

Pursuant to Article 9, paragraph 4 of the Gender Equality Act (Official Gazette 82/08, 138/12 and 69/17), and Article 9, paragraph 2, clause 2 of the Suppression of Discrimination Act (Official Gazette 85/08 and 112 /12), the company TORRIS Branding d.o.o. from Zagreb, Ulica Julija Knifera 4, OIB: 35388052638 (hereinafter: Company), hereby is rendering the following

REGULATION ON TEMPORARY MEASURES

PREAMBULE

Article 1.

- (1) The Company primarily provides advertising and branding services to other legal entities. The Company also has as an only founder and manager a woman, as a result of which the Company is aware of the need to encourage the development of women's entrepreneurship and the importance of compensating for the unfavorable position in which companies that are majority-owned by women find themselves in, all with the aim of empowering women in the labor market, and especially through providing opportunities for advancement to women as investors and entrepreneurs.
- (2) According to the available data contained in the Resolution of the European Parliament from May 3rd 2022 on achieving economic independence of women through entrepreneurship and self-employment (2021/2080(INI)), although women make up 52% of the total European population, they make up only 34,4% of self-employed persons in the European Union and only 30% of entrepreneurs who launch start-up companies, as a result of which it is clear that the biggest differences between the sexes in entrepreneurial activity are found in Europe and North America. In addition to the above, women occupy only 34% of management positions in the European Union, and when entering entrepreneurship, unlike men, they face various obstacles, especially of an economic, legislative and social nature, which obstacles are based on gender stereotypes that contribute gender segregation in education, lack of special training, lower level of self-confidence for entrepreneurial activities, less access to information, financial and government support and fewer tools for social and business networking, gender prejudices and difficulties in harmonizing business and family life. Statistical data also show that female entrepreneurs face greater difficulties when collecting financial resources and capital than their male counterparts and that women-led companies still make up a very small share of investment beneficiaries, i.e. in 2018 93% of the total of capital invested in European tech companies was allocated to all-male founding teams, while only 32% of venture capital funding was allocated to companies with at least one female executive. In addition, according to available statistics, women occupy only 10% of all management positions in private equity and venture capital firms in the world, while several studies have shown that investment managers tend to provide capital to and hire those who are similar to them, which is why women, especially women of diverse backgrounds and those who face intersectional discrimination because of their racial, ethnic or socioeconomic background, are clearly at a disadvantage. Women are also CEOs in less than 8% of leading companies, while the gender pay gap in the European Union is 13% and that figure has changed only minimally in the last decade. The situation in Republic of Croatia does not deviate from the above statistical data. According to the Work Report for 2021 of the Ombudsperson for Gender Equality, the analysis of the share of female entrepreneurs in the ownership structure of companies for the period from 2011 to 2020, prepared by FINA (2021), shows a slight increase in

women owners/founders of companies from 2011 to 2020. The share of companies with exclusively female founders was 18% in 2011, while it was 22% in 2020. In addition, out of a total of 96,470 craft and trades businesses registered on December 31st 2021 only 34,468 of them were owned by women, which is 36%, while in 2021 5,386 female-owned craft and trade businesses were registered (or 40% of all newly registered craft and trade businesses).

- (3) Based on everything stated in this Preamble, the Company has decided to apply temporary measures for the purpose to compensate to a certain extent the less favorable position of women in the field of obtaining and purchasing goods and providing services, all in order to contribute to the development of female entrepreneurship and achieving gender equality on the labor market, as well as economy in general.
- (4) The temporary measures that the Company shall apply in order to achieve the previously established goals refer to the discounts that companies and craft and trade businesses that are majority-owned by women would achieve in relation to the Company's services, which discounts amount to the current pay gap based on gender. The manner and conditions for implementing the above measures, as well as their duration, are regulated by the provisions of this Regulation.

GENERAL PROVISIONS

Article 2.

- (1) The Company provides advertising and branding services (hereinafter: Services) to companies and craft and trade business (hereinafter: Legal entities) and charges a fee for its Services in accordance with concluded contracts, calculated either by project or by the hour (hereinafter: Billing method).
- (2) The Company will give a discount of 13% (hereinafter: Temporary measure) on its Services to all Legal Entities who meet the conditions stipulated in paragraph 3 of this Article, regardless of the method of providing them and the Billing method, for the duration of the Temporary measures established in Article 3 of this Regulation.
- (3) Temporary measure can only be applied to a Legal entity that:
 - is owned by women in majority in accordance with the provisions of paragraph 4 of this article,
 - and which has been operating in the territory of the European Union for no more than 2 (two) yearswhich conditions the Legal Entity proves in the manner prescribed in paragraph 5 of this Article.
- (4) In terms of this Regulation, it is considered that:
 - a company is majority-owned by women if women make up at least 51% of the ownership structure of that company according to the valid data entered in the court register of the competent Commercial Court in the Republic of Croatia, or in any other appropriate register of this type in the territory of the European Union in accordance with the national law of the country in which such a register is kept;
 - a craft and trade business is majority-owned by women if women make up at least 51% of the co-owners of the craft and trade business according to the valid data entered in the Trade Register of the Croatian Chamber of Crafts and Trades in the

Republic of Croatia, or in any other appropriate register of this type in the territory of the European Union in accordance with the national law of the country where such a register is kept.

- (5) Legal entity that wishes to use Temporary measures in accordance with this Regulation is obligated to submit to the Company an appropriate extract from the register of the competent body in accordance with paragraph 4 of this Article, from which extract it is evident that the conditions from paragraph 3 of this Article are met. This should be submitted to the Company on the day of acceptance of the offer for the provision of Services, or the conclusion of a contract on the provision of Services with the Company.
- (6) To every Legal entity that meets the requirements from paragraph 3 of this Article for the application of the Temporary measure, and which timely submits the evidence from paragraph 5 of this Article, the Company shall indicate the said Temporary measure on the invoice issued for the provided Services with reference to the corresponding provisions of this Regulation.

DURATION OF THE TEMPORARY MEASURE

Article 3.

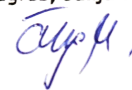
- (1) The Temporary measure that Legal Entities can use in relation to the Company's Services based on this Regulation is of a temporary nature and lasts for one year from the date of entry into force of this Regulation.
- (2) After the expiration of the specified period from paragraph 1 of this Article, the Company will revise the objectives for which the Temporary measure was stipulated, as they are described in the Preamble of this Regulation, especially recent statistical data related to the representation of women in entrepreneurship, management and managerial positions , and the gender pay gap in the European Union and determine whether there is a need to define a new or new Temporary measures.

FINAL PROVISIONS

Article 4.

- (1) This Regulation enters into force on the day of its adoption, and is valid until the Company renders it invalid.
- (2) All amendments to this Regulation must be in writing.
- (3) The Company shall publish this Regulation, as well as all its amendments, on its website and provide it to any Legal Entity that wishes to apply for the Temporary measures.

TORRIS Branding
- d.o.o. -
Zagreb, Julija Knifera 4



In Zagreb, 15th Feb 2023

TORRIS Branding d.o.o.,
represented by director

Maja Čulig