

**MATERIALS**  
**FOR THE 29<sup>TH</sup> GENERAL MEETING OF TELEKOM SLOVENIJE D. D.**

Ljubljana, 4 April 2018

**Materials for item 2 of the agenda:**

## **APPOINTMENT OF GENERAL MEETING BODIES**

Telekom Slovenije d. d.'s Management Board hereby proposes that the General Meeting adopt the following

### **resolution:**

Stojan Zdolšek is hereby appointed chairman of the General Meeting, while a representative of Ixtlan Forum d.o.o. shall be appointed as vote-counter.

The General Meeting hereby acknowledges the presence of the notary Bojan Podgoršek at this meeting.

### **Explanation:**

Working bodies, i.e. the chairman of the General Meeting and a vote-counter, must be elected. In accordance with the applicable legislation, a notary must be present at the General Meeting to record the General Meeting's resolutions in the form of minutes.

President of the Management Board  
Rudolf Skobe, MSc (signed)

**Materials for item 3 of the agenda:**

### **ADOPTION OF THE RULES OF PROCEDURE OF THE GENERAL MEETING**

Telekom Slovenije d. d.'s Management Board hereby proposes that the General Meeting adopt the following

#### **resolution:**

The General Meeting adopts the rules of procedure of the General Meeting of Shareholders in the proposed wording.

#### **Explanation:**

The currently valid rules of procedure of the General Meeting of Shareholders, which the General Meeting adopted at its 1st session of 22 December 1998 must be updated and adjusted to the legislative amendments and statutory changes in the General Meeting's work area, which occurred in the period since their adoption. Electronic voting is therefore regulated in the new rules in accordance with the applicable legislation, which is already carried out on a regular basis in practice. In light of the above, the Management Board therefore proposes that the General Meeting adopt the updated rules of procedure of the General Meeting of Shareholders with the proposed content.

President of the Management Board  
Rudolf Skobe, MSc (signed)

Appendix:  
Rules of procedure of the General Meeting of Shareholders

## **RULES OF PROCEDURE OF THE GENERAL MEETING OF SHAREHOLDERS**

### **Article 1 (general provision)**

These rules of procedure shall determine the method and organisation of work of the General Meeting of Telekom Slovenije, d.d. (hereinafter: the Company), and other matters that are material to the work and decision-making at the General Meeting.

The provisions of these rules of procedure shall be mandatory for all shareholders, their statutory representatives or proxies (hereinafter: shareholders) and other persons who participate in meetings and in the work of the General Meeting.

The provisions of Telekom Slovenije, d. d.'s Articles of Association (hereinafter: Articles of Association) and of the Companies Act (hereinafter: Act) shall apply directly for issues regarding the work of the General Meeting that are not regulated by these rules of procedure.

### **Article 2 (convening)**

The General Meeting shall be convened on the basis of the provisions of the Act and the Articles of Association.

### **Article 3 (publication of convening)**

The convening of the General Meeting shall be published in the period and in the manner set out in the Act and the Articles of Association.

### **Article 4 (materials for the General Meeting)**

The convening of the General Meeting with all the materials (including the agenda and proposed resolutions) shall also be published on the Company's website at ([www.telekom.si](http://www.telekom.si)) and on the stock exchange's electronic information system (<http://seonet.ljse.si>).

If the materials contain confidential information, the materials need to be visibly marked as a trade secret. If only specific parts of the materials are confidential, they need to be presented in a separate appendix with a trade secret designation that is visible to anyone.

### **Article 5 (rights of shareholders)**

In accordance with the Act and Articles of Association the rights of shareholders, pertaining to the convening of the General Meeting, shall include, in particular:

- the right to request in writing the addition of an extra item to the agenda;
- the right to submit proposed resolutions in writing for each item on the agenda; and
- the right to exercise their rights at the General Meeting either in person or via a statutory representative or proxy.

### **Article 6 (shareholder's authorisation)**

Authorisations shall be in written form and shall comprise general data (for natural persons: first name, surname, address, unique personal identification number (EMŠO), or for legal entities: the company name, registered office and registration number) of the authorising party (principal) and the proxy, as well as the signature of the authorising party.

The authorisation form for exercising voting rights shall be available at the information office at the Company's headquarters every business day from the day this convening is published on the website of the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES), and in electronic format on the Company's website at <http://www.telekom.si/o-podjetju/za-vlagatelje/skupscina-delnicarjev>.

The proxy or authorised representative must show evidence of their authorisation at each separate general meeting.

Shareholders may cancel their authorisation in the same manner at any time.

#### Article 7 (requirements for participation at the General Meeting and voting)

The right to attend the General Meeting and vote may be exercised by shareholders who are entered in the central register of securities at the Central Securities Clearing Corporation (KDD) on the cut-off date, which is set out in accordance with the Act.

The right to participate in the General Meeting and right to vote may only be exercised by shareholders, their representatives and proxies who register their attendance in writing within the deadline set out in the Articles of Association to the Company at the Company's headquarters or by e-mail at [skupscina@telekom.si](mailto:skupscina@telekom.si).

At the request of the Company, shareholders and their representatives or proxies shall identify themselves by means of a personal document or written authorisation, while statutory representatives will present an extract from the companies register.

Any shareholder who fails to fulfil the requirements set out in the first, second and third paragraphs of this article can attend the General Meeting as an observer, if so permitted by the chairman of the General Meeting, without the right of vote or discussion.

#### Article 8 (other General Meeting participants)

Members of the Management Board and Supervisory Board are present at the General Meeting.

Other persons may attend the General Meeting only on the basis of an invitation from the convenor (e.g. the auditor), while members of the media may attend the meetings on the basis of awarded accreditation.

#### Article 9 (list of participants).

Based on an extract of shareholders from the share register and registration of participants, the Management Board shall compile a list of present and represented shareholders (list of participants) before the General Meeting, including the first name and surname, place of residence and number and class of shares for each shareholder. The list and any change regarding the attendance of shareholders shall be signed by the chairman of the General Meeting. That list shall be available for inspection at the chairman of the General Meeting during the full duration of the General Meeting.

Upon their arrival at the General Meeting participants shall register by providing valid identification and confirming their presence at the General Meeting with their signature on the list of participants.

Shareholders shall accept their ballots and the electronic voting devices. If a shareholder departs the premises where the meeting is held during the General Meeting they shall be obliged to hand over the ballot/voting device to the Company representative and retrieve it upon returning back to these premises.

Generally, the data regarding shareholders (lists of participants), quorum (quorum extract) and voting (voting extract for each separate proposed resolution) shall be managed electronically.

Article 10  
(sessions of the General Meeting)

The General Meeting shall perform tasks within its area of competence at sessions.

Article 11  
(opening of the General Meeting and the establishment of quorum)

The president or member of the Management Board or a person so authorised by the Management Board shall open the General Meeting, inform the participants of the convening information, and provide basic information regarding the course of the General Meeting, any video or audio transmission and the use of voting devices.

Based on the list of participants the president or member of the Management Board or a person so authorised by the Management Board shall disclose the data regarding the share capital and votes of shareholders represented at the General Meeting. Quorum shall be determined in the Articles of Association.

Article 12  
(election of working bodies)

Working bodies, i.e. the chairman of the General Meeting and one or multiple vote-counters, shall be elected at the General Meeting on the proposal of the Management Board. The president or member of the Management Board or a person so authorised by the Management Board shall perform the voting and announce the result of the working body elections.

The president or member of the Management Board or a person so authorised by the Management Board shall notify the General Meeting of the presence of the notary at the session.

Article 13  
(chairman of the General Meeting)

The president of the General Meeting shall be elected for each General Meeting separately and shall have, in particular, the following rights and obligations:

- to manage the work of the General Meeting;
- to define the manner and course of the General Meeting;
- to maintain order during a session of the General Meeting and its uninterrupted course;
- to ensure that legal regulations, the Articles of Association, the Company's bylaws and these rules or procedure are adhered to during the General Meeting's work;
- to give the floor to the reporters and speakers;
- to establish and declare the General Meeting's quorum on the basis of the data regarding the presence of shareholders;
- to decide on all procedural issues not determined by the Act, Articles of Association or these rules of procedure;
- to place a time restriction on individual explanations and discussions;
- to sign the lists of General Meeting participants; and
- to sign the minutes and other acts/bylaws of the General Meeting.

If certain shareholders abandon the General Meeting, the chair shall announce the new balance of the share capital and votes represented by shareholders at the General Meeting based on the report provided by the vote-counters. If the General Meeting is no longer quorate, the chair shall adjourn the session for a certain period of time to ensure the required quorum or close the session.

Article 14  
(vote-counter)

During the General Meeting the vote-counter shall supervise the presence of shareholders in the premises where the General Meeting is taking place, and if the required quorum is not ensured report this to the chairman.

Article 15  
(course of the session)

Sessions shall be chaired by the chairman of the General Meeting.

The chairman of the General Meeting shall initially sign the list of participants, inform those present of the General Meeting's agenda, the publication of the convening of the General Meeting, and of any shareholder counter proposals or amendments to the agenda.

The General Meeting session shall follow the agenda items announced by the chairman of the meeting.

Reporters for individual agenda items are generally the proposers of resolutions.

Given the content of individual agenda items and the interest of shareholders the chairman of the meeting shall call on the resolution proposer or the person that the latter defines as the reporter to provide a brief explanation at the start of the discussion.

The introductory explanation shall be followed by a discussion in which the shareholders who registered as speakers participate. If multiple shareholders wish to be given the floor, the chair shall determine the order for discussion. Members of the Management Board and Supervisory Board can register as speakers for a discussion.

Any shareholder who determines a breach of the provisions of these rules of procedure shall be given the floor immediately.

Article 16  
(discussion)

Speakers shall discuss issues within the scope of the content of individual agenda items. If a speaker moves away from the discussed topic the chairman of the General Meeting shall warn them thereof. The chairman shall be responsible for ensuring that no one distracts the speaker. Only the chairman may interrupt the speaker and also cut them off if it is evident that the speaker is not sticking to the agenda items and trying to obstruct the work of the General Meeting.

Other speakers can interrupt the current speaker only if they wish to warn the chairman of the breaches of the provisions of these rules of procedure.

The speaker may discuss the same issue several times, but cannot use that right to delay the General Meeting. The speaker may withdraw their proposal during the discussion. The speaker may also submit their position to the chairman of the General Meeting in writing.

The chairman shall close the discussion, read out the proposed resolution and table it for voting immediately when they determine that no one wishes to further discuss a specific agenda item or issue. When the chairman tables a proposed resolution for voting, a discussion on that proposal can no longer be held.

Article 17  
(decision-making at the General Meeting)

The General Meeting shall only decide on matters that were placed on the agenda.

The General Meeting shall adopt decisions via resolutions.

If a counter proposal is filed against a proposed resolution, the chairman shall define the order of voting on proposals. After a proposed resolution receives the required majority of votes, other proposals shall no longer be subject to a vote.

When a voting proposal to vote on the appointment of a Supervisory Board member is submitted by a shareholder, their proposal must be formulated such that they propose the composition of the entire Supervisory Board.

Article 18  
(voting)

Each share shall give the holder one vote at the General Meeting.

The General Meeting shall decide with a simple majority of votes cast by shareholders, unless provided otherwise by the Act or the Articles of Association.

Shareholders shall vote on each item on the agenda or on each resolution to be voted on.

Voting shall be carried out by using electronic voting devices if the chairman of the General Meeting does not make a decision to vote by ballot or by a show of hands. Voting by ballot or by a show of hands shall be used in cases where voting through the use of electronic voting devices is not possible due to technical reasons.

The voting method shall be determined by the chair of the General Meeting.

Votes are cast 'IN FAVOUR OF' or 'AGAINST'.

Shareholders can also abstain from voting.

In the event of voting using ballots or by a raise of hands the chairman of the General Meeting shall determine the number of shareholders who:

- fail to cast a vote,
- abstain from voting,
- are against the proposed resolution,
- are in favour of the proposed resolution.

Article 19  
(announcement of the resolution)

When the chairman announces the adoption of a specific resolution the General Meeting's decision-making process regarding that agenda item has concluded.

The following information are an integral part of the supported resolution:

- the quorum of the General Meeting at the time the vote was cast: total number of shares of the company, number of shares with voting rights and number of shares represented at the General Meeting;
- number of shares for which valid votes were cast, and the number of these shares as a proportion of share capital;
- the voting result according to the number of votes cast: number of votes 'IN FAVOUR OF' and 'AGAINST', and the total number of votes cast, the number of votes cast as a percentage of Company's share capital, number of abstained votes.



Article 20  
(maintaining order during sessions)

The chairman of the General Meeting that maintains order during sessions shall warn any participant who disrupts the course of the session or order at the session or fails to abide by the provisions of these rules of procedure.

If the participant continues to disrupt the work of the General Meeting even after the warning was issued, the chairman may request such participant be removed from the premises in which the session is taking place.

If the chairman is unable to maintain order at the General Meeting through regular means in accordance with the rules of procedure, they shall adjourn the session for a certain period of time.

Article 21  
(breaks during sessions)

Any participant may propose a break during the General Meeting, the decision on which is made by the chairman of the General Meeting. Breaks may last up to one (1) hour.

Article 22  
(closing of a session)

The chairman of the General Meeting shall close a session after all of the items of the agenda have been discussed.

Article 23  
(minutes of General Meeting)

Minutes of the General Meeting shall be drawn up in the form of a notarial deed.

Only the resolutions of the General Meeting that are entered in the minutes of the General Meeting and approved by the notary as a notarial deed shall be legally valid.

The sections of the minutes that are confidential or relate to the protection of trade secrets shall be in the appendix, which is an integral part of the minutes.

The minutes shall become valid when approved and signed by the notary public and when signed by the chairman of the General Meeting.

The minutes shall list the place, date and sequence number of the session of the General Meeting, the chairman of the General Meeting, the vote-counter, the notary public, the session's agenda, the content of the proposed resolutions at the session and the content of the adopted resolution with the voting result, the first name and surname of the speakers and a concise summary of their discussion, statements made by individual shareholders or proxies, members of the Management Board or Supervisory Board that were requested to be recorded in the minutes, the chairman's finding regarding the adoption of measures, potential adjournments of sessions and their continuation, and other important information.

Evidence of the publication of the convening, General Meeting materials, including counter proposals from shareholders and amendments to the agenda, lists of participants, quorum extracts, voting result extracts and other documentation related to the General Meeting shall be attached to the minutes.

The Company shall keep the originals of the minutes and resolutions of the General Meeting and all the materials for a particular session of the General Meeting, including shareholders' written proposals to individual items of the agenda, lists of registered shareholders, lists of participants and written authorisations for the representation of shareholders.

Shareholders or proxies can inspect minutes at the Company's headquarters, with the minutes also being available on the Company's website.

Remarks on the minutes may only be submitted by those who attended the session and held voting rights for the session. The remarks on the minutes shall be debated by the General Meeting at the next session.

Article 24  
(protection of trade secrets)

Shareholders, proxies and other persons shall be obliged to protect as a trade secret all data and information that relate directly or indirectly to the operations of the Company or its bodies and of its subsidiaries, and were sent to or obtained by the latter in connection with their attendance at General Meeting sessions, if this information were labelled as a trade secret in accordance with the Act, Articles of Association or other Company bylaw.

Article 25  
(organisation of the General Meeting)

The Company shall perform the organisation, technical and other work that is required for the uninterrupted performance of the General Meeting, and secure the spatial and personnel capacities.

Article 26  
(amendments to the rules of procedure)

Amendments to these rules of procedure shall be adopted by the General Meeting with a simple majority of votes cast.

Article 27  
(validity of the rules of procedure and publication)

These rules of procedure shall enter into force immediately after their adoption by the General Meeting with a simple majority of votes cast.

The Rules of Procedure of the General Meeting of Shareholders of 22 December 1998 shall cease to be valid with the adoption of these rules of procedure.

These rules of procedure shall be published/posted in the usual manner at the Company.

**Materials for item 4 of the agenda:**

**SUPERVISORY BOARD'S WRITTEN REPORT  
ON THE APPROVAL OF THE ANNUAL REPORT FOR THE 2017 FINANCIAL YEAR**

The General Meeting is hereby briefed on the written report of the Supervisory Board on the approval of the annual report for the 2017 financial year.

**Explanation:**

Pursuant to Article 282 of the Companies Act (Official Gazette of the Republic of Slovenia, No. 60/06, with further changes and amendments; hereinafter: the ZGD-1), the Supervisory Board must review the written annual report and the proposal for the use of distributable profit submitted by the Management Board. The Supervisory Board must prepare a written report for the General Meeting explaining how and to what extent it supervised the management of the Company during the financial year. The Supervisory Board must also adopt a position on the auditor's report, which is enclosed with the annual report. At the end of the report, the Supervisory Board must provide any comments it may have after its final review of the report, and indicate whether it approves the annual report.

The Supervisory Board thoroughly reviewed the 2017 annual report of the Telekom Slovenije Group and Telekom Slovenije, d. d. by the required deadline. The Supervisory Board finds that the Telekom Slovenije Group's performance in 2017 was in line with the established objectives.

The Supervisory Board was briefed on and discussed the audit report, in which the audit firm Deloitte Revizija, d. o. o. found that the financial statements, which are an integral part of the annual report, present a true and fair picture of the financial position of the Company and the Group, and of their operating and financial results and changes in equity. The Supervisory Board had no comments regarding the audit report, nor did it have any remarks or reservations that would prevent the adoption of a decision approving the annual report and consolidated annual report.

Pursuant to the provisions of Article 282 of the Companies Act, the Supervisory Board hereby confirms the annual report of Telekom Slovenije, d. d. and the consolidated annual report of the Telekom Slovenije Group, together with the accompanying audit report for 2017.

President of the Supervisory Board  
Lidija Glavina (signed)

Appendix:  
Report of the Supervisory Board

## **SUPERVISORY BOARD REPORT**

Telekom Slovenije's Supervisory Board comprises nine members. The Company's General Meeting of Shareholders appointed Bernarda Babič, Barbara Gorjup, Barbara Kurner Čad, Ljubomir Rajšić and Lidija Glavina to four-year terms of office as new members of the Supervisory Board due to the expiration of the terms of office of previous members in April 2017. The terms of office of the members of the Supervisory Board began on 27 April 2017. The Company's Supervisory Board also includes Dimitrij Marjanović, whose term of office began on 13 May 2016, and three employee representatives, whose terms of office began on 14 November 2017. I, Lidija Glavina, have served as President and Bernarda Babič has served as Vice-President of the Supervisory Board since the latter's constitutive session. The other Vice-President, who is appointed from employee representatives, was Dean Žigon who resigned from the Supervisory Board on 22 January 2018. Urban Škrjanc was appointed as a replacement member from the Works Council in February 2018.

The diversity of the Supervisory Board in terms of knowledge, skills, experience, professional qualifications, age, gender, work methods and other aspects facilitate the effective exchange of opinions during sessions. The work of the Supervisory Board and its committees was professional and focused on the effective performance of their function. The Supervisory Board held 11 ordinary and five correspondence sessions in 2017. Four sessions were held prior to the expiration of the term of office of the Supervisory Board in April, while other sessions were convened during the new term of office of the aforementioned body. The Supervisory Board has not yet assessed the effectiveness of its current composition. That assessment is planned in 2018.

### **Most important topics of sessions of the supervisory board in 2017**

With respect to its core competences, in 2017 the Supervisory Board:

- adopted the strategy and plan for 2018 with projections for the period 2019 to 2022 for the Telekom Slovenije Group;
- adopted the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2016;
- together with the Management Board formulated and adopted the updated Telekom Slovenije's Corporate Governance Policy;
- adopted the Internal Audit Service's work plan for 2017 and 2018 and discussed the annual report of the Internal Audit Service for 2016;
- submitted a proposal to the General Meeting of Shareholders for the auditor for the 2017, 2018 and 2019 financial years;
- reappointed Tomaž Seljak to a new four-year term of office as member of the Management Board responsible for technology;
- gave its consent to the appointment of management staff at IPKO and GVO, and gave its consent to the purchase of a disabled workers' company; and
- together with the Management Board formulated the Policy Governing the Diversity of the Management Board and Supervisory Board of Telekom Slovenije.

With respect to supervision of the management of the Company's operations, the Supervisory Board was briefed on the following in 2017:

- reports on the operations of the parent company and the Group;
- the implementation of the Telekom Slovenije Group's strategy;
- assessments of the Company's performance indicators in each period;
- the implementation of strategic projects; and
- other information in connection with Telekom Slovenije, the Telekom Slovenije Group and subsidiaries.

The Supervisory Board carried out other tasks in connection with its supervisory function, and the work of the Supervisory Board and its committees.

The Supervisory Board continuously monitored the existence of conflicts of interest between its members. No such circumstances arose in 2017 with respect to Supervisory Board members.

## **Work of Supervisory Board Committees**

The Supervisory Board initially had five committees in 2017. Those committees discussed topics related to the Supervisory Board's work and advised the latter in important matters. This contributed significantly to improving the work and effectiveness of the Supervisory Board.

In addition to the Audit Committee, HR Committee, Technical Committee and Strategy Committee, the Supervisory Board also appointed the Nomination Committee. The latter was appointed to assist in the drafting of proposals for the General Meeting of Shareholders regarding the appointment of new members to the Supervisory Board. The Nomination Committee was dissolved when the Supervisory Board deemed that it had completed all of its tasks.

The Supervisory Board continuously monitored the work of its committees and the implementation of their resolutions. The work of committees is described in detail in section 1.12 Corporate governance (Annual Report of Telekom Slovenije Group and Telekom Slovenije, d.d., for 2017).

## **Assessment of the work of the Management Board and Supervisory Board**

Members of the Supervisory Board are fully liable for the performance of their supervisory function and make their decisions independently. Members prepare themselves adequately for topics discussed at individual sessions, and put forward constructive proposals and comments. Based on written and oral information received, they make decisions in accordance with their respective competences, the Company's acts and legal powers. The Supervisory Board and Management Board have built mutual trust through open dialogue and cooperation.

On the basis of the aforementioned continuous monitoring and supervision of the operations and management of Telekom Slovenije and Group companies during the 2017 financial year, and based on the consolidated annual report of the Telekom Slovenije Group for 2017, compiled and submitted by the Management Board, the Supervisory Board assesses that the annual report and disclosures contained therein reflect the actual situation and position of the Telekom Slovenije Group.

The Supervisory Board assesses that the Management Board of Telekom Slovenije successfully managed the Company's operations during the 2017 financial year and achieved established objectives.

## **Approval of the annual report and the proposed use of the distributable profit for 2017**

The Supervisory Board thoroughly reviewed the annual report of Telekom Slovenije, d. d. and the Telekom Slovenije Group for 2017 by the legally prescribed deadline. The Supervisory Board finds that the Telekom Slovenije Group operated in accordance with established objectives during the 2017 financial year.

The Supervisory Board was briefed on and discussed the audit report, in which the audit firm Deloitte Revizija, d. o. o. found that the financial statements, which are an integral part of the annual report, present a true and fair picture of the financial position of the Company and the Group, their operating and financial results and changes in equity. The Supervisory Board had no comments or reservations regarding the audit report that would prevent the adoption of a decision to approve the annual report and consolidated annual report.

Pursuant to Article 282 of the Companies Act, the Supervisory Board hereby approves the annual report of Telekom Slovenije, d. d. and the consolidated annual report of the Telekom Slovenije Group, with the accompanying audit report for 2017.

President of the Supervisory Board  
Lidija Glavina (signed)

**Materials for item 5 of the agenda:****PROPOSAL FOR THE USE OF DISTRIBUTABLE PROFIT FOR THE 2017 FINANCIAL YEAR  
AND PROPOSAL FOR APPROVAL OF THE WORK OF THE MANAGEMENT BOARD AND SUPERVISORY  
BOARD FOR THE 2017 FINANCIAL YEAR**

The Company's Management Board and Supervisory Board hereby propose that the General Meeting of Telekom Slovenije, d. d. adopt the following

**resolution:**

5.1 Distributable profit, which amounted to EUR 115,366,425.12 for 2017, shall be used for:

- a. the payment of dividends in the amount of EUR 40,984,511.40 or EUR 6.30 gross per share; and
- b. the remainder in the amount of EUR 74,381,913.72 shall be brought forward to the following year.

Dividends shall be paid to shareholders and other beneficiaries who were entered in the register of shareholders with the right to dividends on the cut-off date of 9 July 2018, and to other beneficiaries with the right to dividends. Dividends shall be paid on 10 July 2018.

5.2 The General Meeting hereby confers its official approval on the Management Board for its work during the 2017 financial year.

5.3 The General Meeting hereby confers its official approval on the Supervisory Board for its work during the 2017 financial year.

**Explanation:**

Pursuant to Article 293 of the Companies Act (ZGD-1), the General Meeting decides on the allocation of distributable profit based on the proposal of the Company's management and/or supervisory bodies. The General Meeting is bound by the approved annual report in its decision regarding the allocation of distributable profit. The audited annual report for 2017 has been discussed and approved by the Company's Supervisory Board. Dividends shall be paid in accordance with the adopted Strategy and plan of the Telekom Slovenije Group for 2018 with projections for the period 2019–2022.

Pursuant to the provisions of Article 294 of the Companies Act ZGD-1, the General Meeting shall decide on the use of distributable profit and on the conferral of official approval on the Management Board and Supervisory Board. In accordance with the recommendation of the Corporate Governance Code, voting on the conferral of official approval shall be carried out separately for the Management Board and the Supervisory Board.

Due to the direct inclusion of KDD Centralna klirinško depotna družba, d. d. in the TARGET2-Securities system, Telekom Slovenije, d. d., as the issuer of securities, sets dates for the processing of individual corporate actions in accordance with the uniform European standards on corporate actions. Those dates are presented in the table below:

Fractional entitlement date	6 July 2018
Cut-off date	9 July 2018
Payment processing date	10 July 2018

President of the Management Board:  
Rudolf Skobe, MSc (signed)

President of the Supervisory Board:  
Lidija Glavina (signed)

**Appendix:**

Annual Report of the Telekom Slovenije Group and Telekom Slovenije, d. d. for 2017:

<http://www.telekom.si/en/investor-relations/annual-and-interim-reports>



**Materials for item 6 of the agenda:**

## **INFORMATION REGARDING CHANGES TO THE COMPANY'S SUPERVISORY BOARD**

The Company's Supervisory Board hereby proposes that the General Meeting of Telekom Slovenije, d. d. adopt the following

### **resolution:**

6.1 The Company's General Meeting is hereby informed that the term of office of Supervisory Board member Dean Žigon, an employee representative, expired on 22 January 2018.

6.2 The Company's General Meeting is hereby informed that a replacement member of the Supervisory Board, Urban Škrjanc, was elected by employee representatives on 14 February 2018, whose term of office began on the date of election and will expire on 14 November 2021.

### **Explanation:**

Dean Žigon, employee representative, resigned from his position as member of the Supervisory Board on 16 January 2018. The Supervisory Board was briefed on his resignation, and Dean Žigon's term of office as member of the Supervisory Board expired on 22 January 2018. Telekom Slovenije's Works Council carried out replacement election for employee representative on the Supervisory Board at its 51st ordinary session of 14 February 2018 and elected Urban Škrjanc to this function, whose term of office began on the date of the election and will expire on 14 November 2021.

President of the Supervisory Board  
Lidija Glavina (signed)

**Materials for item 7 of the agenda:**

**REPORT ON COURT PROCEEDINGS FILED AGAINST FORMER MEMBERS OF THE MANAGEMENT BOARD**

Telekom Slovenije d. d.'s Management Board hereby proposes that the General Meeting adopt the following

**resolution:**

The General Meeting is hereby briefed on the report on court proceedings filed against former members of the Management Board.

**Explanation:**

On the basis of a report of special auditor Deloitte Revizija d.o.o., the General Meeting of Telekom Slovenije, d. d. (hereinafter: the Company) with a 99.60% majority vote adopted a resolution on filing legal action for the reimbursement of damage that was sustained by the Company as a result of a breach of duties by members of management and/or supervisory bodies relating to the management of individual Company transactions, at its session on 7 March 2012. The General Meeting appointed a special representative, Law Firm Ilić & Partners LLP to conduct a preliminary legal assessment of the merits of the claims for damages and preparation and filing of legal action.

On the basis of the findings of the special auditor before the Ljubljana District Court against all former members of the Company's Management Board (Bojan Dremelj, Dušan Mitić, Filip Ogris Martič, Željko Puljić and Darja Senica) who held their term of office during the audited contested transactions, the special representative, on 11 June 2012 and 13 June 2012, filed two lawsuits in which the Company requests:

- (i) reimbursement of damage in the amount of EUR 48,051,294.00, which the Company incurred as a result of acquiring a 29.36% stake in Ipko.net, LLC Priština,
- (i) reimbursement of damage in the amount of EUR 7,635,000.00, which the Company incurred as a result of acquiring a participating interest in Interseek d.o.o./Najdi.si d.o.o.

Both lawsuits were accepted for substantive review by the Commercial Law Department of the Ljubljana District Court. Both proceedings have still not been resolved as at the date of compiling the report in question for the Company's General Meeting.

Due to the exclusion of the public from these two court proceedings, shareholders shall receive information regarding their progress directly at the General Meeting.

President of the Management Board  
Rudolf Skobe, MSc (signed)