calendar year, the employee has the right to leave from work with salary compensation (paid leave) for important personal needs in the manner and under the conditions prescribed by the Collective Agreement (e.g. to donate blood)
- Unpaid leave - an employee has the right to unpaid leave for a total of 5 working days per year to provide personal care to a member of the immediate family or a person living in the same household, in accordance with the Labor Act, and in other cases prescribed by the Collective Agreement for a maximum duration of up to 30 days

An employee who is unable to perform work due to illness is obliged to report to his chosen physician immediately. If the selected physician determines that the employee is temporarily incapacitated for work (**sick leave**), the employee is obliged to immediately inform their superior about this and the possible duration of the temporary incapacity for work. The employee is obliged to contact their superior immediately after the termination of temporary incapacity for work (end of sick leave) by their chosen physician doctor for information about the work schedule.

The terms and conditions related to Working Hours also apply to employees who perform work based on the Assignment Agreement.

3.1.2. Time tracking

There is an official mechanism for tracking working hours. The recording of working hours is mandatory for all forms of work and employment. All employees have to record their work using a corporate card, through the clocking terminal. Each employee is allowed to record work for themselves only; recording work on behalf of another employee is strictly prohibited. Using their card/terminal, employees record the following events:
- Arrival,
- Departure,
- Work at another cost centre,
- Official exit
- Private exit.

💡 You can find the procedure for recording working hours on the Intranet.

3.2. Compensation for work

The basic salary of employees who have an employment contract is determined as the product (multiple) of the coefficient of the workplace determined by the employment contract and the salary base determined by the Collective Agreement. The basic salary of employees who have an employment contract with special rights is determined by that contract.

The basic salary of employees who have an employment contract is increased as follows:

- for each year of work experience by 0.5% (work experience means the employee's total work experience)
- work on holidays and non-working days specified by law by 50%,
- work on Easter Day by 50%,
- work on Sundays by 50%,
- overtime by 50%,
- double work by 10%,
- work in the second shift by 10%,
- work at night by..... 30%.

The working conditions related to compensation for work also apply to employees who perform work on the basis of Assignment Contract in such a way that the wages are not less favourable than the wages of employees based on the employment contract.

The employee is entitled to compensation in the following cases:

- For holidays and non-working days determined by law, the employee has the right to compensation in the amount as if he/she had worked, unless they fall on days when the employee would not have worked otherwise
- During the annual vacation, the employee has the right to compensation in the amount as if he/she had worked, and at least in the amount of his/her average salary paid in the previous three months
- For the days when he/she uses his/her right to paid leave, the employee has the right to be compensated in the same amount as if he/she had been working
- For the days when he/she does not work due to temporary incapacity for work (sick leave), the employee is entitled to salary compensation in the amount of 80% of the base determined in accordance with health insurance regulations, i.e. in the amount of 100% in the case of sick leave due to an injury at work
- If the employee refuses to work because the prescribed safety measures at work have not been implemented, he/she has the right to compensation of wages in the same amount as if he/she had worked, if he/she does not perform other appropriate tasks during that time
- The employee has the right to compensation for wages during the interruption of work due to the reason that the Company did not take the necessary measures to protect the dignity of the employee

Monetary incentive - monthly bonus

In addition to salary, employees who are employees of the Company are also entitled to a financial reward for business results in accordance with the agreement between the Company and the Trade Union or based on the Decision of the Company's Management Board.

3.3. Benefits for employees

To all employees, regardless of their form of work, we provide benefits that contribute to a more pleasant work and working environment - hot meals and accommodation as stated in point 3.3.1.
Employees who have concluded the Employment Contract with the Company are provided with benefits in accordance with the Collective Agreement and the agreement with the trade unions.
It should be noted that the requirements for granting benefits change periodically, so you can contact your superiors for exact benefit criteria.

💡 Also, you can find current information about **discounts with sales partners** on the Intranet: Benefits- Intranet.

3.3.1. Accommodation for employees

Employees are entitled to accommodation at the expense of the Company in accordance with the **Ordinance on Accommodation of Workers.** We invite you to access the Ordinance and inform yourself about the important terms.

💡 The ordinances for both companies can be found on the Intranet; for Maistra (+ addition) and HUP (+ addition).

3.4. Membership in trade unions and the Works Council

We respect the rights of employees to join employee associations (unions) as well as the right to withdraw from employee associations, and we guarantee that we will not put any employee in a disadvantageous position because of membership in the association, or because of participation or non-participation in the association's activities.
We permanently maintain and strive to continuously improve social dialogue and collective bargaining, and to protect the rights and regulate the obligations of employees through collective agreements and their timely amendments as fully as possible.
There are two trade unions operating in the Company:

- Union of Istria, Kvarner and Dalmatia - Pula, Danteov trg 5, e-mail: sindikat-istre@pu.htnet.hr; phone: +385 052 214 853, www.sikd.hr
- Croatian Tourism and Services Union - Zagreb, Krešimirov trg 2/3, e-mail: stuh@stuh.hr, phone: +385 01 4655 620; www.stuh.hr

You can contact the representatives via the following e-mail addresses:
MAISTRA – Works Council - radnicko-vijece@maistra.hr
HUP-ZAGREB – trade union commissioner – sindikalni.povjerenik.zagreb.dubrovnik@maistra.hr

4. Work standards

4.1. Data privacy

The purpose of data privacy is to protect private life and other human rights and fundamental freedoms when collecting, processing and using personal data.
As employees, we cannot avoid contact with the personal data of our guests, visitors, partners and employees, and it is our obligation to treat the data we process responsibly and with due care.

Rights and obligations
Every employee has rights such as: the right to information, the right to access personal data, the right to correct personal data, etc.
More detailed information about everything regarding your rights and obligations regarding the processing of your personal data as an employee can be found in the Personal Data Protection Policy, which is available on the Intranet pages. 💡

What is not allowed?
Below is a reminder of some basic and very important rules in the field of security and protection of personal data, which must be adhered to in order to prevent incidents, i.e. breaches of personal data:

- It is not allowed to send and forward business electronic communications to private e-mail addresses, except in the case of a valid business need. Internal communication must remain internal
- Any sharing of confidential information and business secrets is strictly prohibited
- Taking photos of screens with confidential information or taking photos of confidential documents is strictly prohibited
- Confidential data may be accessed only if there is a valid and justified business need for it (e.g. access to personal data of guests, etc. without a legal basis, request from the guest or other appropriate business need is considered a violation of internal rules)
- The amount of salary is personal information, and it is forbidden, except for authorized persons, to share information about employees' salaries in any way
- It is not allowed to leave confidential documents on printers, in meeting rooms or other places (e.g. reception desks) where they are accessible to unauthorized persons
- It is not allowed to disclose or share passwords of employee user accounts
- It is necessary to strictly adhere to prescribed internal procedures and instructions when contacting guests and other persons who are in the Company's business premises
- Personal data of guests should be handled very carefully and information about guests (e.g. room number, date of arrival and departure, etc.) is not allowed to be forwarded to third parties

- Personal data of employees should be handled in accordance with positive regulations, and it is not allowed to forward them to third parties without authorization.

All irregularities or inconsistencies with the above should be reported immediately and without hesitation to the e-mail address DPO@maistra.hr or to your immediate superior.

4.2. Non-discrimination and equal opportunities for all

We do not tolerate any form of discrimination in the workplace based on race, skin colour, sex, gender, language, religion, political affiliation, social or ethnic origin, citizenship, financiač status, sexual orientation, social status, age, disability or other unjustified distinguishing characteristics.

Decisions made by the Company as an employer are based on objectively applicable and permissible criteria.

We do not tolerate any form of behaviour that violates human dignity, both in work and business relationships, and outside of them. We do not tolerate insulting, humiliating, bullying, sexual harassment, or any other form of harassment in the workplace, and we create conditions and take actions to prevent such behaviour.

4.3. Complaints management procedures and complaints mechanisms

4.3.1. General rules and approach to complaint management

Complaints mechanisms have been designed to be an effective and fair tool for the protection of the rights and interests of all employees within the organization.
The general principles that we follow when managing complaints or setting up complaints mechanisms are accessibility, transparency, timeliness and confidentiality.

We provide multiple reporting channels and thus make complaints mechanisms available to all employees: they can file a complaint in person, via e-mail, website, mail… Complaints can also be filed anonymously.
We provide transparency through the prescribed procedures and steps for managing complaints that explain to employees how to file a complaint.
We respond to enquiries promptly, within the agreed deadlines.
We keep the received data strictly confidential through the complaints register for documenting all reported comments, and access to this is given only to persons who are formally responsible for accepting, managing and handling complaints.

General and specific complaint mechanisms are available to employees.

General complaints mechanisms allow employees to express their opinions or resolve concerns in a safe environment and without fear of consequences.

For more serious infringements, it is recommended to use a specific complaint mechanism. In case of harassment of any kind, it is recommended to apply the procedure of protection of dignity, which includes reporting your own incident or an incident in which the harassment was experienced by another employee. This procedure also includes cases of harassment by a partner or guest. If employees notice serious violations of business conduct or illegal activities, such as bribery, cash abuse, theft of money or assets of the organization, they should report these actions through the internal complaints procedure.

If they have any specific questions, we encourage employees to contact their superiors first.

4.3.2. General complaints mechanisms

Employees may express their opinion, comment, complaint, question or praise through the Bolja Maistra (eng. Better Maistra) platform. At the same time, they may state their name or decide to remain anonymous.

Better Maistra is a platform through which all MHG employees can express praise as well as complaints, constructive criticism, or suggestions for business improvement.
We launched Better Maistra to give all employees the opportunity to express their opinions in a safe way and without fear of consequences, so that managers can hear the needs of employees and direct their actions according to them or solve certain problems.

Praise can be made for colleagues who do their job exceptionally well, for certain practices of managers or other superiors that you want to praise, for decisions made by the Management Board that made work easier for you and other employees, for new benefits, new equipment, work resources, training...

Suggestions for improvement can also refer to any type of business and work environment: equipment and space, actions of managers and superiors, relations between colleagues, work processes... If you are making a complaint, please also include a proposal for resolution.

Better Maistra procedure:

- By scanning the QR code found in this Handbook as well as on the posters and flyers in our properties, an employee accesses the Better Maistra platform, where he/she enters his/her praise or suggestions for improvement, related to a specific property, central service or department
- Comments can be made in Croatian or English

- The messages are anonymous unless an employee decides to write his/her name in case he/she wants to get a direct answer to a question or complaint
- Employees' messages then go to a special Better Maistra e-mail inbox, which is read and monitored by the Better Maistra team, which consists of selected employees from the Operations Support organizational unit
- The Better Maistra central team (hereinafter referred to as the "first-instance commission") reads incoming messages and, by internal agreement, decides to which responsible persons in the property or central service the message will be forwarded and which steps, in terms of reaction and correction of the situation, will be proposed or requested, whether it is a complaint or a suggestion for improvement
- Employees at management levels who receive this message are obliged to react within a time limit of 7 days and, after finding a solution and correcting the situation, report the situation back to the first-instance commission
- The first-instance commission keeps a digital record of incoming messages in a joint document and records all subsequent procedures related to the message, until the end of processing. The records are stored in a protected digital location.
- If messages are unclear, ethically incorrect or violent, or the content of which poses slander/gossip only, such messages are NOT forwarded to the properties or central services, but are stored in the Better Maistra mailbox archive after an internal agreement
- In the event that the content of the message refers to gross business violations, illegal actions such as bribery, illegal procedures with cash, theft of money or the organization's property, threats to other employees (safety, dignity), the members of the first-instance commission will involve the members of the second-instance commission in the process; a confidential person for internal reporting of irregularities (Maistra), a senior professional associate of the Legal Service for the field of labour relations and the Director of Human Resources.

  These reports continue to be dealt with in accordance with the elements of the Ordinance on the procedure for internal reporting of irregularities.
- After receiving feedback from the responsible persons from the properties or central services via e-mail, if this is physically possible, the authorized persons check the "new" situation on the ground and inform the other members of the commission about the observed situation
- If the employee has entered his/her name when writing a comment, the Commission will inform him/her of the outcome of the process
- If the same complaint/criticism is repeated, the process starts from the beginning.



4.3.3. Specific complaints mechanisms

4.3.3.1. Protection of dignity

The Collective Agreement establishes procedures and measures, including preventive measures, to protect the dignity of employees, who are provided with working conditions in which they will not be exposed to harassment and sexual harassment.
We commit to ensuring a safe working environment free of discrimination and harassment, including sexual harassment. The company applies a zero-tolerance policy to any form of sexual harassment, and we will seriously investigate all reports. Any person who is found responsible for the harassment will face disciplinary action. All complaints will be treated with confidentiality and respect, and no one will be victimized for submitting the complaint.
Harassment is any unwanted behaviour towards an employee caused by his/her race, skin colour, sex, sexual orientation, marital status, family obligations, age, language, religion, political or other beliefs, national or social origin, financial status, birth, social position, membership or non-membership in a political party, membership or non-membership in a trade union and physical or mental difficulties, and either aims at or poses an actual violation of the employee's dignity and causes fear or creates a hostile, humiliating or offensive environment.

Sexual harassment is any verbal, non-verbal, physical behaviour of sexual nature either aims at or poses an actual violation of an employee's dignity, which causes fear or creates a hostile, humiliating or offensive environment.

The Company, with the consent of the Works Council/trade union commissioner, appointed two **commissioners**, one woman and one man, who are **authorized to receive and resolve complaints related to the protection of employee dignity.**

💡 You can find the decision on the appointment of trustees on the Intranet; for Maistra and HUP.

Their contacts are:
Maistra: zastita.dostojanstva.istra@maistra.hr
HUP: zastita.dostojanstva.zagreb.dubrovnik@maistra.hr

An employee files a complaint to one of the commissioners of his/her choice, regardless of his/her gender. A complaint can be written or filed orally.
The commissioner is authorized to collect all the information he/she considers relevant in the specific case, to take statements from the employee who filed the complaint for harassment, the employee against whom the complaint was filed, as well as other employees of the Company whom he/she considers to have relevant information.
During the procedure, the commissioner, if deemed justified, may adopt temporary measures:

- Release the employee who filed the complaint from the obligation to work
- Release the employee from the obligation to perform tasks in which he/she comes into contact with the person against whom he/she filed a complaint
- Transfer the employee who filed the complaint to another workplace, with the employee's consent
- Transfer the employee against whom the complaint was filed to another place of work

We will provide support to employees who are victims of harassment by referring them to the counselling centre and other resources available through the competent institutions. We can also offer paid leave to support the recovery process of these employees, giving them time and space to recover.

At the end of the procedure, the commissioner will make an official decision whether or not the harassment complaint is founded. If the commissioner determines that the complaint is well-founded, the commissioner will, taking into account all the circumstances of the case, propose the following for the employee who is found to have committed harassment:

- make a decision that will determine the employee's obligation to receive education and counselling for a maximum of three months,
- deliver a written warning to the employee,
- make a decision on the termination of the employment contract with the offer of an amended contract or
- make a decision on the termination of the employment contract.

In the complaint handling process, the commissioner must carry out all actions, including the collection of statements by employees and other persons, in a manner that ensures the confidentiality of the proceedings and the protection of the privacy of each person.

💡 An extract from the Collective Agreement with detailed provisions on the procedure for the protection of dignity can be found on the Intranet; for Maistra and HUP.

4.3.3.2. Procedure for internal reporting of irregularities

An employee of the Company and any other person who can be a whistleblower, and who has reasonable information that there has been a violation of laws and other regulations and/or negligent management of public goods, public funds and funds of the European Union that

represent a threat to the public interest, and which are related with the performance of the Company's business, is authorized to submit to the Company a report of such irregularities, in accordance with the Whistleblowers Act and the **Ordinance on the Procedure for Internal Reporting of Irregularities.**

💡 The Ordinances can be found on the Intranet; for Maistra and HUP.

At the proposal of the Works Council/trade union commissioner, the company appointed a confidential person for internal reporting of irregularities and his/her deputy.

💡 Decisions on the appointment of confidential persons can be found on the Intranet; for Maistra and HUP.

Their contacts are:
Maistra: povjerljiva.osoba@maistra.hr
HUP: povjerljiva.osoba.zagreb.dubrovnik@maistra.hr

Reporting irregularities is not considered a violation of business secrets.
Reporting must be conscientious and honest; abuse of reporting irregularities is prohibited.
A report can be submitted in one of the following ways:

- by sending a written report by mail to the address of the Company's registered office, with the indication “for a Confidential Person - do not open”;
- by filing a written report at the Company's registered office; the report is filed in a closed envelope, marked: "for a Confidential Person - do not open”;
- by filing a written report directly to a confidential person;
- by filing a report in electronic form to the e-mail address: povjerljiva.osoba@maistra.hr (for MAISTRA), or povjerljiva.osoba.zagreb.dubrovnik@maistra.hr (for HUP-ZAGREB) or
- by making an oral statement on the record with a confidential person.

In the procedure based on the report, the confidential person will take all actions necessary to determine the essential facts and circumstances related to the irregularities described in the report and to evaluate the merits of the report.
After the procedure has been carried out, the confidential person draws up a Notice on the outcome of the procedure following the report of irregularities and delivers it to the whistleblower.
The whistleblower has the right to:

1. Protection from being put in an unfavourable position;
2. Judicial protection;
3. Compensation for damages, and
4. Protection of identity and confidentiality.

A whistleblower who abuses the reporting of irregularities is not entitled to the aforementioned protection.

4.4. Safety at work

We are committed to creating a safe and healthy work environment. We follow examples of good practice and implement preventive measures in order to continuously improve the safety system.

Some of the preventive measures are:

- Educating employees about risks and protection measures
- Referring employees to health examinations for specific workplaces
- Providing personal protective equipment, such as safety glasses, gloves, shoes, etc.
- Regular inspection and testing of work equipment and infrastructure
- Substitute action on substances that directly or indirectly affect health and safety

We ask all employees to work in a safe manner during work, to always use personal protective equipment and to report any risk or dangerous action they observe to their superior, as well as any injury at work.

Smoking, alcohol and drugs

Smoking of tobacco and related products, electronic cigarettes and herbal products for smoking is prohibited at workplaces, work meetings and in all workplaces and areas of the organization, except in specially designated areas.

It is forbidden to work under the influence of alcohol and other addictive substances, to take alcoholic beverages and other addictive substances during work, and to bring them into the work rooms and spaces.

5. Training and development of employees

5.1. Onboarding

We conduct a mandatory orientation training called MAIntro for all new employees. The aim of this training is to help new employees adapt to the Company and to inform them about key aspects of the business and culture of the organization.

Objectives of the MAIntro orientation training:

- Introduction to the history of the organization so that new employees better understand the development and achievements of MHG.
- Presentation of MHG's organizational structure and properties with the aim of informing new employees about main business units, key departments and their locations.
- Adopting the vision, mission and values of the Company that foster the working culture of the organization and encourage the personal responsibility of employees in contributing to business goals.
- Introduction to the Employee Handbook to provide clear guidelines on the rights, obligations and rules of conduct in the Company.

Obligations of new employees:

All new employees are obliged to attend the MAIntro training before starting regular work in the company, to gain the necessary knowledge and tools for successful performance of their work tasks and faster integration into teams.

This way we provide a consistent implementation of the onboarding training to ensure a clear communication of the values and rules of the Company to all new employees.

5.2. Training and development of employees

The Company provides employees with opportunities for personal and professional development within the organization through various training programs. All employees have the right to participate in training initiatives that are aligned with the business goals of the Company and the demands of their jobs.

Objectives of the process:

- Ensure continuous development of competencies and skills of employees in order to increase their expertise and efficiency in performing work tasks.

- Support personal growth and employee satisfaction through professional development programs, encouraging their engagement, motivation and loyalty to the organization.
- Improve productivity and innovation within the Company through the acquisition of new knowledge and application of modern techniques and technologies.
- Ensure compliance with changes in industry and business environment so that employees have relevant skills and are ready for future business challenges.
- Encourage career advancement and promotions within the organization, creating opportunities for advancement based on knowledge, skills and results.
- Strengthen the culture of continuous learning within the Company, promoting employee responsibility for their own development and encouraging team spirit through joint learning and knowledge exchange.
- Increase the competitiveness of the Company in the labour market, by providing employees with programs that develop them into highly competent professionals and attract and retain top talents.

This policy is a framework for development programs and stresses the importance of continuous investment in employee knowledge and capabilities to achieve the long-term goals of the Company.

5.3. Work Performance

We conduct an annual performance evaluation process for all employees who are employed continuously for two months or longer. This process provides employees with feedback on their work and identifies opportunities for developing and improving skills.

Objectives of performance evaluation:

- Provide systematic feedback from line managers to employees, allowing insight into the results achieved and performance during the evaluation period. Identify areas for further development and progress, recognizing the skills and competences that need to be further developed in order to improve employee performance. Encourage continuous improvement of work performance through setting goals for the next period, which encourages motivation and professional development of employees. Support transparency and fairness through an objective and consistent evaluation process for all employees, which enables fair assessment of work and contribution to the organization.

Obligations of employees and managers:

All employees who meet the requirement of a continuous two-month employment are obliged to undergo the evaluation procedure once a year.

Line managers are responsible for conducting the evaluation and for constructive feedback that will help employees understand the achievements and potential for growth.

This approach aims to establish an effective system of monitoring and improving work performance that contributes to the professional development of employees and strengthens the overall business performance of the Company.

💡 For more details on the work success process, see the Intranet procedure U-PF-HR-05 Ocjenjivanje radne uspjesnosti v07.

6. Measures for misconduct and leaving the organization

6.1. Measures for misconduct

The company, in consultation with the Work Council/trade union commissioner, adopted the **Ordinance on measures and procedures in case of misconduct.**

💡 Ordinances for both companies can be found on the Intranet; for Maistra and HUP.

The Ordinance provides for the following measures:

Notice - a measure that is not provided for by the Law, and is introduced and regulated as a measure issued by the director of the employee for minor misconduct, within the framework of his/her powers and obligations of management and management of the work processes for which he/she is responsible.

Warning - by which the employee is warned: that he/she has committed a certain misconduct, that he/she is obliged to properly fulfil his/her obligations from the employment relationship, and that he/she faces the possibility of dismissal in case of continued misconduct.

The decision on regular termination of the employment contract - may be made in the event that the employee commits a serious misconduct and has previously been issued a warning for misconduct (*except, exceptionally, if there are such circumstances that it is not justified to expect from the employer to do so*).

The decision on extraordinary dismissal-termination of the employment contract may be made if due to a particularly serious misconduct, taking into account all the circumstances and interests (of the employer and the employee), the continuation of the employment relationship is not possible for the employer.

6.2. Termination of employment contract

The employment contract ends:

- At the end of the period for which the fixed-term employment contract was concluded
- When an employee reaches 65 years of age and 15 years of pensionable service, unless the Company and the employee agree otherwise

- By agreement between an employee and the Company
- On the day of notification to the Company about the validity of the decision on the recognition of the right to a disability pension due to a complete loss of working ability
- By dismissal

Termination of employment contract
An employment contract may be cancelled by the Company or the employee.

The Company may cancel the employment contract **by regular notice** with the agreed notice period if it has a justified reason for doing so, in the case of:

- If the need to perform a certain job ceases due to economic, technical or organizational reasons (termination of contract due to business circumstances)
- If the employee is unable to properly fulfil his/her obligations from the employment relationship due to certain permanent characteristics or abilities (termination of contract due to personal circumstances)
- If an employee commits misconduct (termination of contract due to employee's misconduct)
- If an employee did not show satisfactory performance during the probationary period (termination of contract due to unsatisfactory probationary period)

An employee may terminate the employment contract by regular notice with the prescribed or agreed notice period without giving a reason.
In the event of regular dismissal by the Company, the employee has the right to a notice period.

If an employee terminates the employment contract, the notice period is set at the length of half of the notice periods established by the Law, except when an employee has a particularly important reason for terminating the contract, in which case the notice period cannot be longer than one month.

An employee who, at the time of termination of the employment contract, has reached the age of 65 and has 15 years of pensionable service is not entitled to a notice period.

The Company and an employee have a justified reason for terminating an employment contract concluded for an indefinite or fixed period, without the obligation to comply with the prescribed or agreed notice period (**extraordinary termination**), if it is due to a particularly serious misconduct or due to some other particularly important fact, with taking into account all the circumstances and interests of both contracting parties, the continuation of the employment relationship is not possible.

6.3. Obligations of employees when leaving the organization

Upon termination of the employment contract for any reason, an employee is obliged to return to the Company the **means of labor** that he/she got for the purposes of performing his/her work.
In case of termination of the employment contract for any reason, and at the latest by the last day of work at the workplace (before using any rights to annual leave or redistribution of working hours), an employee is obliged to return directly to the superior all the items assigned by the employer (e.g. work clothes and shoes, corporate card, laptop, mobile phone, cash deposit etc.).

In the event that the Company concluded a written agreement with an employee, during the term of the employment contract, which provided him/her with **training** at the expense of the Company, in case of termination of the employment contract, the employee is obliged to reimburse the Company for the costs of such training, in accordance with that special agreement.

In the event that the Company provided an employee with **accommodation** at the Company's expense during the term of the employment contract, the employee is obliged to leave the accommodation in accordance with the provisions of the Accommodation Ordinance.
An employee who uses the employer's accommodation is obliged, before leaving the accommodation, to clean the space where he/she stayed, hand over the space to the manager of the accommodation facility, pay for any damage to the property and return all assigned items (e.g. keys, bed linen, towels, etc.).

7. Conclusion

We hope that this Handbook has helped you to get a basic understanding of the working conditions, rights and obligations that we all need to respect together in order to ensure a fair and pleasant working environment.

As laws and our internal procedures change, we will regularly update this document to ensure you have accurate and up-to-date information.

We wish you a warm welcome to our Maistra Hospitality Group community and hope that your work with us will be marked by business success and pleasant collegial relationships!