

Pursuant to Article 11 of the Law on Founding of Public Croatian Postal and Telecommunications Enterprise (Official Gazette No. 42/90, 61/91 and 109/93) and Article 73 of the Articles of Association of the public enterprise HPT - Hrvatska pošta i telekomunikacije, and in connection with Article 2 and 7 of the Law on Separation of Hrvatska pošta i telekomunikacije into Hrvatska pošta and Hrvatske telekomunikacije (Official Gazette, No. 101/98), the Administration Board of the public enterprise HPT - Hrvatska pošta i telekomunikacije, s p.o. on its 12th session held on December 7, 1998 adopted the Articles of Association of the joint stock company HT - Hrvatske telekomunikacije d.d. On its session held on October 5, 1999, October 24, 2001, June 28, 2002, December 17, 2004, April 23, 2007, April 21, 2008, April 21, 2010, May 4, 2011, June 17, 2013, April 29 2014, April 29 2015, April 21 2016 and April 25 2017 the General Assembly of Hrvatski Telekom d.d. amended the Articles of Association, on March 12th, 2018, Management Board aligned the text of the Articles of Association in line with authorization given by General Assembly, on its session held on May 6, 2019 the General Assembly of Hrvatski Telekom d.d. amended the Articles of Association, on 21 June 2019 the Supervisory Board aligned the text of the Articles of Association in line with the Decision of the Management Board on withdrawal of Company shares, on July 20th, 2020 the General Assembly of Hrvatski Telekom d.d. amended the Articles of Association and the Supervisory Board aligned the text of the Articles of Association in line with the Decision of the Management Board on withdrawal of Company shares and on April 23rd, 2021 the General Assembly of Hrvatski Telekom d.d. amended the Articles of Association, and on July 8th, 2021 the Supervisory Board aligned the text of the Articles of Association in line with the Decision of the Management Board on withdrawal of Company shares, so that the clean text of the Articles of Association of Hrvatski Telekom d.d. reads as follows:

# **ARTICLES OF ASSOCIATION OF THE JOINT STOCK COMPANY HRVATSKI TELEKOM**

## **Article 1**

Hrvatski Telekom is a joint stock company originated after the separation of the public enterprise Hrvatska pošta i telekomunikacije into two joint stock companies, pursuant to the Law on Separation of Hrvatska pošta i telekomunikacije into Hrvatska pošta and Hrvatske telekomunikacije (Official Gazette, No. 101/98) (hereinafter referred to as: the Company).

## **REGISTERED NAME OF THE COMPANY**

### **Article 2**

Registered name of the Company is:

Hrvatski Telekom d.d.

Abbreviated registered name of the Company reads: HT d.d.

Registered name of the Company in English reads as follows:

CROATIAN TELECOM INC.

The resolution on the change of the registered name of the Company is passed by the General Assembly.

## **REGISTERED OFFICE OF THE COMPANY**

### **Article 3**

The registered office of the Company is in Zagreb.

The resolution on the exact address in the place of the registered office of the Company shall be adopted by the Management Board of the Company.

## SEAL, STAMP, AND LOGO OF THE COMPANY

### Article 4

The Company has its seal, stamp and logo.

The shape, content, size, use and safe-keeping of the seal and stamp, as well as the design of the logo are determined by the Management Board of the Company.

## SCOPE OF ACTIVITIES

### Article 5

The scope of activities of the Company consists of the following:

- telecommunications services
- designing, project control, construction and construction supervision
- making the investment and technological documentation
- maintenance and repair of telecommunications facilities, installation of devices and equipment
- purchase and sale of goods
- commercial agency services on a domestic and foreign market
- representation of foreign companies
- production of telecommunications equipment and accessories
- the issuance of telephone directories and publications from the field of telecommunications
- advertising services
- investigation and security services
- museum services
- services of technical inspection and registration of vehicles
- organization and coordination of measurement supervision
- measurements for the issuance of quality certificates and certificates on electromagnetic compatibility (ECM) of the telecommunications equipment and radio station devices

- production and transmission of program content and program services
- production, distribution and public presentation of motion pictures
- services of information society
- real estate related business activities
- publishing activities
- lease of office machines and equipment, including computers
- computer and related operations
- provision of the advice on computer equipment, hardware and software
- maintenance and repair of office machines and equipment
- creation of the parceling and other geodetic surveys of the land cadastre
- creation of the parceling and other geodetic surveys of the real property cadastre
- creation of the parceling and other geodetic surveys for the needs of the individual conversion of the land registry plots of the land cadastre into the land registry plots of the real property cadastre
- creation of the line cadastre surveys and expert geodetic tasks for the needs of provision of geodetic services
- technical line cadastre management
- creation of special geodetic documents for the designing needs
- creation of special geodetic documents for the needs of compiling physical planning documents and acts
- creation of a geodetic project
- marking out of the building and producing the marking out survey
- creation of a geodetic situation draft for the constructed buildings
- issuing of electronic money and payment services connected with the issuing of electronic money
- issuing of payment instruments and/or acceptance of payment transactions
- production of electricity
- supply of electricity
- trade of electricity
- transmission of electricity
- distribution of electricity

- electricity market operations/organization
- production of heat energy
- distribution of heat energy
- supply of heat energy
- gas market operations/organization
- trade of gas
- supply of gas
- commercial agency services on a gas market
- representing others on a gas market
- distribution of gas
- procurement of gas
- calibration and maintenance of measurement devices
- production, design, and maintenance of systems for production of electricity from renewable sources
- money remittance
- accounting services
- preparation of food and provision of meal services
- preparation and serving of drinks and beverage
- services for execution of payment transactions in which the financial assets are covered by the credit line for the end users of payment services – execution of payment transactions by means of payment cards or other similar means
- advising on business and management
- administrative activities
- services related to crediting: data collection, analysis and information providing on credit status of legal entities and self-employed natural persons
- intermediation in the money market business deals
  - advising of legal entities regarding capital structure, business strategy and similar questions and providing services related to business mergers and the acquisition of stocks and business shares in other companies

The resolution on the change of the scope of activities is passed by the General Assembly.

## **Article 6**

The Company may found the branch offices in which it performs its activities.

The resolution on the founding of the branch offices is passed by the Management Board with the consent of the Supervisory Board.

## **SHARE CAPITAL AND SHARES OF THE COMPANY**

### **Article 7**

The share capital of the Company amounts to HRK 10,244,977,390.25 (in writing: ten billion two hundred and forty-four million nine hundred and seventy-seven thousand three hundred and ninety kuna and twenty-five lipa).

### **Article 8**

The share capital of the Company is divided into 80,047,509 shares without nominal value.

All the shares of the first issue are ordinary and registered shares. Each share gives right to one vote.

It is not possible to issue new bearer shares or to exchange the old shares for the bearer shares.

### **Article 9**

The Company's shares exist only in a form of non-materialized securities in the computer system of the Central Depository Agency.

The Company accepts as a shareholder only such person who has the Company's share registered on its securities' account at the Central Depository Agency.

Acquisition, change and termination of ownership and other rights over non-materialized securities is performed by a respective entry of data in the electronic files of the computer system of the Central Depository Agency.

## MANAGEMENT BOARD OF THE COMPANY

### Article 10

The Management Board of the Company consists of five to seven members.

The Management Board has a Chairman.

The Chairman and other members of the Management Board are appointed and removed by the Supervisory Board of the Company.

The term of office of the Chairman and other members of the Management Board is up to five years.

If during the term of office of a member of the Management Board there appears a legal prohibition for the performing of that function or if it is subsequently found out that a particular member does not fulfill the conditions for the performing of that function, the Supervisory Board will revoke the Resolution of the appointment of that member and will, instead of him, appoint a new member of the Management Board of the Company.

If the term of office of a member of the Management Board terminates for any other reason (retirement, death or other), the Supervisory Board will acknowledge the termination of the term of office of the member of the Management Board and will simultaneously appoint a new member.

### Article 11

The Management Board manages the business affairs of the Company, on its own responsibility, and with the care of a prudent and conscientious business person. The Management Board is obligated and authorized to perform all the activities and to pass all the resolutions which it considers necessary for a successful managing of the business affairs of the Company.

The managing of the business affairs of the Company comprises the passing of the resolutions for the purpose of realizing the business strategy, plans and business programs, activities which result from the common objective, but also every factual and legal action within the Company and for the benefit of the Company.

The Management Board manages the business affairs of the Company, on its own responsibility, by ensuring a prudent performing of all actions and expert jobs. The resolutions within the scope of the managing of the business affairs of the Company

(orders, instructions, directives, etc.) passed by the members of the Management Board within the limits of their authorization, are obligatory for the employees at lower levels of organization.

The Management Board particularly performs the following activities:

- manages the business affairs of the Company;
- prepares the resolutions and Company's regulations for the passing of which the General Assembly is competent;
- convokes the General Assembly in cases determined by law and by Articles of Association;
- passes regulations and resolutions from the field of business activities of the Company in accordance with laws and regulations and Articles of Association;
- submits reports to the Supervisory Board;
- submits the annual report on status and business operations of the Company and the Group to the General Assembly once a year in written form;
- performs also other activities in accordance with law and other regulations.

## **Article 12**

The Management Board shall hold meetings as circumstances require.

The Chairman of the Management Board is authorized to call the meeting of the Management Board at any time.

The Chairman of the Management Board, if requested by another Management Board member, shall promptly cause a meeting of the Management Board to be called and shall cause the required notice of any such meeting to be given. If the Chairman of the Management Board fails to call such meeting within five days, a Management Board member making the request may call a meeting of the Management Board and give the required notice.

The quorum for meetings of the Management Board shall be four Management Board members and the Management Board shall act upon the affirmative vote of a majority of the Management Board members present or represented; provided, however, that in the event of an even number of votes cast for and against any resolution, the Chairman of the Management Board shall have the casting vote.



The records of proceedings of the Management Board shall be maintained in both Croatian and English.

The Chairman of the Management Board has the rights and obligations determined by law, by these Articles of Association, by Management Board By-laws, as well as by other regulations of the Company and by resolutions of the Company's bodies. The Chairman of the Management Board convenes sessions of the Management Board, presides over the sessions of the Management Board, coordinates the managing of the business affairs of the Company, and, in the name of the Management Board, submits reports to the Supervisory Board and to the General Assembly of the Company.

A member of the Management Board has the authorizations and duties defined in accordance with law, these Articles of Association, Management Board By-laws and other regulations of the Company.

The managing of the business affairs of the Company and the work of the Management Board is determined by the Management Board By-laws which are passed by the Supervisory Board.

### **Article 13**

The Company is represented by two members of the Management Board jointly, i.e., by one member of the Management Board jointly with the procurator, whereby the Decision thereon is passed by the Supervisory Board.

The Management Board may give to another person "prokura" (special kind of power of attorney) and a written power of attorney for the conclusion of particular kinds of contracts and for the undertaking of other legal actions or for the conclusion of individually determined contracts and for the undertaking of other individually determined legal actions. Prokura may be granted as individual or joint prokura. Joint prokura may also be granted in a way that the procurator represents the Company only jointly with one member of the Management Board.

"Prokura" is given by the Management Board with the consent of the Supervisory Board, and the power of attorney is given by the Management Board in accordance with its authorizations for representation.

When representing the Company the members of the Management Board state the registered name of the Company and their capacity of being the members of the Management Board.

## **Article 14**

The Company, for this purpose represented by the Supervisory Board, shall conclude with the members of the Management Board individual contracts which determine in detail their rights and obligations (salary, participation in profits, compensations and expenses, paying of insurance premium, conditions for the termination of contract, notice period, etc.).

## **SUPERVISORY BOARD**

### **Article 15**

Supervisory Board consists of nine members.

Eight members of the Supervisory Board shall be elected by the General Assembly of the Company.

For as long as it is prescribed by the special mandatory regulation, the Employee's Council of the Company shall have the right to appoint and revoke one member of the Supervisory Board. If the Employee's Council is not formed within the Company, the right to appoint and revoke that one member of the Supervisory Board shall be vested with the employees of the Company. In that case, the employees of the Company shall appoint that one member by direct and secret voting or pursuant to other procedure that may be provided for in the relevant legislation in force at the time.

The term of office of the members of the Supervisory Board is up to four years.

### **Article 16**

The members of the Supervisory Board elect among themselves the Chairman and his Deputy.

The Deputy Chairman substitutes the Chairman in his absence.

### **Article 17**

A person whose knowledge, experience and business and moral qualities guarantee that he will prudently and conscientiously perform the function of a member of the Supervisory Board may be elected as a member of the Supervisory Board.

## **Article 18**

The Supervisory Board supervises the managing of the business affairs of the Company.

Within its competence, the Supervisory Board is particularly entitled:

- 1) to appoint and remove members of the Management Board;
- 2) to review and examine the business books, documentation, treasury, securities and other documents relating to the business affairs of the Company;
- 3) to issue an order to the auditor to perform an audit of the annual financial statements of the Company and consolidated financial statements of the Group;
- 4) to review and approve the annual financial statements of the Company, consolidated financial statements of the Group, the annual report on the status and business operations of the Company and the Group and the proposal of the decision on utilization of profit;
- 5) to give consent to the resolutions of the Management Board when it is so determined by law, by these Articles of Association or by a special resolution of the Supervisory Board.

The Supervisory Board and every member thereof is obliged to act in the sole interest of the Company.

## **Article 19**

The Supervisory Board may establish commissions for the purposes of preparing of the resolutions of the Supervisory Board and supervising the implementation thereof.

The members of the Supervisory Board must participate in the work of the General Assembly.

If the Chairman of the General Assembly is in agreement, Supervisory Board members may exceptionally be allowed to participate at the General Assembly by means of audio and video transmission, if as a result of their residency abroad they would have to undertake a considerable journey to arrive at the venue of the General Assembly.

## **Article 20**

The Supervisory Board shall hold meetings at least four times per year. The Supervisory Board may also hold meetings by tele conferencing or by video conferencing. The

minutes as well as the records of proceedings of the Supervisory Board shall be maintained in both Croatian and English. Votes in writing may be delivered by another member of the Supervisory Board or by a person who has received written authorization by the member of the Supervisory Board who was unable to attend the session.

The Supervisory Board members who are unable to physically attend the meeting of the Supervisory Board, or participate in the work of the meeting by tele conferencing or by video conferencing, may deliver their votes in writing.

The Supervisory Board may render decisions out of meetings by voting in writing, by telephone, telegraph, telefax, by video conferencing or by using other adequate technical means if none of the members of the Supervisory Board opposes such voting within the appropriate deadline determined by the Chairman of the Supervisory Board.

The results of the voting must be submitted to the members in writing and entered into the minutes of the next meeting.

## **Article 21**

The quorum for meetings of the Supervisory Board shall be five Supervisory Board members and the Supervisory Board shall act upon the affirmative vote of a majority of the Supervisory Board members present or represented; provided, however, that in the event of an even number of votes cast for and against any resolution, the Chairman shall have the casting vote. In the event that at any meeting of the Supervisory Board a quorum is not present, a new meeting shall be called, in accordance with the provisions of the Supervisory Board By-laws, in order to discuss the same agenda. Such second meeting shall be scheduled for a date not earlier than three business days and not later than seven business days following the date on which the initial meeting was scheduled but the quorum was not present or represented.

Decisions of the Management Board with respect to the following matters shall be subject to the prior approval of the Supervisory Board. The decision on granting or denying the approval in those cases is passed by simple majority of the Supervisory Board Members present or represented. By the Management Board By-laws or by specific decisions passed by simple majority of the Supervisory Board may be also regulated other matters and decisions for the taking of which the Management Board has to have a prior approval of the Supervisory Board.

- 1) resolution on the founding of the branch offices and the resolution on the founding of the subsidiaries of the Company;

- 2) resolution on the award of procurement;
- 3) resolution on the payment of advance for dividend;
- 4) changes to the regulation of the organization of the Company on Management Board level;
- 5) the approval of, and any amendment to, an annual business plan, and a mid term strategic plan;
- 6) borrowing money, including the issue of debt securities, or entering into arrangements with the same economic effect as borrowing money (other than accounts payable incurred in the ordinary course of business), not authorized in the annual business plan where such amounts would exceed in the aggregate HRK 100 million during the same fiscal year;
- 7) issuing guarantees not authorized in the annual business plan in respect of amounts exceeding in the aggregate HRK 100 million during the same fiscal year;
- 8) entering into any swap transaction or acquiring or disposing of any interest or assuming any obligation with respect to a derivative or similar financial instrument not authorized in the annual business plan;
- 9) issuing or listing on a stock exchange any debt, equity or derivative securities not authorised in the annual business plan in amounts exceeding in the aggregate HRK 100 million during the same fiscal year;
- 10) granting credit or lending money to any person unless authorised in the annual business plan in an amount exceeding in the aggregate HRK 100 million during the same fiscal year;
- 11) incurring capital expenditures (including financing leases) not authorised in the annual business plan where such expenditures would exceed in the aggregate HRK 100 million during the same fiscal year;
- 12) the sale or lease of, or the creation of any security interest in, any property, plant or equipment owned by the Company or any of its subsidiaries not authorised in the annual business plan where the proceeds from any such sale or lease, or the amount secured in the case of a security interest, would exceed in the aggregate HRK 100 million during the same fiscal year;
- 13) entering into any agreement or series of related agreements outside the ordinary course of business with a term exceeding ten years that are not authorised in the annual business plan, excluding agreements creating security or leasehold interests in real estate;

- 14) the establishment, dissolution or contribution to the capital of any subsidiary or partnership not authorised in the annual business plan;
- 15) the commencement of any litigation or arbitration proceeding involving a claim in excess of HRK 100 million or the settlement of any litigation or arbitration proceeding requiring payment in excess of such amount;
- 16) the adoption or amendment of any employee bonus or profit sharing plan or material alternations to employee remuneration or benefits, or the adoption of any plan or proposal for the Company to issue or sell shares to employees (other than the offer for sale pursuant to the Law on Privatisation of Hrvatske telekomunikacije d.d. (Official Gazette, No. 65/99, 68/01);
- 17) the removal of the headquarters or operations of any core business of the Company outside Croatia;
- 18) transfer to a subsidiary any part of Company's material business such as mobile telecommunications;
- 19) the surrender, abandonment, abrogation or transfer of any material licence, concession or authority to carry on an activity forming part of the Company's business;
- 20) the recommendation to the General Assembly of amendments to the Articles of Association, a liquidation of the Company, any dividend outside the Company's dividend policy, a change of auditors;
- 21) the acquisition or disposition of an interest in any company, business or line of business operated or to be operated by the Company or any of its affiliates, whether by subscription, purchase or sale of securities, assets, partnership interests or otherwise, where the proposed consideration would exceed in the aggregate 20% of the fair market value of Company's total assets;
- 22) the entry into any joint venture, partnership or similar arrangement involving a contribution of capital where the amount of the investment would exceed in the aggregate 20% of the fair market value of Company's total assets;
- 23) any significant change to the nature or scope of business carried on by Company.

The fair market value shall be determined by an independent, international reputable investment bank.

## **Article 22**

The work of the Supervisory Board will be defined in more detail by the By-laws adopted by the Supervisory Board.

## **Article 23**

The members of the Supervisory Board have the right to be remunerated for their work.

The remuneration for the work is determined by the General Assembly.

# **GENERAL ASSEMBLY**

## **Article 24**

The General Assembly of the Company consists of the shareholders of the Company.

The shareholder exercises the voting right at the General Assembly personally or through his representative, i.e. proxy, according to the number of the shares, which, in accordance with Article 8 of these Articles of Association, means that every share gives the right to one vote.

The General Assembly cannot pass valid decisions unless attended by the shareholders, in person or via proxy, representing more than half (50%) of the total number of issued shares (quorum).

## **Article 25**

The General Assembly of the Company decides on matters defined by law and by these Articles of Association, and especially:

- 1) on amendments to the Articles of Association;
- 2) on the change of the registered name, scope of activities, registered office of the Company;
- 3) on the utilization of the profit;
- 4) on annual financial statements of the Company and consolidated financial statements of the Group when this task is left to it by the Management Board and Supervisory Board or when the Supervisory Board refuses to give an

approval of the aforementioned statements submitted to it by the Management Board;

- 5) on increase and decrease of the share capital of the Company;
- 6) it elects and removes the members of the Supervisory Board of the Company and determines the remuneration for their work;
- 7) it gives the approval of actions of the members of the Management Board and of the Supervisory Board;
- 8) on the appointment of the auditor of the Company;
- 9) on changes in legal status and on the termination of the Company.

General Assembly performs other businesses in accordance with law and these Articles of Association.

## **Article 26**

The General Assembly of the Company is convoked by the Management Board of the Company.

If the shareholders are known to the Company by name, the General Assembly may be convoked by sending the invitation via registered mail. In such case, the day of sending of the invitation is considered as the day of publication of the invitation.

The Management Board of the Company must convoke the General Assembly when it is so requested by the Supervisory Board or by the shareholders who dispose with the shares which represent at least 1/20 of the share capital of the Company.

The Management Board of the Company is authorized to pass a decision enabling shareholders to exercise all or some of their rights, in full or partially, by means of electronic communication, and when they are not participating in the work of the General Assembly at the venue where the General Assembly is taking place, neither personally, nor by proxy, in line with provision of Article 274, paragraph 1, second sentence of the Companies Act and by taking into account all surrounding circumstances.

If the Management Board decides to enable shareholders to exercise their rights by means of electronic communication, the conditions for that shall be determined in detail in the invitation to the General Assembly.

The Management Board of the Company is authorized to pass a decision enabling the broadcasting of the work of the General Assembly by transmission of sound and images,



in line with provision of Article 274, paragraph 4 of the Companies Act. If the Management Board decides to broadcast the work of the General Assembly by transmission of sound and images, this shall be stated in the invitation to the General Assembly.

## **Article 27**

The shareholders who fulfill the following conditions have the right to participate at the General Assembly:

- they must have Company's share registered on their securities' account at the Central Depository Agency on the last day of the registrations for the General Assembly;
- they must report in advance their participation at the General Assembly and the application for participation has to reach the Company at the address stated in the invitation at the latest six days prior to the holding of the General Assembly, taking into account that the day the application reaches the Company is not included into that deadline.

The Management Board of the Company is authorized to pass a decision enabling shareholders to cast their votes in writing or by means of electronic communication, when they are not participating at the General Assembly, in line with provision of Article 274, paragraphs 1 and 2 of the Companies Act. If the Management Board decides to enable shareholders to cast their votes in this manner, the conditions for voting in writing or by means of electronic communication shall be determined in detail in the invitation to the General Assembly.

In the invitation to the General Assembly the conditions for the registration for the participation at the General Assembly will be determined in detail.

The shareholders who do not fulfill all the conditions mentioned in this Article and in the invitation to the General Assembly do not have the right to participate at the General Assembly.

Announcements from paragraph 2, Article 281 of the Companies Act shall be delivered only by means of electronic communications.

## **Article 28**

The General Assembly is presided over by the Chairman who is elected by the General Assembly for every convocation separately.

Before the election of the Chairman of the General Assembly, or if for any reason the Chairman is not elected, the session of the General Assembly will be presided over by the Chairman of the Supervisory Board or by his Deputy.

The Chairman of the General Assembly, among other, is authorized to:

- determine the order of discussion of agenda items as well as the manner and order of voting,
- set an appropriate time limit for shareholders' right to speak and ask questions,
- appropriately determine the length of the General Assembly and the time allotted for discussing items on the agenda or for any individual questions or comments.

## **Article 29**

The General Assembly of the Company is as a rule held at the registered office of the Company.

The Management Board of the Company may, in justified cases, decide that the General Assembly be held at some other place.

# **ANNUAL ACCOUNTS AND UTILIZATION OF PROFITS**

## **Article 30**

The business year of the Company is a calendar year.

The Management Board is obliged to keep or to ensure the keeping of all business books in accordance with law.

## **Article 31**

Upon the expiry of each business year the Management Board is obliged, within the term proscribed by the law, to draw-up annual financial statements of the Company and

consolidated financial statements of the Group, in accordance with the accounting regulations, and present such statements together with the annual report on the status and business operations of the Company and the Group to the Supervisory Board. Simultaneously with the presentation of the financial statements, the Management Board shall present to the Supervisory Board its proposal of the decision on utilization of profit

The Supervisory Board shall review the annual financial statements of the Company, the consolidated financial statements of the Group, the report on the status and business operations of the Company and the Group and the proposal of the decision on utilization of profit which it intends to present to the General Assembly for adoption. The session of the Supervisory Board at which the annual financial statements are reviewed shall also be attended by the auditor of the Company who shall report to the Supervisory Board on its report and provide explanations if requested to do so.

The Supervisory Board shall inform in written form the General Assembly on results of the review from the previous paragraph of this Article and submit to the General Assembly a written report on the performed supervision of the managing of business operations of the Company in accordance with the law. In the reports, the Supervisory Board shall state how and to what extent it has reviewed the managing of business operations of the Company during the business year, express its opinion on the auditor's report, present comments, if any, on the submitted reports from paragraph 2 of this Article, and indicate whether it approves the annual financial statements of the Company and the consolidated financial statements of the Group submitted to it by the Management Board.

The Supervisory Board shall deliver its report to the Management Board within the term provided by the law. If the Supervisory Board gives its approval on the annual financial statements, this means that they have been adopted both by the Management Board and the Supervisory Board, unless they decide to leave the adoption of these statements to the General Assembly. The decisions of the Management Board and the Supervisory Board on that must be stated in the Supervisory Board's report to the General Assembly, and the decisions must be enclosed to the same report.

When the actions and procedures mentioned in par. 1, 2, 3 and 4 of this Article are completed, the Management Board is obliged to convoke the regular General Assembly of the Company which is to be held within the time limits determined by law.

The regular General Assembly decides in particular on the adoption of annual financial statements, on the utilization of profit and the giving of the approval of actions of the

members of the Management Board and Supervisory Board and on the appointment of the auditors of the Company.

### **Article 32**

The General Assembly decides on the utilization of profit. The General Assembly may decide to distribute the profit among the shareholders or to allocate it to legal or other reserves, or it may decide that the profit be utilized for some other purposes.

In case that the General Assembly decides that the profit or part of the profit be distributed among the shareholders, the portions in profit of the shareholders are defined in the form of a dividend corresponding to the number of shares they hold.

Upon expiry of the business year and with the consent of the Supervisory Board, the Management Board is authorized to pay to the shareholders an advance dividend from the predictable part of the net profit, but only if the temporary profit and loss account for the past year shows profit. The amount which could be paid as advanced dividend can in no case exceed half of the profit amount decreased for the amounts which must be, pursuant to the law or Articles of Association, distributed to the reserves of the Company. Additionally, payment of the advanced dividend cannot exceed half of the last year's profit amount.

## **TERMINATION OF COMPANY'S OPERATIONS**

### **Article 33**

The Company is established for an unlimited period of time, and it terminates its operations:

- pursuant to the resolution of the General Assembly;
- by bankruptcy,
- pursuant to a court decision;
- in other cases defined by law.

### **Article 34**

In case of the termination of the Company's operations a liquidation procedure will be performed, except if the Company terminates its operations due to bankruptcy.

In cases in which the liquidators are not determined by the court, the liquidation procedure is performed by the members of the Management Board of the Company.

## ANNOUNCEMENTS OF THE COMPANY

### Article 35

When it is determined by law that the information and announcements of the Company are to be published, they shall be published on the web pages of the court register, and other announcements shall be published in the Company's gazette.

## BUSINESS SECRET AND PROHIBITION OF COMPETITION

### Article 36

All data, information and documents the contents of which is important for the interests and success of the business affairs of the Company, and because of which the Company could suffer damage if the business secret were revealed to third parties, are considered to be business secret.

All employees of the Company are obliged to keep the business secret and the data which are considered to be personal data of the employees of the Company.

### Article 37

The legal provisions on the prohibition of competition apply to the members of the Management Board and the Supervisory Board.

## COMPANY'S REGULATIONS

### Article 38

The Articles of Association are the basic document of the Company and all other regulations have to be harmonized with the provisions thereof.

Other regulations of the Company are passed by the Management Board of the Company.

Amendments to these Articles of Association are possible only in a way as prescribed by law.

## FINAL PROVISIONS

### Article 39

By coming into force of these Articles of Association, the Articles of Association of the Company in the form as adopted on December 7, 1998, with amendments as of October 5, 1999, October 24, 2001, June 28, 2002, December 17, 2004, April 23, 2007, April 21, 2008, April 21, 2010, May 4, 2011, June 17, 2013, April 29, 2014, April 29, 2015, April 21, 2016, April 25, 2017, March 23, 2018, May 6, 2019, June 21, 2019, July 20, 2020 and April 23, 2021 shall cease to be valid.

Deputy Chairman of the Supervisory Board  
Of Hrvatski Telekom d.d.

Ivica Mišetić, Ph.D.

No.:  
NO-03-1957878-04/2021  
JOP: 62413615

Note:

On 30<sup>th</sup> July 2021, amended provisions of the Articles of Association of the joint stock company Hrvatski Telekom were registered with the Commercial Court in Zagreb, under buss. No. Tt-21/33837-2.