

Supervisory Board self-assessment matrix – draft for listed companies (last updated in March 2022)

The definitions of terms set out in the matrix equal the definitions of terms under the Slovenian Corporate Governance Code for listed companies.

CORPORATE GOVERNANCE FRAMEWORK

		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
A1	SB acting in the best interest of the company	The company's objectives are not defined in Articles of Association. Company interests are mostly not considered and SB members mostly act as agents (delegates) of particular shareholders, workers, or third parties.	The company's objectives are not defined in Articles of Association. Individual SB members are overly inclined to pursue the interests of particular shareholders or employees, which deteriorates the efficiency of activities that would benefit the company.	The company's objectives are defined in Articles of Association. The SB considers the interests of relevant stakeholders, although not in an adequately balanced and unbiased manner. Decisions are mostly made in the best interest of the company; however, they occasionally tend to lack adequate long-term orientation and focus on sustainable growth and development.	The company's objectives are defined in Articles of Association. All relevant stakeholders are treated equally and the SB adopts decisions that are in line with specific objectives company.	
A2	Corporate Governance Policy	There is no corporate Governance Policy. Responsibilities, assignment of functions, organization, and consequently the system of responsibility at the company are only defined by relevant legislation and the Articles of Association.	Principles and responsibilities of decision-makers are additionally defined, but they are not compiled in a single document.	Organization of corporate governance is written in the Governance Policy or in a different equivalent document. The MB and the SB adopt it and they defined the main governance guidelines regarding the set long-term objectives of the company.	Corporate Governance Policy clearly defines the powers and responsibilities for individual functions, as well as the rules of procedure on line with the corporate governance code adopted by the company. Moreover, it sets out the relevant stakeholders of the company, the form of cooperation and mutual relations with each individual group of stakeholders. The document is published on the company's web page and is regularly updated, and also in case when more than half of the SB members are replaced.	
A3	Sustainable Operation Policy	The Management Board and the Supervisory Board did not develop and adopt the Sustainable Operation Policy.	The Management Board has developed the Sustainable Operation Policy taking into account the environmental, social and governance aspects of company operations; however, the Supervisory Board has not taken a position in this regard.	The Supervisory Board and the Management Board jointly adopted the Sustainable Operation Policy. The Policy respects the principle of transparent and timely communication on the company sustainability performance indicators. The Policy is developed in line with principles 7.4, 7.5 and 7.6 of the Slovenian Corporate Governance Code for listed companies.	The Supervisory Board and the Management Board jointly adopted the Sustainable Operation Policy. The Policy respects the principle of transparent and timely communication on the company sustainability performance indicators. The Policy is developed in line with principles 7.4, 7.5 and 7.6 of the Slovenian Corporate Governance Code for listed companies. The Supervisory Board reviewed the sustainability report being an integral part of the annual report, published in electronic form inter alia on the company's website and on the official website.	

A4	Remuneration Policy of Management and Supervisory Bodies	The company does not have a Remuneration Policy. Payments to the Management Board are governed by the agreement and payments to the members of the Supervisory Board by a resolution of the General Meeting.	The company does not have a Remuneration Policy. The Supervisory Board adequately monitors payments to the Management Board in line with the agreement and the Variable Payment Policy. Remuneration for the members of the Supervisory Board is regulated by a resolution of the General Meeting.	The Supervisory Board, in cooperation with the Management Board, has developed a Remuneration Policy covering all legal provisions; however, it has not yet been submitted to the General Meeting for adoption.	The Supervisory Board, in cooperation with the Management Board, has developed a Remuneration Policy following legal provisions and recommendations of best practices (Principle 6 of the Slovene Corporate Governance Code, 2021 and the Guidelines for drafting Remuneration Policy and Remuneration Report, Slovenian Director's Association, 2021). The Policy has been submitted to the General Meeting for adoption and published on the website and the official website, together with the result of the General Meeting's vote and the remuneration report, and is made available 10 years after the publication.	
A5	Diversity Policy	The company has not adopted a diversity policy regarding the representation in the management and supervisory bodies of the company.	The SB set up and adopted the Diversity Policy, which refers to the representation in the management and supervisory bodies in terms of age, education and other personal characteristics of its members, as it is appropriate for the company considering its characteristics. The Diversity Policy does not include the definition of diversity goals.	The SB set up and adopted the Diversity Policy, which refers to the representation in the management and supervisory bodies in terms of age, professional competences, continuity in the composition of the body and other personal characteristics of its members as it is appropriate for the company considering its characteristics. The Diversity Policy especially defines the diversity goals and among other things also the ratio of both sexes in the bodies as appropriate regarding the size of the bodies.	The Diversity Policy sets out aspects of diversity that are appropriate for the company and especially defines the objective diversity of each individual aspect. The Policy defines the ratio between both sexes in the bodies. The Policy is implemented gradually, based on the terms of office. The company implements the Diversity Policy by introducing specific objectives and criteria related to diversity aspects in the company internal acts, which set out the procedures for selecting members of the company management and supervisory bodies and other proceedings to which the company is subject. The company makes public announcements about its implementation of the Diversity Policy and about the reached objectives.	
A6	The Corporate Governance statement	The MB and the SB did not decide to follow any reference code of governance and neither did the company adopt its own code.	The company adopted one or several reference codes of governance but it still hasn't included a statement on corporate governance as stipulated by Article 70 of the Companies Act in its annual report.	The company adopted one or several reference codes of governance. The SB and the MB reviewed their performance and deviations from the code but the quality of explanations of the deviations from the code that is included in the statement on corporate governance is not yet reaching the appropriate level.	The company adopted one or several reference codes of governance. The SB and the MB reviewed their performance and deviations from the code. The statement on corporate governance is clear, understandable and precise. The explanations of the deviations from the code are of appropriate quality. The company is/will have the external audit of the statement on corporate governance made at least every 3 years.	

B COMPOSITION OF THE SUPERVISORY BOARD						
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
B1	Skills, knowledge, and experience of SB members	Knowledge and skills of the SB are lacking and are not mutually complementary.	Only some SB members have knowledge and appropriate work experience in management, corporate governance or company activities.	SB members are experts in their respective fields and have appropriate work experience however, their fields of expertise do not complement each other regarding the company's needs.	Combination of selected professional backgrounds of the SB members is complementary as well as attuned to the challenges of the company and the diversity policy objectives. The expert composition of the Supervisory Board enables the appropriate formation of all necessary committees of the Supervisory Board to support its work.	
B2	Diversity of the composition and the number of the SB members	SB composition does not reflect diversity in any relevant field (personal traits, professional background, experience, independence, age, gender, etc.). Number of SB members is not appropriate (too few or too many members).	SB composition is partially diverse (personal traits etc.). The number of the SB members is a result of a compromise, which does not allow an appropriate composition of the SB and its committees in the long run.	SB composition is diverse (personal traits etc.), but the members are not entirely mutually complementary. The composition of the SB is not in line with the objectives of the Diversity Policy. Number of SB members is appropriate and adequate for appointing SB committee members.	SB composition is diverse by all criteria (personal traits etc.) and it reflects an appropriate combination of individuals to prevent "herd behaviour". The composition of the SB is also in line with the objectives of the adopted Diversity Policy. The number of SB members is optimal and allows appointment of members to SB committees, as well as appropriate combinations of members with different backgrounds to meet the company's development level and supervisory requirements.	
B3	Independence of the SB members	Members of the SB have not addressed the criteria of their independence.	Members are familiar with the subject of independence, but they do not address their compliance in this regard in the Statement of independence.	Members are familiar with the subject of independence from each other and they sign a Statement of Independence in compliance with the Corporate Governance Code. Not all members are independent. Every member immediately informs the SB about the presents of facts that modify their compliance with the independence criteria.	Members are regularly and promptly informed about the independence from each other and they sign a Statement of Independence in compliance with the Corporate Governance Code. All members are independent. The statements of independence are publicly announced on the company's website as well as the statements of the SB members about their independence and disclosure of conflicts of interest in issuing the corporate governance statement.	
C SELECTION AND APPOINTMENT OF THE SB MEMBERS AND INDUCTION PROGRAM						

		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
C1	Defining the criteria and profile for the selection of candidates	SB has not defined any special criteria for selection of new members.	The company has defined general criteria for SB members (Articles of Association, Corporate Governance Code, etc.).	The Supervisory Board defines the general criteria for the selection of candidates, which are not specified for each individual SB member, upon following the Diversity Policy for the Supervisory Body	The criteria are defined for each SB member (individualized competency profiles) based on the requirements and future challenges of the company. Current SB composition and the Diversity Policy for the Supervisory Body are considered in defining the criteria.	
C2	Candidate selection procedure	The selection procedure is nowhere defined. Candidates are selected randomly.	Selection procedure is predefined in Rules of Procedure or a SB Resolution. The SB selects the candidates without any support by the committees or external experts.	The procedure of candidate selection is transparent and previously defined. The SB acts in line with the objectives of the Diversity Policy with regard to the supervisory bodies of the company. The selection criteria are in line with the governance code. The SB selects the candidates without any support by committees or independent experts.	The procedure of candidate selection is transparent and supported by a Human Resource or Nomination Committee and/or independent experts. Selection is carried out based on previously defined general and particular criteria. The criteria are in line with the governance code and the diversity policy adopted by the company.	
C3	Induction program (On-boarding)	Induction of new members is not provided or not carried out or is carried out in a lacking manner.	New members are allowed at least one induction session or documentation package.	With the induction session and a documentation package, new members are adequately informed about the key characteristics of the company (activities, strategic policies, risks, etc.), corporate governance policy, and previous role of the SB (internal documents, minutes of previous SB sessions etc.).	An induction procedure has been defined in cooperation with the Management Board Secretary to provide suitable induction of Supervisory Board members in all areas of company governance and operations. The induction also includes a meeting with the Chairman of the SB, the Secretary and the MB of the company. The number of induction meetings depends on the requirements of the individual SB member.	
D	SUPERVISORY BOARD MEETINGS					
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	
D1	Convocation and chairmanship of meetings	The convocation of SB meeting is not in accordance with the SB Rules of procedure. The number of meetings does not comply with the minimum specified in Articles of Association or in the legislation. Efficiency of the discussion is restricted because of poor chairmanship of the meeting or poor attendance.	Meetings are convened in line with the SB Rules of procedure. Meetings are convened frequently enough to comply with the requirements of the Articles of Association or the legislation. The Chairmanship and the discussions are carried out in such a way that each member receives an opportunity to express their opinion.	The meetings are convened in line with the SB Rules of procedure and more frequently than mandatory. A meeting is also convened every time when this is required by specific circumstances. Discussions at the meetings allow the members to express and confront their opinions.	Meetings are convened in compliance with the SB Rules of procedure and the annual plan, the financial calendar, as well as whenever additionally required. Meetings are conducted in a way that allows efficient discussion and promotes new ideas and proposals.	

D2	Digitization and security of SB operations and access to the archive	Members of the SB receive only the printed material for the SB meetings and they do not have an electronic access to the previous meetings materials and documents of the company. Electronic correspondence among the MB members, SB members and the Secretary is carried out through regular e-mail and private e-addresses and is not specially secured.	Members of the SB receive only the printed material for the SB meetings and they have an electronic access to the previous meetings and documents of the company. Electronic correspondence among the MB members, SB members and the Secretary is carried out through regular e-mail and private e-addresses and is not specially secured.	Members of the SB receive the material for the SB meetings in paper and/in electronic form through an up-to-date platform that allows for e-business operation of the SB. All e-correspondence among the MB, SB and the Secretary is appropriately secured.	The company provides appropriate protection and IT security during electronic distribution of the material to the members and is using up-to-date electronic platforms for the convocation of the meetings, communication among the members, distribution of the material, archive of documents and meetings and other acts of the company or the SB. In the case of contemporary approaches to the application of electronic platforms for the work of the Supervisory Board, the company is obliged to provide members of the Supervisory Board with an archive of documents of the Supervisory Board or access to the archive even after the expiry of their terms of office, which allows the members of the Supervisory Board, whose terms of office has expired, to prove their claims in any legal proceedings until the expiry of the statute of limitations. Upon taking office, the members of the Supervisory Board sign an agreement on access to the archive with the company, which is regulated by the Supervisory Board Rules of Procedure.	
D3	Meeting agenda	The agenda does not allow the members to be informed prior to the session about the key issues to be discussed.	The agenda reflects the subject of the session. However, the agenda provided in the convocation is often ignored, or it does not allow adding discussions or agenda items even when this is reasonably argued for.	The meeting agenda is well structured and provides a balanced content on the supervision. New items can be added to the agenda provided that there exists an appropriate explanation as to why this has not been done at the time of the convocation.	All items on the agenda are consistently structured and they comply with all requirements of the company supervision; agenda timetable is conducive to systematic and professional work.	
D4	Meeting minutes	Minutes include only the adopted resolutions. Minutes are not submitted to SB members prior to the subsequent session or they are submitted with substantial delay.	The minutes summarize approximately the progress of the session and the adopted resolutions. The minutes are submitted to the SB members in a timely manner.	The minutes are submitted to the SB members in a timely manner and they summarize the contents of discussion and any differences in opinions of individual members, stress the session highlights, and list the adopted resolutions. They also reveal the information about the voting of each SB member.	The minutes are submitted to the SB members within 10 working days at the latest; the adopted resolutions are submitted within two working days after the meeting. The minutes reflect the entire content and progress of the session and the discussion, as well as the meeting resolutions, and an indication of any reservations expressed by members regarding individual items on the agenda. When the meetings are recorded, the records are kept appropriately in the company archives.	

D5	Monitoring the implementation of resolutions	The SB does not monitor operative implementation of the resolution.	The SB only loosely verifies whether their resolutions were implemented in practice.	The SB verifies operative implementation of the adopted resolutions. However, such verification includes only not yet implemented resolutions.	The SB continuously follows the implementation of their resolutions, and discusses the results in subsequent meetings. SB has an overall overview of all implemented, not yet implemented resolutions and the resolutions that are currently being implemented from all past sessions.	
E	PROVISION OF INFORMATION TO THE SUPERVISORY BOARD					
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
E1	Timeliness and quality of materials	The SB does not receive the meeting material in a timely manner. The materials for the meetings are lacking and do not allow informed decision-making on all items of the agenda.	The SB receives the materials for the session in a timely manner and in the scope that meets the minimum requirements for discussion of particular items or issues on the agenda.	The SB defined in its Rules of procedure a detailed list of content and the deadlines for the reporting, which are followed by the MB. The members receive the materials for the session on time and within the deadlines defined in the SB Rules of procedure. The materials provide support to the agenda items, although the material may be occasionally too extensive or inappropriately organized to allow efficient preparation for the meeting.	The MB regularly, timely and exhaustively informs the SB about all relevant issues and decisions that are important for the supervision over the business operation of the company and are of strategic importance. The members are provided in a timely manner with materials that include all information required for efficient decision-making. The materials are well organized, with each piece of material clearly indicated as to whether it is merely intended to inform or whether it is to provide the basis for specific SB decisions.	
E2	Quality of information	Information is lacking and inaccurate.	Information is accurate but does not allow decision-making.	Information is accurate, relevant and reliable and allow competent decision-making.	Information is accurate, relevant, reliable, comparable, exhaustive, and it reaches the highest standards of reporting.	
E3	Confidentiality of information	The company does not pay particular attention to protection of business secrets/confidentiality for the SB members.	The company has laid down the rules for protecting business secrecy/confidentiality; however, these rules are often breached.	The company has laid down the rules for protecting business secrecy in Articles of Association or other relevant document. These rules are observed.	All members of SB, external members of SB committees and the Secretary have signed a statement with which they are bound to protecting business secrets, unless they are already bound based on another such commitment. All SB members consistently maintain business secrecy and confidentiality; the chairperson is responsible for submitting any information to the public.	
E4	Quality of reporting	The SB receives information regarding financial and other operations of the company irregularly and with substantial delay. Information tends to be lacking. Communication with the Management Board is poor.	The Management Board reports to the SB in compliance with the provisions laid down in the Articles of Association and relevant legislation; however, response to SB's request for additional information is unsatisfactory.	The MB regularly reports to the Supervisory Board about the situation at the company and responds to requests for additional information in a timely manner; however, in acute situations, information is not provided promptly enough.	The Management Board informs the Supervisory Board regularly and up-to-date on any situations with regard to which it feels the SB should be informed. Any requests for additional information are responded to promptly by providing exhaustive information.	

F CULTURE AND DEVELOPMENT OF THE SUPERVISORY BOARD						
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	
F1	Quality of discussion and expression of individual opinions	Discussions are superficial and mostly unproductive. Members cannot express their opinions.	Discussion is conducted in an organized and orderly fashion, but proactive involvement, new ideas, and criticism are not sufficiently promoted and motivated. Members are given a formal opportunity to express their opinions.	Participation and expression of opinion by all members is motivated at the sessions. Discussions are productive, but often lack a critical view – or vice versa, only criticism is given, yet in the form of generalized statements.	Each member is well prepared and contributes to the discussion, which is conducted by the principles of excellent business communication. Criticism and proposals of new ideas are stimulated in the discussion.	
F2	Conflict of interest	Members of the SB do not address the criteria of independence and the conflict of interest. The SB Rules of Procedure do not define any measures to be taken in the event of the conflict of interest.	An SB member who notices a conflict of interest notifies other SB members but the SB does not have any special measures defined and it acts according to its ad hoc definition. Some members of the SB do not try to avoid potential conflict of interest. A member is to disclose any (potential) conflict of interest; however, the Supervisory Board does not expressly take any position on that point, nor does it adopt a resolution to appropriately manage the conflict of interest.	Members of the SB implement all precaution measures in order to avoid the conflict of interest. A SB member who notices a conflict of interest immediately notifies other SB members. The SB expressly takes position on that point, and adopts measures to manage the conflict of interest. The SB Rules of procedure define the measures that have to be taken in a detailed manner.	Members of the SB implement all precaution measures in order to avoid the conflict of interest. A SB member who notices a conflict of interest immediately notifies other SB members. The Supervisory Board expressly takes position on that point, and adopts measures to manage the conflict of interest. The SB Rules of procedure define the measures that have to be taken in a detailed manner. Members of the SB immediately inform others about their membership in the SB of a different company.	
F3	Dynamic of the SB activity	Members perform their respective functions individually; there is no teamwork dynamic.	SB operates as a team, but individual members often stand out. There are unsolved issues. The SB dynamic is weak.	SB members work as a team, but there are occasional conflicts and the pending issues are not always resolved properly. The dynamic of work should be improved.	SB is a formidable and trustworthy collegial body in which all decisions are adopted jointly regardless of any differences in views and positions.	
F4	Motivation for work	Members are not motivated to perform their function.	Members are only partly motivated, yet their motivation is mostly fuelled by the very importance of such function rather than by actual interest in the challenges that pertain to it.	Members are motivated both because of the importance of work and the opportunities to learn, work with the Management Board, opportunities for networking etc. However, performing the function is not a particular challenge to them.	There is an atmosphere of professional interest in the supervisory function among the members, and a sincere desire to apply and advance their knowledge and experience.	
F5	Professional development of the Supervisory Board	SB does not care about their professional development; the members do not upgrade their education and training in management and SB activities.	SB members are involved in further education, but in a random manner. Each member decides individually about additional education in fields relevant for the operations of the SB or its committees.	SB has adopted a framework education plan laying out the fields relevant for the activities of the SB and its committees. In doing so, individual needs of respective members are also considered.	SB has adopted an education plan based on the self-assessment and measures adopted to improve their activities and activities of the SB committees. SB is systematically keeping up to date with the novelties in corporate governance, management, and expert fields required for the work in the SB.	

F6	Evaluation of the SB performance	Members of the SB never evaluate their composition, operation of the body and the committees or their cooperation with the MB.	The SB members do not carry out self-evaluation on annual basis but only occasionally. They use the ZNS matrix or some other publicly available methodology, which is not adjusted to the company's needs and its special characteristics of corporate governance.	The SB members carry out self-evaluation of the SB once per year. They use the ZNS matrix or some other publicly available methodology. The SB does not regularly monitor the implementation of the action plan to carry out the necessary improvements defined at the previous self-evaluation.	The SB evaluates its work annually according to the ZNS methodology or some other publicly available methodology. The SB cooperates with an external advisor. The SB regularly monitors the implementation of the action plan and takes part in monitoring the implementation of resolutions of the Supervisory Board. The SB carries out an external evaluation of its performance every three years.	
F7	Remuneration of the SB	Members of the SB receive remuneration for their work but the structure of the remuneration is not in line with the recommendation for good practice and the financial situation of the company.	Members of the SB receive remuneration for their work and the structure of the remuneration is in line with the recommendation for good practice in this field, but the remuneration amount is inappropriately low.	Members of the SB receive remuneration for their work and the structure of the remuneration is in line with the recommendation for good practice and the remuneration amount is appropriate. External members of the committees are paid for their work in the committees from the budget, intended for the SB work. However, the structure or the amount of their remuneration is not appropriate or in not in line with good practice in this field.	Members of the SB receive remuneration for their work, which is in line with the good practice of SB remunerations. The remuneration enables the company to have good quality members of the SB and is in line with their responsibilities and tasks, which the SB must implement according to the legislation, recommendations of good practice and the Code. External members of the committees are paid for their work in the committees from the budget, intended for the SB work.	
G	THE SUPERVISORY BOARD TASKS					
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
G1	Strategy Management	SB does not take part in the company's development strategy, or such strategy is not suitably defined at all.	SB is informed about the company strategy. SB's control of attainment of strategic and business goals laid out is inadequate.	SB takes part in adopting the company's long-term development strategy. SB evaluates and monitors the pursuit of strategic goals once per year.	Long-term strategy is a result of cooperation between the MB and the SB. SB holds a special meeting with the Management Board to evaluate the pursuit of company strategy.	
G2	Control over the company's operations	SB is controlling only the company's financial operation; however, lack of knowledge or poor communication of vital information pose considerable constraints to their effectiveness.	SB works with the Management Board to efficiently control the financial operation; other fields of the company's operation are not controlled regularly.	Supervisory Board works with the Management Board to effectively control the financial operation and to control other fields of operations legally requested or requested by the regulator, including sustainable operation of the company. However, not all fields relevant to the company are systematically and regularly covered, or effectiveness of such supervision is bounded.	Supervisory Board regularly and efficiently controls all fields of relevance to the company, such as: market policy, research and development, finance/accounting, strategic planning, sustainability of operations, human resources, legal services, managerial and operative support, internal controls, risk management, co-management report, etc.	
G3	Human resource management	SB does not deal with human resource management.	SB is informed about the company's top management.	SB monitors succession planning, quality of top management, and organizational (corporate) climate at the company.	SB is monitoring the following fields: talent identification and management, situation in middle management, succession planning, quality of top management, corporate climate.	

H RELATIONS WITH THE MANAGEMENT BOARD						
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
H1	Appointment of Management Board members	The procedure of Management Board member appointment is non-systematic. SB has not defined any special criteria for selection of new Management Board members. The company does not have a succession programme established.	Selection procedure for Management Board members is predefined in a SB Resolution or in the SB Rules of procedure. The SB selects the candidates without any support by committees or independent experts. SB defines only general candidate selection criteria. The SB does not follow a succession plan even though it does have one.	The procedure of candidate selection is transparent and previously defined in the SB Rules of procedure or by the term-of-office based system. The SB selects the candidates without any support by committees or independent experts. The Supervisory Board defines the criteria for selection of candidates; however, these are not defined for each individual Management Board member. In this regard, the Supervisory Board follows the diversity policy for the management body. Moreover, the SB regularly follows a succession plan.	The procedure of candidate selection is precisely defined in the SB Rules of procedure and it is transparent and supported by a Human Resource or Nomination Committee and outside experts. Selection is carried out based on previously defined general (in line with principle 22.5 of the Slovenian Corporate Governance Code for listed companies) and special criteria (competence profile). The criteria are defined for each Management Board member (individualized profiles) based on the requirements and future challenges of the company. In this regard, the Supervisory Board pursues the objectives of the diversity policy for the management body. Moreover, the SB regularly follows a succession plan.	
H2	Quality of cooperation	The relationship between the SB and the MB is more confrontational than constructive. It is too passive.	The relationship between the SB and the MB is bearable.	The MB and the SB have a relationship that enables them to normally implement their work. However, they do not manage to produce any special achievements.	The MB and the SB cooperate well. The SB members trust and support all members of the MB.	
H3	Management Board performance evaluation	SB does not regularly control and evaluate the work of individual Management Board members. Goals of individual members are not clearly defined.	SB evaluates Management Board performance, but evaluation is not systematic and not discussed as a special item of a SB session agenda at least once per year.	SB has established a Management Board performance evaluation system that provides assessment of Management Board member performance at least once per year.	SB regularly and systematically evaluates Management Board performance. A nomination or a Remuneration Committee has been appointed. Predominant part of Management Board member remuneration depends on the results of the Management Board performance evaluation.	
H4	Management Board remuneration	Remunerations of the MB are fixed and defined in the employment contracts.	The SB defines the variable part of remunerations in an unplanned way. The company does not have an established remuneration policy.	The variable parts of remunerations of the MB provide compliance of interests of the MB and long-term interests of the company. Every year the SB confirms the criteria for the variable payments and adopts a business plan for the following year. However, they are defined in such a way that they are difficult to follow. The company has a remuneration policy for the management body, which has not been adopted by the general meeting or has not yet been submitted to it for adoption.	The performance criteria for the remuneration of the MB include business performance and sustainable development of the company. They also include non-financial criteria that are important for generating a long-term value of the company. Performance criteria are modified each year and they define quantity and quality measures and weightings for the remunerations of the MB. The MB remuneration policy was submitted for adoption and adopted at the general assembly meeting and is	

					being efficiently implemented. The Supervisory Board reviewed the report on remuneration to MB members for the purpose of publication in the company's annual report.	
I	SB COMMITTEES					
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
I1	Appointment, composition and work of the SB committees	SB has not appointed any committees.	SB has appointed committees, but their composition is ill-suited. Committee members are not experts in the required field; hence, the work of the committees is inefficient.	Committees are formed in line with Annex A of the Slovenian Corporate Governance Code for listed companies and convened regularly. After each session, minutes are compiled and submitted to the Supervisory Board. Committee members are independent and they have ample time available for work in the committee. Most members are experts in the field for which the committee is responsible. Committees act in compliance with their powers and authorizations.	Committees are formed in line with Annex A of the Slovenian Corporate Governance Code for listed companies. Committees include exclusively members who are independent, who have ample time to perform their committee-related tasks, and who are experts in the field for which the committee is responsible. The work of the committee is highly valuable for the supervisory Board.	
I2	Committee reporting to the Supervisory Board	SB has not appointed any committees.	Committees do not report regularly to the Supervisory Board about their work.	Committee meetings are organized so as to ensure unimpeded functioning of the Supervisory Board. After each session, the committees report verbally or in writing to the SB about the resolutions adopted or about their opinion about a particular issue.	The SB is regularly informed in a timely manner about the work of the committees. The SB receives session minutes from each committee.	
J	SUPPORT TO THE WORK OF THE SB					
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
J1	SB secretary	The SB does not have a SB secretary. Minutes of SB meetings are kept by a person from the Management Board secretary office.	The SB appointed a SB secretary, but the secretary does not provide appropriate support for SB activities both due to a lack of professional competence and lack of time.	The SB appointed a SB secretary with training in law and corporate governance, who enjoys a sound reputation at the company and the confidence of the Management Board and the SB. The secretary works successfully with the SB chairperson and is available to all other SB members for their questions.	SB secretary is a trustworthy and reputed expert with suitable professional qualifications to perform the function. The secretary's work contributes notably to efficient work of the SB; secretary's cooperation with the SB chairperson is productive. The secretary is a good link between the Management Board and the SB. The secretary is in charge of regularity of procedures and legal compliance of the SB activities. The SB secretary receives regular training in the area of operation of the SB and corporate governance.	

J2	SB budget	The SB is not furnished with adequate company funding to provide the services required for efficient supervision independent expert opinions, education, independent committee members etc.).	The SB commission's professional opinion or any other service. Service commissioning and selection of service providers falls within the responsibilities of the MB.	The SB adopts a resolution, when necessary, regarding the services of independent experts to obtain expert opinions or views. The SB can select the service providers but there is no clearly defined procedure. In addition, the company provides funding for SB member education and training.	The company has defined appropriate processes for commissioning external services that are needed for the SB work, separately from the services in which the company is represented by the MB and the services in which the company is represented by the Chairman of the SB. Depending on the work plan, the SB estimates each year the costs expected to be incurred with regard to provision of support to the supervisory function (independent SB committee members, expert opinions and views by independent experts, performance appraisal etc.) and adopts a training and education plan complete with cost estimates.	
K	CONTRIBUTIONS OF INDIVIDUAL SB MEMBERS					
		LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	NOTES
K1	Attendance at SB meetings	up to 75%	between 76 and 90%	between 91 and 99%	100%	
K2	Preparation for the meetings	I am not able to prepare well for the sessions because I am either running out of time, or I do not receive the materials on time, or the materials are lacking.	I prepare for the sessions by reviewing the materials and the agenda.	My preparations for the SB are thorough; I note the questions to be posed to the Management Board and dilemmas for discussion.	I prepare intensively for the sessions; I know exactly what will be discussed and decided on. I create my knowledge base before the session, and I have ideas regarding particular solutions and decisions.	
K3	Participation in the course of a meeting	I normally do not participate in the sessions I attend. I am often unable to express my opinion as other members do not listen, the SB chairperson does not grant me the opportunity to speak; sessions are conducted in a hurry due to lack of time.	I participate in the sessions when and as much as necessary. I can voice my opinion at the sessions. If I disagree, I have the option to request that my disagreement be noted in the minutes.	I actively take part in the discussion. At the SB sessions, I seek to cooperate and take part in the discussion, and other members appreciate such efforts. I feel sufficiently free and confident to oppose the opinion of the majority.	I keenly follow the discussion and take part in it. I always seek to add the knowledge I possess to the discussion in order to promote the best possible outcome and to elevate the quality of the decision-making process. Expert knowledge and professional attitude of the SB members make the atmosphere in SB meetings pleasant and conducive to new ideas. Discussions are always interesting, informative, and especially productive. Each opinion is noted and considered.	
K4	SB member contribution	I feel my knowledge is not put to use in this SB.	My knowledge allows me to perform my work at the SB, although without any notable achievements.	In line with my expert knowledge and experience, some additional tasks were assigned to me within the SB.	In performing my function, I use my expert knowledge and share my experience with fellow members, particularly those who are experts in the same field as I am.	