

# CORPORATE GOVERNANCE STATEMENT

Telekom Slovenije, d.d. [hereinafter: Telekom Slovenije] hereby issues its corporate governance statement in accordance with the fifth paragraph of Article 70 of the Companies Act, and the recommendations of the Corporate Governance Code and the Corporate Governance Code for Companies with Capital Assets of the State.

The corporate governance statement is an integral part of the audited annual report of the Telekom Slovenije Group and Telekom Slovenije, d.d. for 2022. It relates to the period 1 January 2022 to 31 December 2022. We also disclose significant events after the aforementioned period and up to the publication of the statement. The corporate governance statement is accessible in electronic form, for a minimum of five years from the date of its publication, on the Company's website at <https://www.telekom.si/en/about-us/company/corporate-governance> and in the Ljubljana Stock Exchange's electronic information system at <http://seonet.ljse.si>.

## CORPORATE GOVERNANCE POLICY

Corporate governance at Telekom Slovenije and within the Telekom Slovenije Group is based on the following principles and guidelines:

- Corporate Governance Policy of Telekom Slovenije, d.d., which was initially adopted in December 2011 and last updated on 13 February 2020,
- Corporate Governance Rulebook of the Telekom Slovenije Group, which was adopted on 22 August 2017, and
- Instructions on the Implementation of the Corporate Governance Rulebook of the Telekom Slovenije Group by individual area, which were adopted on 18 February 2020.

The Corporate Governance Policy defines a system for segregating responsibilities and competences between members of management and supervisory bodies, the role of Supervisory Board's committees and the protection of employees' interests. It also defines groups of stakeholders, a strategy for communication and cooperation with those groups, a policy governing links between the Company and its subsidiaries, and a commitment to identify conflicts of interest and to ensure the independence of members of the Supervisory Board and Management Board.

The Supervisory Board and Management Board adopt updates to the Corporate Governance Policy, taking into account current guidelines in the area of corporate governance, as well as binding regulations and best practices.

The Corporate Governance Rulebook of the Telekom Slovenije Group defines the rules, criteria and mechanisms for managing and supervising companies in the Telekom Slovenije Group. The Instructions on the Implementation of the Corporate Governance Rulebook of the Telekom Slovenije Group defines the way in which the corporate governance of subsidiaries is implemented in individual areas.

The Management Board and Supervisory Board function in accordance with the law and other regulations, the Articles

of Association of Telekom Slovenije, d.d. and the rules of procedure of the Management Board and Supervisory Board.

The Corporate Governance Policy of Telekom Slovenije, d.d., the rules of procedure of the Management Board and the other documents linked to corporate governance are publicly accessible on the Company's website at <https://www.telekom.si/en/about-us/company/corporate-governance>.

## STATEMENT OF COMPLIANCE WITH THE CODE

Telekom Slovenije, as a public interest entity whose securities are traded on the regulated securities market, and as a company with capital assets of the State, took into account the corporate governance recommendations set out in the following documents to the greatest extent possible during the 2022 financial year:

- **Corporate Governance Code** adopted by the Ljubljana Stock Exchange and the Slovenian Directors' Association on 9 December 2021. The code entered into effect on 1 January 2022 and is published on the website [www.ljse.si](http://www.ljse.si);
- **Corporate Governance Code for Companies with Capital Assets of the State**, which was adopted by Slovenski državni holding, d.d. in March 2021, and the **Recommendations and Expectations of Slovenski državni holding** from August 2020 and the amended version from June 2022 (both documents are published on the website [www.sdh.si](http://www.sdh.si)); and
- **Recommendations to Public Companies Regarding Notification** from 19 November 2020, which entered into force on 23 November 2020. The above recommendations were adopted by the Ljubljana Stock Exchange and are published on the website [www.ljse.si](http://www.ljse.si).

In its work and operations, Telekom Slovenije also complies with the guidelines set out in the Code of Ethics of the Telekom Slovenije Group of 1 February 2017 (published on the Company's website at [www.telekom.si/en](http://www.telekom.si/en)).

## STATEMENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Telekom Slovenije explains below deviations from individual recommendations set out in the aforementioned code:

### Diversity Policy

**Recommendations 4.1 and 4.3:** Telekom Slovenije adopted a Diversity Policy in 2020 in accordance with the recommendation of the Code. The Company deviates in part from this recommendation, as targets are stated in descriptive terms, but not in numerical terms or percentages, except with regard to gender diversity.

### Remuneration policy

**Recommendation 6.1:** No consultative resolution on the remuneration policy was adopted at the Company's 34th General Meeting of Shareholders. The remuneration policy that applies at Telekom Slovenije is in line with the law. The Company will further study the recommendations of Slovenski državni holding, and submit an adjusted remuneration policy to shareholders for consultative voting at the Company's regular General Meeting of Shareholders in 2023.

### Sustainable operations

**Recommendation 7:** Telekom Slovenije deviates in part from this recommendation, as an umbrella Sustainable Business Policy has not yet been adopted. However, sectoral policies and rules are in place. A Sustainable Business Policy will be adopted in 2023.

**Recommendation 7.9:** Telekom Slovenije's sustainability report is integrated into its annual report. We published the report of the Telekom Slovenije Group according to the 2021 EU Taxonomy separately. Data for 2022 are disclosed in the annual report in point **8.4.1 Disclosures of indicators for economic activities** that are included in the 2022 EU Taxonomy.

### Justification of proposals for the election of Supervisory Board members

**Recommendation 10.10:** Telekom Slovenije deviated in part from this recommendation in 2022 because the justification of a proposal for shareholders at the 35th General Meeting of Shareholders regarding the election of new members of the Supervisory Board did not include an assessment of potential conflicts of interest and an assessment of whether the proposed candidates are independent in relation to the Company according to the criteria set out in the Code. The aforementioned aspects were verified during the candidacy procedure in accordance with legal provisions and the recommendations of the Code.

### Annual training plan for members of the Supervisory Board and its committees

**Recommendation 15.1:** Telekom Slovenije deviates in part from the recommendation with respect to the definition of an annual training plan for members of the Supervisory Board and the members of its committees, as an annual plan as a unique document is not defined.

### External evaluation of the assessment of the Supervisory Board

**Recommendation 16.4:** Telekom Slovenije did not comply with this recommendation, as an external evaluation of the assessment of the Supervisory Board was not performed. A self-assessment of the Supervisory Board was published for 2021.

### Succession system for the Management Board

**Recommendation 22.1:** Telekom Slovenije deviates in part from this recommendation, as it does not have a succession system in place for the Management Board; internal candidates are appropriately considered in the scope of the selection process.

### Publication of rules of procedure of bodies

**Recommendation 32.7:** Telekom Slovenije deviates in part from this recommendation, as it has only published the rules of procedure of the Management Board on its website.

## STATEMENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE FOR COMPANIES WITH CAPITAL ASSETS OF THE STATE

Telekom Slovenije explains below deviations from individual recommendations set out in the aforementioned code:

### Succession policy

**Recommendations 6.1, and 6.2.1 to 6.2.3:** Telekom Slovenije deviates in part from this recommendation, as it has not adopted a succession policy in the form of a single document; internal candidates are appropriately considered in the scope of the selection process.

### Number of sessions of the Audit Committee

**Recommendation 6.14.2:** Telekom Slovenije deviates in part from this recommendation. Given the current relevance and complexity of individual matters, the Supervisory Board's Audit Committee met at more sessions in 2022 than the recommended number.

### Disclosure of the remuneration of members of the Management Board and Supervisory Board

**Recommendation 8.3:** Telekom Slovenije deviates from this recommendation to a lesser degree because the variable element of the remuneration of Management Board

members is not disclosed separately in terms of qualitative and quantitative criteria. The Company does not disclose the remuneration and other rights of the management staff of subsidiaries in its annual report. It does, however, present that information for the three largest subsidiaries at the General Meeting of Shareholders.

#### **Disclosure of the costs of the Supervisory Board's work**

**Recommendation 8.4:** Telekom Slovenije deviates in part from this recommendation, as all costs incurred by the Supervisory Board are not disclosed separately as stated in the recommendation because they are not booked to a separate cost centre.

#### **Compliance and integrity officer**

**Recommendation 11.2.1:** Telekom Slovenije deviates in part from this recommendation, as the position of compliance and integrity officer is not classified separately. The compliance and integrity officer is appointed by resolution of the Management Board.

## **RECOMMENDATIONS AND EXPECTATIONS OF SLOVENSKI DRŽAVNI HOLDING**

Telekom Slovenije adheres to the Recommendations and Expectations of Slovenski državni holding to the greatest extent possible. Telekom Slovenije's position regarding the recommendations and expectations is published on the Company's website at: [<https://www.telekom.si/en/about-us/company/corporate-governance>].

## **MANAGEMENT AND SUPERVISORY BODIES**

Telekom Slovenije has a two-tier management and governance system. The Company's bodies are the General Meeting of Shareholders, Supervisory Board and Management Board. The Company is managed by the Management Board and supervised by the Supervisory Board.

## **GENERAL MEETING OF SHAREHOLDERS AND RIGHTS OF SHAREHOLDERS**

All shareholders are treated equally and are ensured the consistent exercising of their rights. Shareholders have the right to participate in the management of the company, the right to dividends and the right to an appropriate share of residual assets after the company's liquidation or bankruptcy.

Shareholders exercise their right to information at the General Meeting of Shareholders. The convening, competences and functioning of the General Meeting of Shareholders are set out in the ZGD-1, the Company's Articles of Association and the rules of procedure of the

General Meeting of Shareholders. The Company convenes the General Meeting of Shareholders at least once a year, when it benefits the Company or whenever required in accordance with the law and its Articles of Association. The date that the convening of the General Meeting of Shareholders is published on the website of the Agency of the Republic of Slovenia for Public Legal Records and Related Services is deemed the official date of that convocation. Shareholders exercise their rights at the General Meeting of Shareholders in person or through authorised representatives. Detailed information about the rights of shareholders is published to coincide with the convening of the General Meeting of Shareholders and are accessible on the Company's website [<https://www.telekom.si/en/investor-relations/shareholders-meeting>].

Shareholders who are entered in the central register of securities at KDD [Central Securities Clearing Corporation] at the close of business seven days prior to the General Meeting of Shareholders [cut-off day] are entitled to participate and vote at the General Meeting of Shareholders, if they have registered in writing at least three days prior to the General Meeting of Shareholders.

The shareholders of Telekom Slovenije met at two General Meetings in 2022. At total of 80.50% of shares with voting rights were represented at the **34<sup>th</sup> General Meeting of Shareholders** held on 9 June. At the General Meeting of Shareholders, shareholders:

- were briefed on the written report of the Supervisory Board on the approval of the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2021;
- were briefed on the report on the remuneration of members of Telekom Slovenije, d.d.'s Management Board and Supervisory Board for 2021, and on information regarding the remuneration of members of management bodies of the three biggest subsidiaries for 2021;
- approved the proposed use of distributable profit for the 2021 financial year;
- conferred official approval on the Management Board and Supervisory Board for the 2021 financial year;
- were briefed on changes to the Company's Supervisory Board;
- adopted amendments to Articles of Association of Telekom Slovenije;
- were briefed on the report on acquisition of treasury shares; and
- voted against the proposed resolution of acknowledgement regarding the Policy on the Remuneration of Members of Telekom Slovenije's Management Board and Supervisory Board, and against the resolution regarding authorisation to acquire treasury shares.

At the request of Kapitalska družba pokojninskega in invalidskega zavarovanja, d.d., the **35<sup>th</sup> General Meeting of Shareholders** was held on 9 September, when 78.52% of shares with voting rights were represented. At the General Meeting of Shareholders, the Company's shareholders:

- o recalled members of the Supervisory Board and shareholder representatives, Iztok Černoša, Marko Kerin, Radovan Cerjak and Dr Jurij Toplak, effective 9 September 2022; and
- o elected Alenka Čok Pangeršič, MSc, Mateja Čuk Orel, MSc, Marko Boštjančič and Žiga Debeljak, MSc as members and shareholder representatives of the Supervisory Board, for a four-year term of office that began on 9 September 2022.

No challenges against resolutions adopted by the General Meeting of Shareholders were announced.

The resolutions of General Meetings of Shareholders and documentation from previous meetings are published on the Company's website.

According to the Company's financial calendar, the 36th General Meeting of Shareholders for 2023 is planned for 16 June 2023.

## MANAGEMENT BOARD

### COMPOSITION OF THE MANAGEMENT BOARD

Any person who, in addition to meeting the relevant legal requirements, has a university-level qualification, at least five years of work experience in management positions and active knowledge of at least one foreign [global] language, and who fulfils other conditions defined by the Supervisory Board may be appointed as a member of the Management Board. The Supervisory Board also takes into account the Policy Governing the Diversity of the Management Board and Supervisory Board when selecting candidates to serve as members of the Management Board. These conditions do not apply to the Workers' Director as member of the Management Board. The conditions and criteria that apply to the aforementioned person are defined jointly by the Supervisory Board and Works Council.

Telekom Slovenije's Management Board comprises five members who are appointed for a four-year term of office.

At its 22nd ordinary session held on 1 September 2022, Telekom Slovenije's Supervisory Board adopted a resolution on the mutual termination of the terms of office of President of the Management Board, Cvetko Sršen, and member of the Management Board, Barbara Galičič Drakslar, effective on the day new members are appointed to the Management Board. On 1 September 2022, the Supervisory Board relieved Tomaž Jontes from his position as member and Vice-President of the Management Board for reasons of culpability.

On 3 October 2022, the Supervisory Board appointed Boštjan Košak to serve a four-year term of office as President of the Management Board, effective 4 October 2022. In accordance with Mr Košak's appointment, the term of office of Cvetko Sršen ended on 3 October 2022.

At its session held on 11 October 2022, the Supervisory Board appointed two new members of the Management Board based on the proposal of the President of the Management Board. Irma Gubanec, MSc became member of the Management Board responsible for the area of finance, while Boštjan Škufca Zaveršek, MSc became member of the Management Board responsible for the commercial sector. Ms Gubanec's four-year term of office began on 12 October 2022, while Mr Škufca Zaveršek's four-year term of office began on 14 November 2022. Boštjan Škufca Zaveršek, MSc was appointed Vice-President of the Management Board. With the appointment of the new member of the Management Board responsible for the area of finance, the term of office of Barbara Galičič Drakslar ended on 11 October 2022.

At its session held on 19 October 2022, the Supervisory Board appointed Vesna Prodnik, MSc to serve as member of the Management Board responsible for the area of technology based on the proposal of the President of the Management Board. Ms Prodnik's four-year term of office began on 14 November 2022. At the same time, mutual agreement was reached with Dr Mitja Štular on the termination of his function as member of the Management Board.

## The composition of the Management Board was as follows in 2022:

Name	Office	Area of work on the Management Board	First appointment to function	Completion of function/ term of office	Gender	Nationality	Year of birth	Education / professional profile	Membership in supervisory bodies of unaffiliated companies
<b>Boštjan Košak</b>	President	Corporate Governance, Human Resource Management, General Affairs, Corporate Communications, Legal Affairs, Regulation, Compliance, Risk Management, Corporate Security, Internal Auditing, Strategic Project Office and the subsidiaries IKPO and TSinpo.	4 October 2022	3 October 2026	Male	Slovenian	1971	Holds a bachelor's degree in economics.	
<b>Boštjan Škufca Zaveršek, MSc</b>	Vice-President	B2B and B2C, Development of Products and Services, Digitalisation, Development of ICT Solutions, Marketing and the subsidiaries Avtenta and Soline.	14 November 2022	13 November 2026	Male	Slovenian	1976	Holds a bachelor's degree in economics and a master's of science.	
<b>Irma Gubanec, MSc</b>	Member	Finance, Accounting, Controlling, Procurement, Real Estate Management, Logistics, Wholesale Market and the subsidiary TSmedia.	12 October 2022	11 October 2026	Female	Slovenian	1968	Holds a bachelor's degree in economics and a master's of science.	
<b>Vesna Prodnik, MSc</b>	Member	Network Management, IT and ICT Services, and the subsidiaries GVO, SIOL Zagreb, SIOL Podgorica, SIOL Sarajevo, SIOL Skopje, SIOL DOO Belgrade and SIOL Prishtina.	14 November 2022	13 November 2026	Female	Slovenian	1972	Holds a bachelor's degree in electrical engineering and a master's degree in communication sciences.	
<b>Špela Fortin</b>	Member – Workers Director	Responsibilities derive directly from the law.	14 September 2019	13 September 2023	Female	Slovenian	1978	High school graduate.	
<b>Cvetko Sršen</b>	President	Corporate Governance, Human Resource Management, General Affairs, Corporate Communications, Legal Affairs, Regulation, Compliance, Risk Management, Corporate Security, Internal Auditing, Strategic Project Office and the subsidiaries IKPO and TSinpo.	10 March 2021	3 October 2022	Male	Slovenian	1966	Holds a master's degree in intercultural management.	INFRA izvajanje investicijske dejavnosti, d.o.o.
<b>Tomaž Jontes</b>	Member Member Vice-President	B2B and B2C, Development of Products and Services, Digitalisation, Development of ICT Solutions, Marketing and the subsidiaries Avtenta and Soline.	22 June 2020 10 March 2021 22 March 2021	10 March 2021 22 March 2021 1 September 2022	Male	Slovenian	1971	Holds a bachelor's degree in economics.	Triglav, pokojninska družba, d. d.
<b>Dr Mitja Štular</b>	Member	Network Management, IT and ICT Services, and the subsidiaries GVO, SIOL Zagreb, SIOL Podgorica, SIOL Sarajevo, SIOL Skopje, SIOL DOO Belgrade and SIOL Prishtina.	10 March 2021	13 November 2022	Male	Slovenian	1970	Holds a doctorate in electrical engineering.	
<b>Barbara Galičič Drakslar</b>	Member	Finance, Accounting, Controlling, Procurement, Real Estate Management, Logistics, Wholesale Market and the subsidiary TSmedia.	31 March 2021	11 October 2022	Female	Slovenian	1971	Holds a bachelor's degree in economics.	

## WORK OF THE MANAGEMENT BOARD

The Management Board manages transactions and represents the Company independently, and is liable for its own actions in that regard. It makes decisions that are in line with the Company's strategic objectives, taking into account the principles of sustainable development and the interests of shareholders and other stakeholders. The responsibilities of individual members of the Management Board are set out in the rules of procedure of that body and in the resolution defining the business areas and responsibilities of Management Board members, to which the Supervisory Board gives its consent.

The Management Board met at 63 regular and three correspondence sessions in 2022.

In March 2022, Telekom Slovenije entered into an agreement with DBA informacijske tehnologije and DBA Group S.p.A. on the purchase of a 100% participating interest in ACTUAL I.T., informacijske tehnologije, d.d. That agreement was concluded on 28 March 2022, but the transaction was not completed for reasons beyond the Company's control.

The Management Board adopted a number of other business decisions and carried out the following activities:

- the development and achievement of established objectives;
- the introduction of new and upgraded services;
- the development of cyber security, healthcare, financial, transport, logistics and smart city services;
- the adaptation of network capacities with respect to the needs of users;
- additional concern for cyber security;
- the development of opportunities to use mobile networks in connection with the introduction of the 5G network, and ensuring a superior user experience; and
- the upgrading of the comprehensive portfolio of ICT services and solutions.

## EARNINGS OF THE MANAGEMENT BOARD

The remuneration, composition and amount of earnings of Management Board members are set out in employment contracts taking into account the Act Governing the Remuneration of Managers of Companies with Majority Ownership held by the Republic of Slovenia or Self-Governing Local Communities (ZPPOGD), the Decree setting the highest correlation between the basic salary and the amount of variable remuneration of directors (hereinafter: the Decree) and the remuneration policy for members of Telekom Slovenije, d.d.'s Management Board and Supervisory Board.

The Supervisory Board sets objectives for the Management Board for every financial year, based on the approved annual business plan and certain key indicators. The Management Board's objectives comprise quantitative and qualitative objectives, as well as financial and non-financial objectives that are defined for the purpose of monitoring the performance of Management Board members. The earnings of Management Board members comprise a basic salary, variable performance-based remuneration, and other rights and benefits.

The remuneration policy states that variable remuneration based on financial criteria (e.g. sales revenue and EBITDA) amounts to at least 50%, while remuneration based on non-financial criteria (e.g. overall transactional NPS, the achievement of social responsibility objectives and sustainable operations) is at least 30%.

According to the aforementioned Decree, the basic salary of Management Board members may amount to a maximum of five times the average gross salary within the Telekom Slovenije Group, where the salary of an individual member of the Management Board is determined taking into account their powers, duties, experience, responsibilities, scope of work and the Company's financial situation.

The conditions for profit sharing by the Management Board are governed by the Company's Articles of Association. The earnings of Management Board members in 2022 are presented in the separate report, Report on the remuneration of members of Telekom Slovenije's Management Board and Supervisory Board for 2022, and in the accounting report in point [42 Related party transactions](#).



## SUPERVISORY BOARD

In the scope of its competences, the Supervisory Board ensured the responsible and high-quality supervision of the operations of Telekom Slovenije and the Telekom Slovenije Group in 2022. It met regularly, and discussed different aspects of operations and monitored the implementation of plans. Specific topics were discussed in advance by the Supervisory Board's committees. Based on findings, proposals and careful assessment by those committees, the Supervisory Board adopted decisions and informed stakeholders after its sessions.

### COMPOSITION OF THE SUPERVISORY BOARD

The Supervisory Board comprises nine members, six of whom are shareholder representatives and three of whom are employee representatives. When selecting candidates for Supervisory Board members, diversity in terms of knowledge, skills, experience and other personal circumstances of candidates [gender, age, education, etc.] is taken into account, in addition to the required level of qualifications, reputation and integrity.

The composition of the Supervisory Board changed as follows during 2022:

- At its session on 2 June 2022, Telekom Slovenije's Works Council elected Rok Pleteršek to serve as replacement member of the Company's Supervisory Board and employee representative. Mr Pleteršek's term of office will run until the expiration of the terms of office of other employee representatives of the Supervisory Board, i.e. until 14 November 2025. He was appointed replacement member of the Supervisory Board after the Supervisory Board was briefed on 11 May 2022 on the resignation of Supervisory Board member and employees representative, Jana Žižek Kuhar. Jana Žižek Kuhar's term of office expired on the day of the appointment of the replacement member.
- At the Company's General Meeting of Shareholders of Telekom Slovenije held on 9 September 2022, shareholders recalled members of the Supervisory Board and shareholder representatives, Iztok Černoša, Marko Kerin, Radovan Cerjak and Dr Jurij Toplak. They elected Alenka Čok Pangeršič, MSc, Mateja Čuk Orel, MSc, Marko Boštjančič and Žiga Debeljak, MSc as members and shareholder representatives of the Supervisory Board, for a four-year term of office that began on 9 September 2022.
- At its 1st ordinary session held on 14 September 2022, the members of the Supervisory Board elected Žiga Debeljak, MSc to serve as President of the aforementioned body. Karla Pinter, MSc and Drago Kijevčanin remain Vice-Presidents of the Supervisory Board, with the former serving as shareholder representative and the latter serving as employee representative. The Supervisory Board also newly appointed members to its committees.

The composition of the Supervisory Board is diverse, as its members complement each other in terms of their expertise, competences, experience, age, gender, work method and other aspects. This facilitates the effective exchange of opinions and views at sessions.

In accordance with the Corporate Governance Code, the Supervisory Board hereby declares that all costs in connection with its work are disclosed in this annual report and are not disclosed separately.

The Supervisory Board comprised the following members in 2022:

Name	Office	First appointment to function	Completion of function/ term of office	Shareholder/ employee representative	Participation in Supervisory Board sessions	Gender	Nationality	Year of birth	Education / professional profile	Independence per state- ment of independence	Existence of conflicts of interest during the financial year	Membership in supervisory bodies of other companies	Employment
<b>Žiga Debeljak, MSc</b>	President	9 September 2022	8 September 2026	Shareholder representative	11/11	Male	Slovenian	1971	Holds a bachelor's degree in information technology and a master's degree in business administration and corporate governance.	YES	NO	GEN energija, d.o.o., Krško	President of the Management Board of SDH, d.d.
<b>Karla Pinter, MSc</b>	Vice-President	18 June 2021	17 June 2025	Shareholder representative	22/22	Female	Slovenian	1982	Holds a bachelor's degree in law and a master's degree in Legal Affairs	YES	NO	Mariborska livarna Maribor, d.d.	Director General of the Internal Market Directorate at the Ministry of the Economy, Tourism and Sport.
<b>Aleksander Igličar, MSc</b>	Member	22 January 2021	21 January 2025	Shareholder representative	22/22	Male	Slovenian	1962	Holds a master's degree in economics / accounting.	YES	NO	Iskra Mehanizmi Holding, d.d., Lipnica; Slovenska tiskovna agencija, d.o.o., Ljubljana	Senior lecturer at the University of Ljubljana's Faculty of Economics.
<b>Marko Boštjančič</b>	Member	9 September 2022	8 September 2026	Shareholder representative	11/11	Male	Slovenian	1967	Holds a bachelor's degree in law/ telecommunications.	YES	NO		Director of MIBO, d.o.o., Komunikacije, Sarajevo
<b>Alenka Čok Pangeršič, MSc</b>	Member	9 September 2022	8 September 2026	Shareholder representative	11/11	Female	Slovenian	1971	Holds a bachelor's degree in engineering physics and a master's degree in management and organisation/ asset management.	YES	NO		Executive Director of Real Estate Management Sector at Modra zavarovalnica, d.d.
<b>Mateja Čuk Orel, MSc</b>	Member	9 September 2022	8 September 2026	Shareholder representative	11/11	Female	Slovenian	1980	Holds bachelor's and master's degrees in law/ legal affairs.	YES	NO	GEN energija, d.o.o., Krško SODO, d.o.o., Maribor	Attorney-at-law to the Law Office of Čuk Orel, Ljubljana
<b>Iztok Černoša</b>	President	22 January 2021	9 September 2022	Shareholder representative	11/11	Male	Slovenian	1984	Holds a bachelor's degree in civil engineering/ technology.	YES	NO		
<b>Marko Kerin</b>	Member	22 January 2021	9 September 2022	Shareholder representative	11/11	Male	Slovenian	1978	Holds a bachelor's degree in economics/ accounting, auditing, business finance department and risk management.	YES	NO		Head of the office for monitoring and controlling the intra-group business operations and transactions of the Slovenske Železnice Group
<b>Dr Jurij Toplak</b>	Member	18 June 2021	9 September 2022	Shareholder representative	10/11	Male	Slovenian	1977	Holds a bachelor's degree in law/ doctorate in constitutional law.	YES	NO		Head of the Department of Public Law and a full professor in the area of law at the Faculty of Law at the University of Maribor. He is also the Managing Director and a full professor at Alma Mater Europaea ECM.
<b>Radovan Cerjak</b>	Member	22 January 2021	9 September 2022	Shareholder representative	11/11	Male	Slovenian	1967	Holds a bachelor's degree in law/ legal affairs.	YES	NO	Slovenska tiskovna agencija, d.o.o., Ljubljana	Attorney-at-law at the Law Office of Radovan Verjak, Ljubljana
<b>Drago Kijevčanin</b>	Vice-President	19 September 2018 (first term of office) 15 November 2021 (current term of office)	14 November 2021 14 November 2025	Employee representative	22/22	Male	Slovenian	1964	Telecommunications engineer/ technology.	YES	NO	NO	Telekom Slovenije, network engineer in the ICT and Network Services organisational unit, President of the SELEKS trade union and member of the Works' Council.
<b>Dušan Pišek</b>	Member	19 September 2018 (first term of office) 15 November 2021 (current term of office)	14 November 2021 14 November 2025	Employee representative	22/22	Male	Slovenian	1964	Telecommunications engineer/ technology.	YES	NO	NO	Telekom Slovenije, team leader in the ICT and Network Services organisational unit and President of the Works' Council.
<b>Rok Pleteršek</b>	Member	2 June 2022	14 November 2025	Employee representative	16/16	Male	Slovenian	1990	Holds a master's degree in law / legal affairs and telecommunications.	YES	NO	NO	Telekom Slovenije, ICT and Network Services, member of the Works' Council.
<b>Jana Žižek Kuhar</b>	Member	19 September 2018 (first term of office) 15 November 2021 (second term of office)	14 November 2021 2 June 2022	Employee representative	6/6	Female	Slovenian	1974	Holds a bachelor's degree in economics/real estate management.	YES	NO	NO	Telekom Slovenije, expert in the Procurement, Logistics and Real Estate organisational unit, member of the Works Council (until 24 April 2022)



## WORK OF THE SUPERVISORY BOARD

The Supervisory Board performed its work in accordance with the powers and competences prescribed by the law, the Company's Articles of Association and its own rules of procedure. It is fully liable for the performance of its supervisory function and makes its decisions independently. To that end, it ensures the responsible and high-quality supervision of the operations of Telekom Slovenije and the Telekom Slovenije Group. All members of the Supervisory Board submitted statements of compliance with the criteria of independence in accordance with the Corporate Governance Code [the statements are published on the website of Telekom Slovenije]. No member of the Supervisory Board disclosed any fact that could have affected their independence during the 2022 financial year.

The Supervisory Board met at 16 regular, one extraordinary and five correspondence sessions in 2022. It discussed different aspects of the Company's operations and monitored the implementation of plans. Specific topics were discussed in advance by the Supervisory Board's committees. Based on the proposals and assessments of committees, the Supervisory Board adopted the appropriate decisions.

Within the scope of its competences, the Supervisory Board made the following responsible decisions in 2022:

- adopted the annual business plan of Telekom Slovenije and the Telekom Slovenije Group for the 2023 financial year;
- adopted the audited annual report of the Telekom Slovenije Group and Telekom Slovenije for 2021;
- appointed the President, Vice-President and two members to the Management Board;
- gave its consent to the appointment of managing directors of subsidiaries; and
- gave its consent to the purchase of a 100% participating interest in ACTUAL I.T., informacijske tehnologije, d.d. That agreement was concluded on 28 March 2022, but the transaction was not completed for reasons beyond the Company's control.

In its supervision of the management of the operations of the Company and Telekom Slovenije Group subsidiaries, the Supervisory Board was briefed regularly on the following in 2022:

- reports on the operations of the parent company and subsidiaries;
- implementation of the Strategic Business Plan of the parent company and subsidiaries;
- assessments of the performance indicators of the Company and subsidiaries in each period; and
- other information in connection with the operations of the parent company and subsidiaries.

The Supervisory Board partially updated its rules of procedure in April 2022. It performed an internal assessment of its work in the spring of 2022 according to the methodology of the Slovenian Directors' Association. No proposals for improvements were put forth.

## COMPOSITION AND FUNCTIONING OF SUPERVISORY BOARD COMMITTEES

Strategy Committee and Marketing and Technology Committee. It then reconstituted its committees, and appointed three permanent committees: Audit Committee, HR Committee and Business Development Committee. The aforementioned committees discussed individual areas of expertise in accordance with their respective competences and tasks. Committees discussed topics related to the Supervisory Board's work and advised the latter in important matters. This contributed to the improved work and effectiveness of the Supervisory Board.

The composition and most important tasks of individual committees in 2022 are described below:

As an advisory body, the **Audit Committee** assists the Supervisory Board in its supervision of financial reporting, internal controls and risk management at Telekom Slovenije and at the Telekom Slovenije Group level, and in cooperation with external and internal auditors. The Audit Committee's key tasks are to ensure professional cooperation in the corporate governance process, where it functions for the good of the Company and protects the interests of its stakeholders.

In accordance with valid legislation, Telekom Slovenije's Supervisory Board decided that audit committee tasks at the subsidiaries Soline and Avtenta, which are public-interest entities, will be carried out by the Audit Committee of Telekom Slovenije's Supervisory Board.

### The Audit Committee's members were as follows as at 31 December 2022:

- Aleksander Igličar, MSc [chair],
- Alenka Čok Pangeršič, MSc,
- Drago Kijevčanin,
- Barbara Gorjup, MSc – external member, and
- Dr Marko Hočevar – external member.

The composition of the Audit Committee changed in 2022. In September 2022, recalled member of the Supervisory Board, Marko Kerin, was replaced by new member, Alenka Čok Pangeršič, MSc.

Information regarding the members of the Audit Committee who were also members of the Supervisory Board in 2022 is presented in the table detailing the members of the Supervisory Board, while information regarding the external members of the Audit Committee is presented in the table below.

Name	Committee	Gender	Nationality	Education	Year of birth	Professional profile	Membership in supervisory bodies of other companies
<b>Barbara Gorjup, MSc</b>	Audit Committee	Female	Slovenian	Holds a master's of science.	1973	Accounting, auditing, business finance, business valuation.	Member of the Supervisory Board of: HSE d.o.o., and Triglav skladi, d.o.o.
<b>Dr Marko Hočevar</b>	Audit Committee	Male	Slovenian	Holds a doctorate in economics.	1962	Accounting.	Member of the Supervisory Board of: Hidria holding, d.o.o., H&R, d.d., and KZPS, d.o.o.

The Audit Committee met at nine ordinary sessions and held four correspondence sessions in 2022. As a rule, all members were present at sessions.

Members of the Supervisory Board who are not members of the Audit Committee were kept abreast about the latter's work through the review of the minutes of the committee's sessions. The chair of the Audit Committee also regularly reported on the committee's work and findings at sessions of the Supervisory Board. The Audit Committee addressed issues in accordance with the ZGD-1, recommendations for the work of audit committees, the Audit Committee's rules of procedure, its work plan adopted for 2022 and the resolutions of Telekom Slovenije's Supervisory Board.

Key tasks performed by the Audit Committee in 2022 were as follows:

- it monitored and discussed financial reporting regarding the operations of the Telekom Slovenije Group and Telekom Slovenije;
- it monitored the progress of and was briefed on the findings from the external audit of the annual report and financial statements of the Telekom Slovenije Group and Telekom Slovenije;
- it discussed the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2021;
- it discussed the Internal Audit Service's quarterly reports regarding audits performed and the implementation of issued recommendations;
- it discussed the annual report on the work of the Internal Audit Service for 2021, the service's work plan for 2023 and the strategic plan of the Internal Audit Service for the period 2023 to 2025, and conducted interviews with the head of the ISA and its employees in the absence of the Management Board;
- it periodically monitored the risk management system, the functioning of internal controls, compliance, reports on lawsuits, reports on external supervision proceedings and reports on suspected breaches of corporate integrity;

- in accordance with the Guidelines for Ensuring the Independence of the Auditor of the Annual Report and Financial Statements of the Telekom Slovenije Group and Telekom Slovenije, which define the methods and procedures for monitoring the independence and impartiality of the auditor, as well as protective measures, the selection of the auditor and procedures for non-audit services:
  - it discussed all transactions with audit firms and assessed the independence of the certified auditor of the annual report and financial statements of the Telekom Slovenije Group and Telekom Slovenije;
  - it monitored and assessed the quality of the work of the certified auditor for 2021; and
- it performed the tasks of the audit committee at the subsidiaries Soline and Avtenta in accordance with the resolution of Telekom Slovenije's Supervisory Board.

The Director of the Telekom Slovenije's Internal Audit Service was invited to all sessions of the Audit Committee. The Audit Committee also invited the appointed external auditor to sessions at which quarterly reports on the operations of Telekom Slovenije and the Telekom Slovenije Group were discussed.

With the aim of implementing continuous improvements and ensuring the quality of its work, the Audit Committee performed a self-assessment of its work in March 2022 and discussed potential improvements. It notified the Supervisory Board about the aforementioned self-assessment and proposed improvements.

The **HR Committee** met at 12 regular sessions. Significant activities of the HR Committee included:

- procedures for appointing the President and members of the Management Board; and
- the discussion of the objectives of Management Board members for 2022, and the methodology for calculating the performance factor and criteria in connection with the right of Management Board members to the variable component of wages for 2021.

**The HR Committee's members were as follows as at 31 December 2022:**

- Mateja Čuk Orel, MSc [chair]
- Marko Boštjančič,
- Žiga Debeljak, MSc,
- Drago Kijevčanin, and
- Karla Pinter, MSc.

Radovan Cerjak chaired the HR Committee until 9 September 2022. Mateja Čuk Orel, MSc became chair on 14 September 2022. At the same time, the Supervisory Board appointed Marko Boštjančič, Žiga Debeljak, MSc and Karla Pinter, MSc to the aforementioned committee. Information regarding the members of the HR Committee in 2022 is presented in the table detailing the members of the Supervisory Board on page 8.

The **Marketing and Technology Committee** met at one session at which Telekom Slovenije's Cyber Security Operation Centre was presented. All members of the Supervisory Board were invited to that session.

The Strategy Committee did not meet in 2022.

The Marketing and Technology Committee and Strategy Committee were discontinued on 28 November 2022 due to the reconstitution of the Supervisory Board's committees. The Supervisory Board also appointed the Business Development Committee, which did not meet in 2022.

**Members of the Business Development Committee as at 31 December 2022:**

- Marko Boštjančič [chair],
- Žiga Debeljak, MSc,
- Karla Pinter, MSc,
- Dušan Pišek,
- Rok Pleteršek, and
- Dr Janez Bešter, external member.

Information regarding the members of the Business Development Committee who were also members of the Supervisory Board in 2022 is presented in the table detailing the members of the Supervisory Board, while information regarding the external member of the Business Development Committee is presented in the table below.

Name	Committee	Gender	Nationality	Education	Year of birth	Professional profile	Membership in supervisory bodies of other companies
<b>Dr Janez Bešter</b>	Business Development Committee	Male	Slovenian	Holds a doctorate in telecommunications.	1955	Telecommunications and multimedia.	

## ASSESSMENT OF THE WORK OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The work of members of the Supervisory Board, including their work on committees, was professional and focused on the effective performance of their functions. Members of the Supervisory Board regularly attended sessions, were well-prepared for topics of discussion and put forth constructive proposals.

The Supervisory Board adopted competent decisions in accordance with its rules of procedure, the Company's internal acts and legally prescribed powers on the basis of professionally prepared written and oral information provided by the Management Board. The work of the Supervisory Board was complemented, in terms of content, by the proposals made by its committees.

Based on the above-described continuous monitoring and supervision of the operations and management of Telekom Slovenije and Group companies during the 2022 financial year, and based on the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022, as 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 Telekom Slovenije Group subsidiaries and Telekom Slovenije.

The Supervisory Board assesses that the Management Board of Telekom Slovenije successfully managed the Company's transactions during the 2022 financial year and achieved established objectives, particularly taking into account operations in the highly competitive environment in which the parent company and subsidiaries operate.

## SUPERVISORY BOARD REPORT ON THE VERIFICATION OF THE ANNUAL REPORT

The Supervisory Board discussed the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022. Based on its review of the annual report and financial statements [including the notes thereto], and its review of the Management Board's proposal on the use of distributable profit and the certified auditor's report, the Supervisory Board confirmed the audited annual report of the Telekom Slovenije Group and Telekom Slovenije, d.d. for 2022.

Pursuant to the third paragraph of Article 272 of the Companies Act [ZGD-1], Telekom Slovenije's Management Board submitted the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022, together with the auditor's report for 2022, immediately after compilation and the issuance of the auditor's opinion. The annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022

was audited by the audit firm PricewaterhouseCoopers, d.o.o., which issued an unmodified opinion regarding the financial statements of the Telekom Slovenije Group and Telekom Slovenije. The Audit Committee of Telekom Slovenije's Supervisory Board discussed the audited annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022 and found that the annual report was compiled in a timely, clear and transparent manner, and in accordance with the provisions of the Companies Act (ZGD-1), the applicable International Financial Reporting Standards, as adopted by the European Community, and other relevant legislation. The Audit Committee had no comments with respect to the annual report for 2022, and proposed that the Supervisory Board approve the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022 in accordance with Article 282 of the ZGD-1.

Based on the auditor's opinion, the position of the Audit Committee, and data and disclosures in the annual report, Telekom Slovenije's Supervisory Board assesses that the auditor performed its work independently and professionally in accordance with valid legislation and business practices, that the annual report was compiled, in all material aspects, in accordance with the requirements of the ZGD-1, and that the financial statements fairly present, in all material aspects, the assets and financial position of the Telekom Slovenije Group and Telekom Slovenije as at 31 December 2022, and their operating results and cash flows for the year then ended in accordance with the International Financial Reporting Standards, as adopted by the European Community. The Supervisory Board has no remarks regarding the auditor's report. It also has no comments regarding the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022 that would in any way inhibit its decision to approve that report.

Thus, in accordance with the third paragraph of Article 282 of the ZGD-1, the Supervisory Board of Telekom Slovenije hereby approves the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022. The Supervisory Board approved the annual report for 2022 by the prescribed deadline, i.e. within one month from its submission by the Company's senior management.

When adopting the annual report, the Supervisory Board also took a position with regard to the corporate governance statement, which is included in the business report section of the annual report of the Telekom Slovenije Group and Telekom Slovenije for 2022, and assessed that they are a reflection of the actual governance of the Company in 2022.

## REMUNERATION OF SUPERVISORY BOARD MEMBERS

Supervisory Board members are entitled to basic payment for performing their functions, attendance fees and additional payments for participation in Supervisory Board committees. Payments to members of the Supervisory Board are defined by a general meeting resolution and are in line with the remuneration policy for members of Telekom Slovenije, d.d.'s Management Board and Supervisory Board. Also set out in the resolution are maximum annual amounts of and eligibility criteria for the reimbursement of transportation expenses, daily allowances and costs of overnight stays. The amounts of payments made to members of the Supervisory Board are disclosed in the accounting report.

## MANAGEMENT AND GOVERNANCE OF SUBSIDIARIES

Telekom Slovenije is the parent company of the Telekom Slovenije Group. It manages the operations of subsidiaries in the scope of corporate governance by defining subsidiaries' strategic policies and operational objectives, and by monitoring the achievement of established objectives. The Telekom Slovenije Group's strategy defines uniform corporate governance within the Group, which facilitates the optimisation of the operations of companies, and ensures the improved flow of information and the exploitation of synergies at the Group level.

Rules, criteria and mechanisms for managing and supervising Group companies are defined in the Telekom Slovenije Group's Corporate Governance Rules, in line with Telekom Slovenije's Corporate Governance Policy.

Management and supervisory tasks are performed in accordance with Slovenian law and the applicable laws in the home countries of individual subsidiaries. Subsidiaries operate in accordance with local legislation, business cooperation agreements with Telekom Slovenije, and with internal rules and instructions adopted by the management of an individual subsidiary or the Management Board of the parent company.

The management and supervision of the operations of Telekom Slovenije Group companies is based on the following core principles:

- links with the Group's strategy;
- governance in the form of management by objectives, where those objectives derive from the Group's strategy;
- clearly defined roles [tasks, competences and responsibilities] of those responsible for the management and supervision of the Group; and
- simplicity and flexibility [the ability to adapt to changes in the organisation and operations of the Group].

## COMPOSITION OF MANAGEMENT AND GOVERNANCE BODIES AT SUBSIDIARIES OF THE TELEKOM SLOVENIJE GROUP

### SLOVENIA

#### **GVO, d. o. o.**

Managing Director: **dr. Zef Vučaj**  
 Supervisory Board: Vesna Prodnik, MSc  
 [President of the Supervisory Board],  
 Sabina Merhar and Helena Jakič  
 Dr Mitja Štular was a member and President of the  
 Supervisory Board until 13 November 2022.

#### **INFRATEL, d. o. o.**

Managing Director: **dr. Zef Vučaj**

#### **OPTIC-TEL, d. o. o.**

Managing Director: **dr. Zef Vučaj**

#### **AVTENTA, d. o. o.**

Managing Director: **Primož Kučič**

#### **TSmedia, d. o. o.**

Managing Director: **Igor Gajster**  
 Rajko Gerič was Managing Director until  
 21 October 2022.  
 The function of Managing Director was performed by  
 Irma Gubanec, MSc from 22 October 2022  
 to 14 December 2022.

#### **SOLINE, d. o. o.**

Managing Director: **Klavdij Godnič**

#### **TSinpo, d. o. o.**

Managing Director: **Sandra Peršak**

### OTHER COUNTRIES

#### **IPKO Telecommunications LLC, Kosovo**

CEO: **Tomaž Seljak, MSc**

#### **SIOL, d.o.o. Zagreb, Croatia**

Managing Director: **Simon Furlan, MSc**

#### **SIOL d. o. o. Podgorica, Črna gora**

Managing Director: **Simon Furlan, MSc**

#### **SIOL d. o. o. Sarajevo, Bosna in Hercegovina**

Managing Director: **Simon Furlan, MSc**

#### **SIOL DOOEL Skopje, Severna Makedonija**

Managing Director: **Simon Furlan, MSc**

#### **SIOL DOO BEOGRAD, Srbija**

Managing Director: **Simon Furlan, MSc**

#### **SIOL Prishtina LLC, Kosovo**

Managing Director: **Simon Furlan, MSc**

#### **GVO Telekommunikation GmbH, Germany**

Liquidator: **Roman Mazi**  
 The company was headed by Managing Directors  
 Borut Radi, Darko Gradišnik and Roman Mazi until  
 23 March 2022.



## OTHER EXPLANATIONS IN ACCORDANCE WITH THE COMPANIES ACT

Pursuant to the fifth paragraph of Article 70 of the Companies Act [ZGD-1], Telekom Slovenije hereby issues the following explanations:

### **Main features of internal control systems and risk management within the Group in connection with financial reporting procedures**

Risk management and the system of internal controls represent integral elements of corporate governance within the Group. The established risk management framework is based on the identification, assessment, management, reporting on and monitoring of risks, with the aim of responding and mitigating exposure to risks in a timely manner.

In connection with the financial reporting process, the system of internal controls ensures the appropriate management of risks, the ethical operations of Group companies, precise, reliable, timely and complete accounting records, and true, fair and transparent external and internal financial reporting that is in accordance with the law, the adopted accounting framework and regulations, and the guidelines and policies of the Group.

Information support is provided for the accounting process. Internal controls are therefore built into the IT infrastructure, which comprises, *inter alia*, controls over restrictions on access to data and applications, and controls over access to data and applications as a way to control the accuracy and completeness of data capture and processing.

Established internal accounting controls are an integral part of the Group's system of internal controls in the processes and organisational units of companies, and at all levels of operations. The Group strives to ensure an appropriate system of internal controls that includes:

- responsibilities for processes;
- competences and responsibilities for specific tasks;
- automated and manual controls in processes;
- accounting and business information systems at the parent company and subsidiaries;
- controls for the prevention of errors and risk management; and
- the adaptation of internal controls to legislation, standards, processes, organisational changes, findings from self-assessments of internal controls, findings from other reviews, recommendations of internal and external audits, and best practices.

The owners of internal controls are responsible for the consistent implementation of controls, the documentation of the functioning of internal controls and proposals for improvements. A report is drafted once a year on the self-assessment of internal controls at the parent company and subsidiaries to provide a comprehensive overview of the establishment and functioning of internal controls.

## DATA AND EXPLANATIONS RELATED TO THE MERGERS AND ACQUISITIONS ACT

### ◦ **Share capital of Telekom Slovenije**

There were no changes to the structure of share capital in 2022. The value of Telekom Slovenije's share capital is EUR 272,720,664.33 and is divided into 6,535,478 ordinary registered no-par-value shares. All shares constitute one class and are issued in dematerialised form. Each share represents the same stake and corresponding amount in share capital, while all shares have been paid up in full. Each share gives its holder the right to one vote at the General Meeting of Shareholders, a proportionate share of profits [payment of dividends] and a proportionate share of residual assets after the liquidation or bankruptcy of the Company. Shares are listed on the prime securities market of the Ljubljana Stock Exchange. Detailed information regarding shares and the ownership structure is presented in section [6 Share trading and ownership structure](#).

### ◦ **Restrictions on the transfer of shares**

All shares are freely transferable.

### ◦ **Qualifying holdings according to the Takeovers Act**

There were two holders of a qualifying holding as set out in the Takeovers Act as at 31 December 2022: the Republic of Slovenia with 4,087,569 shares or 62.54% of the issuer's share capital and Kapitalska družba, d.d. with 365,175 shares or 5.59% of the issuer's share capital.

### ◦ **Holders of securities that provide special controlling rights**

Telekom Slovenije has not issued securities that would provide special controlling rights.

### ◦ **Share scheme for shareholders**

Telekom Slovenije does not have a share scheme for shareholders.

### ◦ **Agreements between shareholders that might place limits on the transfer of securities or voting rights**

Telekom Slovenije is not aware of any such agreements.



- **Rules on the Appointment and Replacement of Members of Management and Supervisory Bodies**

The Supervisory Board appoints members of the Management Board in accordance with its legal powers and statutory provisions. To that end, it prudently and responsibly assesses the fulfilment of the required qualifications. In accordance with the above, the Supervisory Board also defined the candidate selection process, additional conditions that candidates must meet and procedures for determining the appropriateness of candidates in the Criteria and Procedures for Determining the Appropriateness of Candidates for Members of the Management Board.

The Supervisory Board formulated criteria and professional profiles for members of the Company's Supervisory Board (competence profile) in June 2016, taking into account the specific nature of the Company. Those criteria ceased to apply with the adoption of the Competence Profile for Members of the Supervisory Board of Telekom Slovenije, d.d. of 12 February 2020. That profile is publicly accessible on the Company's website.

- **Rules on Amendments to the Articles of Association**

Telekom Slovenije does not have any special rules governing changes to its Articles of Association. Changes to the Company's Articles of Association are made in accordance with the law and the Articles of Association themselves.

- **Special agreements that come into effect, are amended or terminated on the basis of a change in control at the Company as the result of a bid as defined by the act governing mergers and acquisitions**

Telekom Slovenije is not aware of any such agreements.

- **Agreements concluded between the Company and the members of its management or supervisory body or employees that envisage compensation if they resign or are laid off without justification in the event of a bid as set out in the act governing mergers and acquisitions or if their employment is terminated**

Telekom Slovenije has no such agreements in accordance with the Takeovers Act.

Telekom Slovenije constantly strives to improve corporate governance practices in its operations, including proactive corporate communication with various stakeholders. The Company communicates in the manner set out in Telekom Slovenije, d.d.'s Corporate Governance Policy, the Communications Strategy of Telekom Slovenije, d.d. and the Policy on Communication with the Shareholders of Telekom Slovenije, d.d.

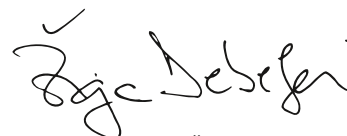
With the listing of its shares on the prime market of the Ljubljana Stock Exchange, the Company undertook to comply with the relevant reporting standards. Telekom Slovenije once again provided investors with high-quality, timely, relevant and reliable information in 2022.

With the aim of ensuring that Telekom Slovenije Group companies and employees comply with the law, other rules, applicable recommendations and bylaws, the Telekom Slovenije Group's Compliance Management Policy defines the purpose and objectives of compliance management, an integrity plan and powers and responsibilities. The compliance management system facilitates the identification of risks and the implementation of measures to manage those risks. Playing an important role in that framework are preventive actions, and rapid and effective measures in the event of identified breaches. For more information, see section [8.1.2 Compliance and anti-corruption](#).

Telekom Slovenije will continue to strive in the future to comply with and introduce the highest standards and best practices in the area of corporate governance, both at the parent company and at other Telekom Slovenije Group companies.



Boštjan Košak,  
President of the  
Management Board



mag. Žiga Debeljak,  
President of the  
Supervisory Board