

**CONSOLIDATED VERSION**  
**of the Articles of Association of**  
**Kooperativa pojišťovna, a.s., Vienna Insurance Group**

**PART I**

**General**

**Art. 1**

**Business Name, Registered Office and Legal Status**

1. The Company's business name is as follows: Kooperativa pojišťovna, a.s., Vienna Insurance Group.
2. The Company's registered office is located at: Pobřežní 665/21, 186 00 Prague 8, Czech Republic
3. Under Section 777 (5) of Act No. 90/2012 Coll., on companies and co-operatives (hereinafter the "**Corporations Act**"), the Company subjects itself fully to the Corporations Act.

**Art. 2**

**Objects of Business**

The Company's objects of business are as follows:

1. Insurance activities, including activities directly ensuing from insurance within the meaning of Section 3 (1)(f) of Act No. 277/2009 Coll., on insurance, as amended (hereinafter the "**Insurance Act**")
  - within the scope of life insurance sectors specified in Part A, paragraphs I, II, III, VI, VII and IX of Annex 1 to the Insurance Act; and
  - within the scope of non-life insurance sectors specified in Part B, paragraphs 1 to 18 of Annex 1 to the Insurance Act;
2. reinsurance activities within the meaning of Section 3 (1)(l) of the Insurance Act, for all types of reinsurance activities.

### **Art. 3 Registered Capital**

1. The Company's registered capital is CZK 4,302,129,000 (in words: four billion three hundred and two million one hundred and twenty-nine thousand Czech crowns).
2. The registered capital is divided into 21,509 ordinary shares, each with the nominal value of CZK 100,000 (in words: one hundred thousand Czech crowns); one ordinary share with the nominal value of CZK 94,100 (in words: ninety-four thousand one hundred Czech crowns); one ordinary share with the nominal value of CZK 29,500 (in words: twenty-nine thousand five hundred Czech crowns); one ordinary share with the nominal value of CZK 29,000 (in words: twenty-nine thousand Czech crowns), and one ordinary share with the nominal value of CZK 76,400 (in words: seventy-six thousand four hundred Czech crowns), which entail no special rights (hereinafter the "shares"); and further into 21,510 preferred shares, each with the nominal value of CZK 100,000 (in words: one hundred thousand Czech crowns), which entail a priority right to dividends (preferred shares, see Art. 4 (3) of the Articles). All the shares are registered shares in book-entered form.

## **PART II Shares**

### **Art. 4 General**

1. Each share comprises: specification that it is a share; the business name, identification number and registered office of the Company; the nominal value; unambiguous identification of the shareholder; specification of the kind of the share and the associated rights; and specification of the form of the share.
2. The list of shareholders is replaced by records of book-entered securities kept by an authorised person (hereinafter the "records of securities"). Until the issue price of a share is paid, the Company may issue interim certificates with the requisites pursuant to Section 285 (2) of the Corporations Act, which entail the rights and obligations associated with an unpaid share. After entry in the records of securities, the holder of an interim certificate is obliged to return the certificate to the Company.
3. If the General Meeting decides on an increase in the registered capital, transformation of the Company or a change in the kind of shares, the Company

may issue shares entailing a priority right relating to dividends (hereinafter “preferred shares”) provided that the aggregate of their nominal values does not exceed one half of the registered capital. No right to vote at the General Meeting is associated with preferred shares issued by the Company unless voting according to kinds of shares is required by the law or these Articles. The holders of preferred shares have all other rights associated with the shares. As from the date following the date when the General Meeting decided that a preferred dividend would not be distributed or as from the first day of delay with payment of a preferred dividend, a shareholder acquires the right to vote until the General Meeting decides on payment of the preferred dividend and, if the Company is in delay with payment of a preferred dividend, until the date of its payment.

4. The holders of preferred shares, who have thus temporarily acquired the right to vote, still have the right to vote at the General Meeting that decides on payment of the preferred dividend, to the entire extent of its agenda. Unless the law or these Articles lay down otherwise, the provisions of these Articles concerning shares apply to preferred shares.

#### **Art. 5 Pledge of Shares**

1. Shares may be pledged only with prior consent of the Supervisory Board. If the Supervisory Board fails to make a decision on a request for such consent within two months of delivery of the request, it holds that the consent has been granted. The right of pledge to the shares arises upon registration of the pledge in the holder’s account in the records of securities.
2. Prior to the decision pursuant to paragraph 1 above, the shareholder is obliged to prove that he/she has acquainted the future pledgee with the limitations of transferability of the shares (Art. 6 of the Articles) in case of exercise of the pledge. If the pledge is exercised, the relevant shareholder is also obliged to notify the securities trader of the limitations pursuant to Art. 6 hereof.

#### **Art. 6 Transfer of Shares**

1. Shares may be transferred only subject to the conditions laid down by the applicable laws and these Articles.  
The transfer of shares shall occur upon registration of the transfer to the holder’s account in the records of securities. A transfer of a share becomes effective *vis-à-vis* the Company once the Company receives a proof of the change of the

shareholder in the form of a statement of the holder's account, or on the date of delivery or receipt of an extract from the records of the issue of shares under the law providing for capital market undertakings.

2. In case of a transfer of shares, a pre-emptive right is vested in the shareholders entered in the records of securities on the date preceding the date when the offering shareholder sent his/her offer under paragraph 3 to the other shareholders. This pre-emptive right is vested in the shareholders to the extent corresponding to the ratios of their respective shares in the registered capital, rounded off – based on the applicable mathematical methods – to an amount evenly divisible by the nominal value of the share. Anyone having this pre-emptive right may waive it.
3. A shareholder who intends to transfer a share to another shareholder or a third party is obliged to present a written offer to the other shareholders, including:
  - a) specification of the shares offered for transfer, their total number and the aggregate amount of their nominal values;
  - b) the nominal value per share, the requested price per share and the due date of the price (the price and the due date thereof must be identical for all the shareholders);
  - c) the number of shares attributable to each shareholder according to the calculation pursuant to Art. 6 (2);
  - d) the deadline by which the other shareholders can notify the offering shareholder in writing (also by fax) that they accept his/her offer; this deadline must be the same for all the shareholders and may not be less than 30 days from the date when the written offers are sent.
4. If an entitled shareholder exercises his/her pre-emptive right, his/her written notice sent to the offering shareholder must comprise acceptance of all the terms included in the offer. The entitled shareholder must specify, in his/her notice, the number shares he/she wishes to purchase based on his/her pre-emptive right and the deadline by which the offering shareholder and the entitled shareholder will lodge an instruction for registration of the transfer of shares in the records of securities. This deadline may not be more than seven days of the date of delivery of the entitled shareholder's notice to the offering shareholder.
5. A purchase agreement is deemed concluded upon delivery of the entitled shareholder's notice to the offering shareholder pursuant to paragraph 4 above. This also applies if the entitled shareholder wishes to purchase only a part of the shares that were offered to him/her. Both parties, i.e. the offering shareholder and the entitled shareholder, are obliged to issue, by the deadline specified in the entitled shareholder's notice pursuant to paragraph 4 above, an instruction



for registration of the transfer of shares in the records of securities, and specify in the instruction all the information required by the applicable laws.

6. If a part of the shares being transferred in the manner under paragraphs 2 to 5 above is not transferred in the first round of the offering procedure, the transferor is obliged to restate the offer in the same manner, but only towards the shareholders who accepted the first offer to the full extent. If all the shares are again not transferred, the transferor may transfer the remaining shares, under the same terms and conditions, to any current shareholder or, under the conditions specified below, to a third party.
7. The Supervisory Board's consent is required for a valid transfer of a share (shares) to a third party. In his/her request for consent to the transfer of shares, the transferor must specify:
  - a) the total number of shares offered for transfer, their specification and total nominal value;
  - b) the nominal value per share, the required price per share and the due date of the price;
  - c) fulfilment of the conditions for exercise of the pre-emptive right by the other shareholders and its result;
  - d) the name and registered office (or the name, birth identification number or date of birth, and place of residence) of the relevant third party;
  - e) an up-to-date extract from the Commercial Register or another register for the third party;
  - f) a brief description of the civil and business activities of the third party if the third party is a natural person.

If the Supervisory Board fails to make a decision on a request for transfer of shares within two months of delivery of the request, it holds that the consent has been granted.

8. The Supervisory Board must refuse its consent to a transfer if:
  - a) the conditions of the other shareholders' pre-emptive right have not been met; or
  - b) the transfer of the shares should take place under different terms and conditions than those specified in the offer to the shareholders; or
  - c) before the date of the Supervisory Board's decision on the request, an enforcement or debt collection procedure or insolvency proceedings have been initiated against the acquiror; a decision has been made on the acquiror's insolvency; bankruptcy has been declared with regard to the acquiror's assets; or a moratorium has been declared prior to a decision on insolvency; or the court has permitted debt relief or reorganisation of the

acquiror; or a decision has been made on the acquiror's dissolution with liquidation.

9. If the Supervisory Board refuses to grant its consent to a transfer of shares for reasons other than those specified in paragraph 8 above, the Company must purchase the relevant shares on the shareholder's request in accordance with Section 272 (3) of the Corporations Act. The right to claim that the Company purchase a share (shares) has to be exercised within one month of the date of receipt by the shareholder of the refusal to grant consent to the transfer of the share, or else it expires.
10. If the conditions laid down for a transfer of shares are not met, the share transfer agreement is ineffective or invalid under the conditions laid down by the law. The provisions on a transfer of shares also apply to a transfer of interim certificates and a transfer of the priority right to subscribe for shares.

### **PART III Increase and Decrease in the Registered Capital**

#### **Art. 7 Increase in the Registered Capital**

1. Decisions on an increase in the registered capital are made by the General Meeting.
2. The Board of Directors may be authorised, by virtue of a resolution of the General Meeting, to increase the registered capital. This authorisation may be granted for no more than 5 years from the date of adoption of the relevant resolution by the General Meeting. An increase in the registered capital may be effected either by a subscription of new shares or from the Company's own resources. An increase in the registered capital may not exceed one third of its amount entered in the Commercial Register as of the date of the Board of Directors' decision.
3. The invitations made and resolutions adopted in connection with an increase in the registered capital must include the requisites laid down by the law.
4. An increase in the registered capital becomes effective on the date of entry of its amount in the Commercial Register.

**Art. 8**  
**Increase by Subscription of New Shares**

1. The registered capital may be increased in this manner if the shareholders have fully paid the issue price of any previously subscribed shares. This limitation does not apply if the issue price of the shares that are to be subscribed will be paid exclusively by contributions in kind.
2. The issue price may be set above the nominal value of a share (a share premium).
3. The Board of Directors must file an application for entry of the resolution on an increase in the registered capital in the Commercial Register without undue delay.
4. Each shareholder has a priority right to subscribe for a part of the new shares that are subscribed to increase the registered capital to the extent of his/her share in the registered capital if the shares are subscribed through pecuniary contributions. This priority right may be excluded or limited only in an important interest of the Company by resolution of the General Meeting.
5. After the date of resolution of the General Meeting on an increase in the registered capital, the priority right may be transferred under Art. 6 hereof.
6. If shares are subscribed through pecuniary contributions, the subscriber has to pay a part of their nominal value specified by the General Meeting, but no less than 30% together with any share premium, by the deadline set by the General Meeting, or else the subscription is ineffective.
7. If the registered capital is increased through contributions in kind, the Board of Directors must provide the General Meeting with a written report, stating the reasons for the increase in the registered capital through contributions in kind, description of the contributions in kind, information on whether the contribution in kind has been evaluated by expert report, the amount of the issue price to be paid up by addition of the contributions in kind and the amount at which the contributions in kind are valued. Contributions in kind must be fully paid up prior to filing an application for entry of the increase in the registered capital in the Commercial Register. The value of a contribution in kind will be determined by an expert report.
8. The subscriber is obliged to pay the issue price of the shares he/she has subscribed by the deadline set by the General Meeting, which may not exceed

1 year from the day of entry of the increase in the registered capital in the Commercial Register.

9. In case of breach of the obligation to pay the issue price of the subscribed shares pursuant to paragraph 8 above, the subscriber is obliged to pay default interest at the rate of 20% p.a. Furthermore, the Board of Directors will apply the procedure pursuant to Sections 345 and 346 (1) of the Corporations Act *vis-à-vis* the subscriber.
10. In case of subscription through pecuniary contributions, the Board of Directors is obliged to file an application for entry of the new amount of the registered capital in the Commercial Register after the subscription of shares to an extent corresponding to the increase in the registered capital and after payment of at least 30 % of their nominal value, together with any share premium, if applicable. In case of subscription through contributions in kind, the Board of Directors is obliged to file an application for entry of the new amount of the registered capital in the Commercial Register after the subscription of shares to an extent corresponding to the increase in the registered capital and after they have been paid for to the full extent.
11. The shares issued in connection with an increase in the registered capital give rise to the right to a dividend from profits generated in the year when the registered capital was increased, for the period from the date of entry of the increased registered capital in the Commercial Register to the end of the relevant calendar year.

#### **Art. 9 Increase from Internal Resources**

1. The General Meeting may decide on an increase in the registered capital following approval of ordinary, extraordinary or interim financial statements audited with an unqualified opinion.
2. The increase may not exceed the difference between the equity capital and the sum of the registered capital and other internal resources that are earmarked for a specific purpose which may not be changed by the Company.
3. The shareholders participate in such an increase in the registered capital *pro rata* according to the respective nominal values of the shares subscribed by them.

4. The increase in the registered capital will be effected either by issuing new shares to the shareholders *pro rata* according to their respective shares in the current registered capital, or by increasing the nominal value of the existing shares.
5. If new shares are to be issued, the Board of Directors will issue an instruction to enter the new shares in the records of securities; the instruction has to be made without undue delay after entry of the increase in the registered capital in the Commercial Register.
6. If the nominal value of the existing shares is to be increased, this increase will be effected by a change in the record on the amount of the nominal value in the records of securities on the basis of a Company's instruction. The Company's instruction must be accompanied by an extract from the Commercial Register proving entry of the amount of the registered capital.
7. Without undue delay after entry of the new amount of the registered capital in the Commercial Register, the Board of Directors will arrange for issue and distribution of new shares or an increase in the nominal value of the existing shares.

**Art. 10**  
**Decrease in the Registered Capital**

1. Decisions on a decrease in the registered capital are made by the General Meeting. A decision on a decrease in the registered capital may only be made after the requirements of the Insurance Act have been fulfilled.
2. The invitations made and resolutions adopted in connection with a decrease in the registered capital must include the requisites laid down by the law.
3. A resolution of the General Meeting on a decrease in the registered capital has to be entered in the Commercial Register.
4. A decrease in the registered capital becomes effective as of the date of its entry in the Commercial Register.

**Art. 11**  
**Manner of Decreasing the Registered Capital**

1. If the nominal value of shares is decreased, this applies *pro rata* to all the shares in the Company. The decrease will be effected by a change in the record on the nominal value of the shares in the records of securities based on a Company's instruction. The Company's instruction must be accompanied by an extract from the Commercial Register proving entry of the decrease in the registered capital in the Commercial Register.
2. A decrease in the registered capital by means of withdrawal of shares from circulation based on drawing lots or an agreement is not permissible.
3. If the procedure under Sections 345 (2) and 346 (1) of the Corporations Act does not apply or if shares are not issued to the person approved by the General Meeting under Section 346 (2) of the Corporations Act, the General Meeting may resolve that the registered capital will be decreased to the extent to which subscribers are in delay in paying up the nominal values of the shares.

**PART IV**  
**Shareholders' Rights**

**Art. 12**  
**Share of Profit and Share of the Liquidation Balance**

1. Shareholders are entitled to a share of profit approved by the General Meeting for distribution based on the economic results of the Company. The General Meeting may decide on distribution of profit among the shareholders if the preconditions laid down by the applicable laws are met and unless the Czech National Bank decides on preferential use of the entire profit in accordance with the Insurance Act.
2. The amount of the share of profit per ordinary share (hereinafter a "dividend") will be based on the ratio of the nominal value of the ordinary share to the aggregate nominal values of all the ordinary shares issued by the Company. The amount of the share of profit per preferred share (hereinafter a "preferred dividend") will be based on the ratio of the nominal value of the preferred share to the aggregate nominal values of all the preferred shares issued by the Company.
3. If preferred shares are issued, the profit for each financial year will be distributed among the holders of preferred and ordinary shares, subject to the conditions



set out in paragraph 1 above, in the following order and based on the following rules:

- a) a preferred dividend in the amount of 4% of the share's nominal value will be allocated to preferred shares;
- b) subsequently, the remaining profit will be distributed in that the holders of ordinary shares will receive a dividend per share up to the amount of the preferred dividend;
- c) unless the General Meeting decides otherwise, the remaining profit will then be distributed among all the shares *pro rata* based on the respective ratio of the nominal value of shares of each kind to the nominal value of shares held by all the shareholders.

A preferred dividend may be paid with respect to preferred shares even if no dividend is paid for ordinary shares.

4. If the amount determined by the General Meeting for distribution is lower than the amount pursuant to paragraph 3 (a) above, a preferred dividend in the amount determined for distribution will be allocated to preferred shares.
5. If the General Meeting decides not to distribute profit at the rate specified in paragraph 3 (a) above, the calculation of the amount of a preferred dividend will be changed in the following financial year in that the share of profit allocated to a preferred dividend in the given year will be increased by the difference between four percentage points of the nominal value of the preferred shares and the preferred dividend actually paid in the preceding financial year.
6. The provisions of paragraph 5 above will apply analogously to calculation of a preferred dividend in the subsequent years, where the modified calculation of a preferred dividend will apply until the preferred dividend paid for each financial year reaches, on average, the amount pursuant to paragraph 3 (a) above.
7. Dividends are due within 3 months of the date of the General Meeting's resolution on distribution of profit unless the General Meeting sets a different due date. Shareholders are obliged to provide the Company on request with information necessary for payment of the dividend.
8. Upon dissolution of the Company with liquidation, each shareholder has the right to a share of the liquidation balance. The shareholder becomes entitled to payment of a share of the liquidation balance on the date when the Company's shares are deregistered from the records of securities on the basis of the liquidator's instruction.

**Art. 13**  
**General Meeting**

1. A shareholder is entitled to participate in and vote at the General Meeting, to request and be provided with explanation of matters concerning the Company that are on the agenda of the General Meeting, and to submit proposals and counterproposals.
2. The Board of Directors has to provide each shareholder who so requests in due time in writing with the necessary information on matters proposed for the agenda of the General Meeting, if possible in a bilingual version (Czech and German), not later than 8 days prior to the General Meeting.
3. The number of votes held by a shareholder is derived from the nominal value of his/her shares. One vote pertains to each CZK 100 of a share's nominal value. In total, there are 43,021,290 votes in the Company, where 21,511,290 votes pertain to ordinary shares and 21,510,000 votes pertain to preferred shares.
4. Each shareholder, as well as each member of the Board of Directors or Supervisory Board or liquidator, may ask a court to declare a resolution of the General Meeting invalid if it is at variance with the law, the Articles of Association or good morals. This right expires if not exercised within 3 months of the date when the applicant learned or could have learned about the resolution of the General Meeting, but not later than within one year of the adoption of the resolution.
5. In such court proceedings, the Company will be represented by persons specified by the law.

**Art. 14**  
**Shareholders with 1% Share in the Registered Capital**

1. A shareholder or shareholders holding shares or interim certificates with an aggregate nominal value attaining at least 1% of the registered capital may request that the Board of Directors convene the General Meeting to discuss matters they propose.
2. The Board of Directors will convene the General Meeting so that it is held not later than 30 days from the date of receipt of the request for convening the General Meeting. The Board of Directors is not authorised to change the proposed agenda. The Board of Directors is authorised to supplement the

proposed agenda only with approval by the persons who requested that the General Meeting be convened pursuant to paragraph 1 above.

3. If the Board of Directors fails to perform the duty under paragraph 2 above, a court will decide, on request of the shareholder or shareholders specified in paragraph 1 above, on authorisation of the shareholder(s) to convene the General Meeting and perform any and all relating acts.
4. The shareholder(s) under paragraph 1 is/are also vested with further rights under the law.

## **PART V Company Bodies**

### **Art. 15 General Meeting**

1. The General Meeting is the supreme body of the Company. The shareholders exercise their rights in matters of the Company at the General Meeting. The right to participate in the General Meeting and exercise all the shareholders' rights is vested in all the shareholders of the Company who were registered as shareholders in the records of securities five days prior to the General Meeting.
2. Members of the Board of Directors, the Supervisory Board and a representative of the insurance supervisory body may also participate in the General Meeting without the right to vote. With consent of the Board of Directors or the Supervisory Board, further persons may also participate in the General Meeting without the right to vote.

### **Art. 16 Convening of the General Meeting**

1. The General Meeting that is to approve ordinary financial statements must always be held by 30 April of the given calendar year. If need be, the General Meeting may be convened at any time.
2. The Board of Directors will convene the General Meeting by a written invitation drawn up, where possible, in a bilingual version (Czech and German) and sent to all the shareholders to the address of their respective registered office or place residence specified in the records of securities at least 30 days prior to the General Meeting. A shareholder may choose that invitations to the General Meeting will be sent to him/her only by electronic means to the e-mail address

specified by the shareholder to the Company by means of a written notice sent to the address of the Company's registered office. In that case, invitations to any subsequent sessions of the General Meeting will be sent to the shareholder only by electronic means to the indicated e-mail address. If a shareholder no longer wishes to receive invitations to the General Meeting only by electronic means at the e-mail address he/she has indicated or if a shareholder wishes to change his/her e-mail address for this purpose, the shareholder has to notify the Company of this fact in writing at the address of its registered office; such a notice becomes effective *vis-à-vis* the Company 60 days after its delivery unless the Company and the shareholder agree otherwise. A shareholder has to ensure that the e-mail address indicated by him/her to the Company for the purposes of sending invitations to the General Meeting corresponds to reality, is correct and fully functional; the Company is not obliged to verify in any way whether the e-mail address indicated by the shareholder is correct and fully functional. At the same time, the Board of Directors will publish the invitation to the General Meeting on the Company's website at least 30 days prior to the date of the General Meeting. The invitation must be displayed on the Company's website until the General Meeting is held. If a shareholder who has received an invitation to the General Meeting transfers his/her shares or a part thereof to a third party at a time until the date decisive for participation in the General Meeting, as specified in Art. 15 (1) of these Articles, and the third party is registered as a shareholder in the records of securities by that decisive date, the transferring shareholder is obliged to notify the acquiror in writing of the venue, date and time of the General Meeting and its agenda. If the transferring shareholder breaches this obligation, the shareholder is liable to the acquiror for any damage incurred by the acquiror as a consequence of being prevented from participating in the General Meeting.

3. An invitation must include at least:
  - a) the business name and registered office of the Company;
  - b) the venue, date and time of the General Meeting;
  - c) specification as to whether an ordinary or substitute General Meeting is being convened;
  - d) the agenda of the General Meeting, including specification of any person nominated to a body of the Company;
  - e) the decisive date for participation in the General Meeting and explanation of its importance for voting at the General Meeting;
  - f) the draft resolution of the General Meeting and its substantiation.
  
4. In other cases, shareholders may meet at any time, at any place and for any reason. A valid resolution is deemed adopted in that case only if all the shareholders are present in person or duly represented and if they waive the notice period and form of delivery of a written invitation, and give consent to the

discussion and adoption of resolutions on matters included in the agenda. Minutes must be drawn up regarding compliance with these conditions and the discussions held at the General Meeting and on the resolutions adopted; the minutes must be signed by all the shareholders present.

5. Where necessary and if urgent, the shareholders may adopt a decision *per rollam* on the basis of a written declaration of all the shareholders to the effect that they agree with the envisaged manner of voting. For this purpose, written manifestations sent by electronic means are also considered to comply with the written form. The decisive date for decision-making per rollam is the fifth day before the date of sending a draft decision to all shareholders. The Board of Directors will send a draft decision to all the shareholders, including the following:
  - a) whether the shareholder agrees with decision-making per rollam;
  - b) the text of the proposed decision and its substantiation;
  - c) the deadline for delivery of the shareholder's statement;
  - d) underlying documents necessary for adopting the resolution.

The deadline pursuant to subparagraph c) above will be set by the Board of Directors in a time period ranging from 5 to 30 days in view of the complexity and significance of the relevant decision. If a shareholder disagrees with decision-making per rollam or if a shareholder fails to deliver his/her consent to the proposed decision within the set deadline, the shareholder will be deemed to disagree with the decision per rollam. The decisive majority for adopting a decision will be calculated from the total number of votes of all the shareholders. The Board of Directors will notify all the shareholders of the result of voting *per rollam* in writing without undue delay after the end of the voting.

### **Art. 17** **Quorum at the General Meeting**

1. The General Meeting has a quorum if shareholders are present who hold shares associated with voting rights totalling an aggregate nominal value exceeding 60% of the Company's registered capital.
2. If a quorum is not present, the Board of Directors will convene a substitute General Meeting so that the substitute General Meeting takes place within six weeks of the date for which the original General Meeting was convened; the agenda will remain unchanged. The substitute General Meeting may make decisions in all matters on the agenda of the originally convened General Meeting, without regard to the provisions of paragraph 1 above.



3. A decision may be made on matters that were not included in the proposed agenda of the General Meeting only in the presence and with consent of all the shareholders of the Company.
4. If all the shareholders agree, the General Meeting may also be held if the requirements of these Articles and the law concerning the manner of convening the General Meeting have not been fulfilled. Such consent must be granted in writing and attached to the minutes of the General Meeting or must be granted at the General Meeting.

**Art. 18**  
**Competence of the General Meeting**

1. The General Meeting makes decisions in all matters laid down by the law or the Articles.
2. The General Meeting may make decisions in matters relating to business management only in cases where consent of the General Meeting is required for the given act. The Board of Directors may request an instruction on business management from the General Meeting.
3. The competence of the General Meeting includes:
  - a) decision-making on amending the Articles of Association unless the amendment follows from an increase in the registered capital by the Board of Directors pursuant to Section 511 of the Corporations Act or from other legal facts;
  - b) decision-making on an increase in the registered capital; this is without prejudice to an authorisation of the Board of Directors pursuant to Section 511 of the Corporations Act;
  - c) granting authorisation to the Board of Directors to increase the registered capital pursuant to Section 511 of the Corporations Act and decision-making on the possibility to set-off a pecuniary receivable from the Company against the claim for payment of the issue price;
  - d) decisions on a decrease in the registered capital and issue of bonds;
  - e) electing and removing members of the Supervisory Board, their substitutes and members of the Audit Committee;
  - f) approving ordinary, extraordinary and consolidated financial statements and, in cases laid down by the law, also of interim financial statements; decision-making on distribution of profits or payment of losses, and setting of bonuses;
  - g) decision-making on remuneration of members of the Supervisory Board and members of the Audit Committee;



- h) decision-making on lodging an application for the admission of participating securities of the Company for trading on a European regulated market or on removal of such securities from trading on a European regulated market;
- i) decision-making on dissolution of the Company with liquidation and on appointing and removing the liquidator, including specification of the amount of the liquidator's remuneration; approval of a final report on the liquidation process and a proposal for distribution of the liquidation balance and decision-making on a merger, transfer of assets to a single shareholder, or a de-merger or a change in the legal form, as appropriate;
- j) decision-making on conclusion of an agreement on transfer or pledge of the enterprise or a part thereof and its usufructuary lease, and decision-making on execution of such an agreement by a controlled entity;
- k) approving agreements on silent partnership and amendments thereto, decision-making on matters related to other capital funds;
- l) approving the Supervisory Board's report on consents granted by the Supervisory Board in the preceding financial year with respect to legal acts between members of the Board of Directors and the Company;
- m) approving the report of the Audit Committee;
- n) discharging members of the Board of Directors, Supervisory Board and Audit Committee;
- o) decision-making on appointing an auditor;
- p) decision-making on other matters entrusted to the competence of the General Meeting by the Corporations Act or the Articles.

### **Art. 19 Decision-making by the General Meeting**

1. Unless decided otherwise by the General Meeting, a shareholder shall vote by the show of hand with voting card specifying the total number of votes allocated to the relevant shareholder pursuant to these Articles.
2. The General Meeting makes decisions by a majority of votes of the shareholders present unless the law or these Articles require a different majority.
3. The General Meeting adopts decisions on matters pursuant to Art. 18 (3)(a), (b), (c), (d) and (i) of these Articles by at least two thirds of the votes of the shareholders present. Where the General Meeting is to make a decision on an increase or decrease in the registered capital, at least two-thirds majority of votes of the shareholders present is also required with respect to each kind of shares issued by the Company or replaced by interim certificates.

4. A decision on a change in the kind or form of shares, on a change in the rights associated with a specific kind of share, on limitation of transferability of registered shares and on removal of participating securities from trading on a European regulated market requires consent of at least three quarters of votes of the shareholders present holding these shares. Consent of at least three quarters of the shareholders present is required for a decision on conclusion of an agreement providing for a transfer or pledge of the enterprise or a part thereof and usufructuary lease of the enterprise pursuant to Art. 18 (3)(j) of these Articles. If the Company has issued several kinds of shares, consent of at least three quarters of the shareholders present with respect of each kind of the shares is also required for a decision of the General Meeting.
5. The General Meeting adopts decisions on exclusion or limitation of the priority right to subscribe for new shares, on an increase in the registered capital by contributions in kind and on distribution of profits or other internal resources to members of the Company's bodies by at least three quarters of votes of the shareholders present. If the Company has issued shares of various kinds, the above decisions also require the approval of shareholders holding each kind of shares whose rights are affected by such a decision; at least three quarters of the votes of the shareholders present are required for voting on the kind of shares.
6. A decision on the facts pursuant to paragraphs 3 to 5 above and on other facts that take effect only upon entry in the Commercial Register has to be certified by a public deed, i.e. a notarial deed.

**Art. 20**  
**Minutes of the General Meeting**

1. The General Meeting elects its chairperson, recorder, two verifiers of the minutes and persons entrusted with counting votes. Until the chairperson is elected, the General Meeting is chaired by a member of the Board of Directors authorised by the Board of Directors to this effect.
2. Minutes have to be drawn up on the course of the General Meeting, including:
  - a) the business name and registered office of the Company;
  - b) the venue and time of the General Meeting;
  - c) the name of the chairperson of the General Meeting, the recorder, the verifiers of the minutes and the persons entrusted with counting votes;
  - d) a description of the debate on the individual items on the agenda of the General Meeting;

- e) decisions made by the General Meeting, specifying the numbers of votes for and against each decision, and the numbers of votes of shareholders who refrained from voting on each decision;
  - f) the contents of an objection raised by a shareholder or a member of the Board of Directors or the Supervisory Board relating to a decision of the General Meeting.
3. Proposals and declarations presented for a debate at the General Meeting and the attendance list have to be attached to the minutes.
  4. The minutes have to be signed by the recorder, the chairperson of the General Meeting and two verifiers.
  5. The Board of Directors has to ensure that the minutes are drawn up within 15 days after the date of conclusion of the General Meeting. The minutes, together with the invitation and the attendance list, must be kept in the Company's archives during the whole term of the Company.
  6. Any shareholder may ask the Board of Directors to issue a copy of the minutes or part thereof in the Czech and/or German language during the whole term of the Company.

#### **Art. 20a Internal Structure**

1. The Company has a two-tier corporate structure, comprising the Board of Directors and the Supervisory Board.

#### **Art. 21 Board of Directors**

1. The Board of Directors is the Company's governing body, which manages the Company, at its own responsibility, as required for the Company's benefit, having regard to the interests of the shareholders and employees, as well as the public interest. In this respect, the Board of Directors is obliged to act in accordance with the laws, the Articles of Association and its rules of procedure.
2. The Board of Directors represents the Company in courts and out of courts. The Board of Directors is obliged, *vis-à-vis* the Company, to comply with the limitations specified by the Articles of Association or by the Supervisory Board with respect to the scope of its authority to act for the Company as well as any

limitations following from resolutions of the General Meeting, Any limitation of the right to act for the Company is ineffective *vis-à-vis* third parties.

3. Members of the Board of Directors are elected and removed by the Supervisory Board. The Board of Directors elects its Chairperson and, if relevant, a Vice-Chairperson from amongst its members. The Supervisory Board may nominate candidates for these positions.

Together with the election of a member of the Board of Directors, the Supervisory Board may elect his/her substitute, who will become a member of the Board of Directors if the substituted member's office in the Board of Directors terminates. The term of office of a substitute ends upon election of a new member of the Supervisory Board replacing the substituted member, but not later than at the time when the original term of office of the substituted member would have ended. A substitute may be elected as a regular member of the Board of Directors.

4. The Vice-Chairperson assumes the tasks of the Chairperson of the Board of Directors in cases where the Chairperson cannot perform these tasks.

5. The Board of Directors of the Company has at least **six** members, where the exact number of members of the Board of Directors will be determined by a decision of the Supervisory Board or a decision per rollam in accordance with the applicable provisions of these Articles of Association. Only a natural person who complies with the general conditions for operating a trade under a special law and with respect to whom there is no obstacle for operation of a trade under the special law, irrespective of the Company's objects of business, may become a member of the Board of Directors, provided that he/she also complies with further conditions for the discharge of office as required by the law.

6. In all cases, two members of the Board of Directors acting jointly are entitled to manifest the Company's will and sign documents for the Company. Analogously, in all cases, only two corporate agents acting jointly are entitled to manifest the Company's will and sign documents for the Company, having regard to the statutory limitations. Any authorisation to independent representation in all acts made in the operation of a business is excluded. If a manifestation of will is being made towards the Company, it is sufficient if such a manifestation is made *vis-à-vis* one member of the Board of Directors.

7. Documents are signed for the Company in that the number of persons required to perform the given act attach their signatures to the printed or otherwise indicated business name of the Company, together with specification of their respective office.

8. The term of office of a member of the Board of Directors is 5 years unless a decision of the Supervisory Board or the relevant agreement on discharge of office specify otherwise. The office of a member of the Board of Directors expires upon election of a new member of the Board of Directors to replace him/her, but not later than 3 months from the end of his/her term of office.
9. Each member of the Board of Directors may resign from his/her office. If the resigning member of the Board of Directors announces his/her resignation at a meeting of the Supervisory Board, he/she may ask the Supervisory Board to approve that the resignation will take effect immediately or on some other specific future date. If the Supervisory Board approves the effective date of the resignation proposed by the resigning member of the Board of Directors, his/her office expires as at the relevant date. If the Supervisory Board does not approve the effective date of the resignation proposed by the resigning member of the Board of Directors, his/her office expires two months after the relevant announcement. If the member of the Board of Directors does not announce his/her resignation at a meeting of the Supervisory Board, he/she must notify the Supervisory Board of his/her resignation in writing. It is sufficient for these purposes if the notice is given to the Chairperson of the Supervisory Board. The Company's mailing address is the address of its registered office. Even in his/her written notice of resignation, a member of the Board of Directors may ask the Supervisory Board to approve that the resignation will take effect on some specific future date. If the Supervisory Board approves the effective date of the resignation proposed by the resigning member of the Board of Directors, his/her office expires as at the relevant date. If the Supervisory Board does not approve the effective date of the resignation proposed by the resigning member of the Board of Directors, his/her office expires on the date when the Supervisory Board discussed or should have discussed the resignation; the Supervisory Board may discuss a written notice of resignation not only at its meeting, but also by means of a written resolution adopted *per rollam* under Art. 28 (3) of these Articles.
10. The Supervisory Board may remove a member of the Board of Directors at any time based on proposal of the General Meeting or the Chairperson of the Supervisory Board. A simple majority of the votes cast by members of the Supervisory Board is required for electing and removing individual members of the Board of Directors. In case of equality of votes, the Chairperson of the Supervisory Board has the casting vote.
11. If a position on the Board of Directors becomes vacant for any reason, the Supervisory Board must elect a new member of the Board of Directors within two months unless a substitute member had assumed the position in the sense of paragraph 3 above. If a position on the Board of Directors becomes vacant



before expiry of the former member's term of office, the new member is elected only for the remainder of the term of office of the former member whose position became vacant. It is expressly stipulated that the Board of Directors may not elect its own members.

12. More detailed conditions concerning, in particular, convening and meetings of the Board of Directors shall be stipulated in the rules of procedure. The rules of procedure of the Board of Directors, including any amendments thereto, require consent of the Supervisory Board.

## **Art. 22 Competence of the Board of Directors**

1. The Board of Directors, as a collective body headed by its Chairperson, manages the Company's operations within the framework of the law, the Articles of Association and the rules of procedure of the Supervisory Board and of the Board of Directors.
2. The competence of the Board of Directors includes, in particular:
  - a) convening sessions of the General Meeting and preparation of their agenda;
  - b) preparing the following documents for the preceding financial year and their presentation to members of the Supervisory Board for review after they have been audited:
    - ordinary, extraordinary, consolidated and, if applicable, interim financial statements and a proposal for distribution of profits or payment of losses;
    - annual report;
    - report on financial and business policies;
    - report on the relationships between the controlled entity and the controlling entity and on the relationships between the controlled entity and other entities controlled by the same controlling entity.

This is without prejudice to the obligation to submit reports and other documents to the Supervisory Board under the rules of procedure of the Board of Directors;
  - c) informing the Supervisory Board, at least once a year, about substantial matters relating to the Company's future business policy, future development of the state of assets and financial and revenue situation on the basis of projections (the annual report);
  - d) informing the Supervisory Board, regularly, at least once each quarter, about the course of the business activities and the situation of the Company



- as compared to projections, having regard to future development (the quarterly report);
- e) informing the Chairperson of the Supervisory Board about substantial facts without delay;
  - f) informing the Supervisory Board about any and all circumstances crucial with regard to profitability and liquidity of the Company without delay (a special report);
  - g) together with the invitation to the General Meeting that has approval of the financial statements on its agenda, presenting the shareholders with audited financial statements, a proposal for distribution of profits and payment of losses, and an annual report;
  - h) arranging for proper bookkeeping and internal control system;
  - i) appointing corporate agents with consent of the Supervisory Board;
  - j) removing corporate agents.
3. The reports under subparagraphs c) and d) must be made in writing and, on request of the Supervisory Board, accompanied by oral explanation. This information must be provided to each member of the Supervisory Board. Special reports under subparagraph f) above have to be submitted in writing or orally. Written reports have to be drawn up, where possible, in a bilingual version (Czech and German) or in some other language as agreed by members of the Supervisory Board.

### **Art. 23** **Decision-Making by the Board of Directors**

1. A meeting of the Board of Directors has a quorum if a majority of its members are present, including the Chairperson or Vice-Chairperson of the Board of Directors or a member of the Board of Directors authorised to chair over the meeting of the Board of Directors.
2. Should a resolution of the Board of Directors concern a certain area of competence, the member of the Board of Directors responsible for the relevant area must also be present, as a rule. If this member of the Board of Directors is not present at the meeting, the item on the agenda relating to his/her area of competence has to be adjourned to the next regular meeting of the Board of Directors. If this member of the Board of Directors is not present even at the next meeting, members of the Board of Directors may adopt the resolution even in his/her absence. However, notwithstanding the above, any member of the Board of Directors may (even in the cases specified above) authorise, on a case-by-case basis, another member of the Board of Directors to vote for him/her in his/her absence at the meeting. A member of the Board of Directors may also

waive his/her right to be present to the debate on an item on the agenda pertaining to his/her area of competence; the waiver has to be done in advance in writing. In that case, the members of the Board of Directors may adopt a resolution without the member's presence without the need to adjourn the relevant item on the agenda to the next regular meeting of the Board of Directors.

3. Where necessary and if urgent, the Chairperson or Vice-Chairperson may issue a resolution *per rollam* on the basis of a written declaration made by all members of the Board of Directors whereby they expressed their consent to the envisaged manner of voting. For this purpose, manifestations sent by electronic means are also considered to comply with the written form. A resolution *per rollam* must be recorded in the minutes of the next meeting of the Board of Directors.  
If all the members of the Board of Directors agree, any of them, and also all the members of the Board of Directors, as appropriate, may participate in a meeting of the Board of Directors and vote by telephone or via some other communication system allowing all the persons participating in the meeting to hear each other. A person participating in the meeting and voting in this manner is considered present at the meeting and has the right to vote.
4. The Board of Directors adopts its resolutions by a simple majority of votes of its members present. In case of equality of votes, the person who chairs the meeting has the casting vote.

#### **Art. 24** **Liability of the Board of Directors**

1. Members of the Board of Directors are required to perform their duties with the necessary loyalty, knowledge and care, and maintain confidentiality of confidential information and facts where disclosure to third parties could cause damage to the Company.
2. Members of the Board of Directors who cause damage to the Company by breach of the legal duties when performing the competence of the Board of Directors are liable for such damage jointly and severally.
3. Members of the Board of Directors are liable for damage caused to the Company by following an instruction of the General Meeting only if the instruction of the General Meeting is at variance with the law or the Articles of Association.

**Art. 25**  
**Ban on Competition, Secondary Activities**

1. A member of the Board of Directors may not:
  - a) operate a business with the same or similar objects of business as the objects of the Company, not even for the benefit of other persons, or arrange or procure the Company's business for others, or enter into business relationships with the Company;
  - b) participate in the business activities of some other corporation as an unlimited partner or as the controlling entity of some other entity with the same or similar objects of business;
  - c) be a member of the governing body of another legal entity with the same or similar objects of business or an entity in a similar position, unless a corporate group is involved.
  
2. In case of breach of the ban of competition, the Company may request that the member of the Board of Directors concerned surrender any benefit from the transaction in which he/she breached the ban on competition or transfer the corresponding rights to the Company. This is without prejudice to the right to claim damages.
  
3. The rights under paragraph 2 above expire if not enforced against the member of the Board of Directors concerned within 3 months of the date when the Company became aware of this fact, but not later than within 1 year of the breach. This is without prejudice to the right to claim damages.
  
4. Members of the Board of Directors may not perform any secondary activities for consideration, especially operate a business under the Trade Licensing Act, without consent of the Supervisory Board. This also applies to secondary activities relating to the Company's objects of business if they are performed without consideration. It is sufficient to notify the Supervisory Board of any secondary activities performed without consideration that are not directly related to the Company's objects of business.

**Art. 25a**  
**Advisory Councils**

1. The Company's Board of Directors may establish Advisory Councils with a view to providing consultancy in individual professional areas of its activities.
  
2. Each Advisory Council may have no more than 20 members appointed by the Board of Directors.

3. Meetings of the relevant Advisory Council will be convened by the Board of Directors as required.
4. Members of an Advisory Council are entitled to remuneration for the performance of their duties as determined by the Board of Directors.

### **Art. 26 Supervisory Board**

1. The Supervisory Board supervises the Company's business. The Supervisory Board is a control body that supervises the performance of the competence by the Board of Directors and the business activities of the Company.
2. The Supervisory Board shall have at least twelve members, where the number of members of the Supervisory Board must be divisible by three. The exact number of members of the Supervisory Board shall be determined by a decision of the General Meeting or a decision *per rollam* in accordance with the applicable provisions of these Articles of Association. Only a natural person who complies with the general conditions for operating a trade under a special law and with respect to whom there is no obstacle for operation of a trade under the special law, irrespective of the Company's objects of business, may become a member of the Supervisory Board, provided that he/she also complies with further conditions for the discharge of office as required by the law.
3. Members of the Supervisory Board are elected by the General Meeting unless stated hereafter otherwise. Members of the Supervisory Board may be re-elected. If the Company has more than five hundred employees in an employment relationship on the first day of the accounting period in which members of the Supervisory Board are to be appointed, one third of the members of the Supervisory Board will be elected by the Company's employees. Together with the election of a member of the Supervisory Board, the General Meeting may elect his/her substitute, who will become a member of the Supervisory Board in case of termination of the office of the substituted member of the Supervisory Board. The term of office of a substitute terminates upon election of a new member of the Supervisory Board replacing the substituted member, but not later than at the time when the original term of office of the substituted member would have ended. A substitute may be elected as a regular member of the Supervisory Board.
4. The term of office of all members of the Supervisory Board is 5 years unless a decision of the General Meeting or the agreement on discharge of office

stipulates otherwise, or unless some other term of office follows from an internal regulation providing for election of members of the Supervisory Board for employees. The office of a member of the Supervisory Board terminates upon election of a new member of the Supervisory Board, but not later than 3 months from the end of his/her term of office.

5. The Supervisory Board elects its Chairperson and one, two or three Vice-Chairpersons from amongst its members. The election is repeated whenever the office of Chairperson or Vice-Chairperson becomes vacant.
6. A Vice-Chairperson assumes the tasks of the Chairperson of the Supervisory Board in cases where the Chairperson cannot perform these tasks.
7. The Chairperson or Vice-Chairperson acts for the Supervisory Board *vis-à-vis* third persons.
8. A member of the Supervisory Board may resign. The body competent to discuss the resignation is the Supervisory Board. If the resigning member of the Supervisory Board announces his/her resignation at a meeting of the Supervisory Board, he/she may ask the Supervisory Board to approve that the resignation will take effect immediately or on some other specific future date. If the Supervisory Board approves the effective date of the resignation proposed by the resigning member of the Supervisory Board, his/her office expires as at the relevant date. If the Supervisory Board does not approve the effective date of the resignation proposed by the resigning member of the Supervisory Board, his/her office expires two months after the relevant announcement. If the member of the Supervisory Board does not announce his/her resignation at a meeting of the Supervisory Board, he/she must notify the Supervisory Board of his/her resignation in writing. It is sufficient for these purposes if the notice is given to the Chairperson of the Supervisory Board. The Company's mailing address is the address of its registered office. Even in his/her written notice of resignation, a member of the Supervisory Board may ask the Supervisory Board to approve that the resignation will take effect on some specific future date. If the Supervisory Board approves the effective date of the resignation proposed by the resigning member of the Supervisory Board, his/her office expires as at the relevant date. If the Supervisory Board does not approve the effective date of the resignation proposed by the resigning member of the Supervisory Board, his/her office expires on the date when the Supervisory Board discussed or should have discussed the resignation; the Supervisory Board may discuss a written notice of resignation not only at its meeting, but also by means of a written resolution adopted *per rollam* under Art. 28 (3) of these Articles.



9. The General Meeting may remove a member of the Supervisory Board also before expiry of his/her term of office, even without stating a reason. This resolution of the General Meeting must be adopted by at least 2/3 of votes of the shareholders present.
10. If a position on the Supervisory Board becomes vacant for any reason, the General Meeting must elect a new member of the Supervisory Board within two months unless a substitute member has assumed the position in the sense of paragraph 3 above. If a position on the Supervisory Board becomes vacant before expiry of the former member's term of office, the new member is elected, or the substitute assumes the position, as appropriate, only for the remainder of the term of office of the former member whose position became vacant.
11. Unless the number of members of the Supervisory Board elected by the General Meeting (including any substitute members who have replaced the substituted members of the Supervisory Board) has decreased below one half, the Supervisory Board may appoint substitute members until the next session of the General Meeting.
12. Detailed conditions relating, in particular, to convening the Supervisory Board and its meetings will be laid down in the rules of procedure.

#### **Art. 27** **Competence of the Supervisory Board**

1. The Supervisory Board supervises business management of the Company.
2. The Supervisory Board may request, at any time, that the Board of Directors provide it with information on matters of the Company, including its relations to companies belonging to the same corporate group.
3. The Supervisory Board may inspect and check all accounting and other documents relating to the Company's activities and proprietary values, namely the treasury and information on the state of securities and goods. The Supervisory Board may delegate this activity to the individual members and appoint special experts to perform certain tasks. The Supervisory Board may, in particular, check whether the accounting records are kept properly and in accordance with reality, and whether the Company's business activities are being performed in accordance with the law, the Articles of Association and instructions of the General Meeting.
4. Prior consent of the Supervisory Board is required for the following acts:



- a) acquisition and disposal of interests as well as acquisition and disposal of businesses and suspending their activity;
- b) acquisition and disposal of real estate, and encumbering real estate;
- c) establishment and closing of branches;
- d) investments exceeding, individually or in aggregate during one financial year, certain acquisition costs;
- e) acceptance of bonds, loans and credits, as well as the provision of guarantee for bonds, loans and credits, that exceed a certain amount in individual cases and in aggregate during one financial year;
- f) provision of loans and credits outside the usual operation of a business;
- g) use of derivative financial instruments;
- h) commencement and termination of business activities in individual areas of business;
- i) specification of the general principles of business policy;
- j) specification of the principles for distribution of shares of profit or turnover, and supplementary pension insurance for senior employees, and security in old age for other employees;
- k) assumption of offices in corporate bodies outside the group (as a member of the supervisory board, member of the board of directors or executive director), as well as performance of secondary activities for consideration by members of the Board of Directors, establishment of corporate agency and conclusion of agreements with corporate agents;
- l) provision of options for the Company's shares to employees and senior employees of the Company and any company belonging to the same corporate group as the Company, as well as members of the boards of directors and supervisory boards of companies in the corporate group;
- m) conclusion of agreements with members of the Supervisory Board who thus assume, beyond the scope of their activities in the Supervisory Board, obligations towards the Company or any of its subsidiaries to perform work for more than a negligible remuneration. This also applies to agreements with companies in which a member of the Supervisory Board has a considerable economic interest;
- n) recruitment to a senior position in the company auditing the consolidated financial statements, an auditor of a significant company in the corporate group or an auditor who has signed the relevant opinion, as well as a person working for the auditor who held a decisive senior position in an audit, for a period of two years after signing the auditor's opinion;
- o) composition of bodies of fully consolidated subsidiaries;
- p) legal acts between members of the Board of Directors and the Company;
- q) proposal to the General Meeting for setting the issue price for a subscription of new shares;
- r) decision-making of the Board of Directors on an increase in the registered capital under Section 511 of the Corporations Act;

- s) presentation of documents to the General Meeting, including, in particular, ordinary, extraordinary, consolidated and interim financial statements, annual reports, and also any reports on the relationships between the controlled entity and the controlling entity and on the relationships between the controlled entity and other entities controlled by the same controlling entity;
  - t) proposal to the General Meeting for use of a balance of the net profits;
  - u) proposal to the General Meeting for payment of losses reported in the balance sheet;
  - v) other acts if required by the Articles of Association or the law.
5. In addition, prior consent of the Supervisory Board is required for the following matters:
    - a) the annual plan including insurance, costs and revenues plan;
    - b) the financial plan, including strategic asset allocation;
    - c) the annual asset development plan.
  6. The Supervisory Board may set thresholds for the acts pursuant to paragraph 4 (a) and (b) above. The Supervisory Board must set thresholds for the acts pursuant to paragraph 4 (d), (e) and (f) above. If no thresholds are set, prior consent of the Supervisory Board is required for all the acts specified in the relevant provisions.
  7. The Supervisory Board may decide that certain other acts also require its consent.
  8. The Supervisory Board reviews the ordinary, extraordinary, consolidated and, if appropriate, interim financial statements, the proposal for the distribution of profits and payment of losses, annual reports, and also any report on the relationships between the controlled entity and the controlling entity and on the relationships between the controlled entity and other entities controlled by the same controlling entity, and presents a report on the above to the General Meeting. The Supervisory Board will state, in its report, in what way and to what extent it has reviewed management of the Company's business during the financial year and whether the final results of the review form grounds for substantial objections.
  9. The Supervisory Board convenes the General Meeting whenever this is required by the interests of the Company. Art. 16 of these Articles applies analogously to the manner of convening the General Meeting.
  10. Members of the Supervisory Board may not delegate their duties to anyone outside the board. However, this does not prevent a member of the Supervisory

Board from authorising, on a case-by-case basis, another member of the Supervisory Board to vote instead of him/her in his/her absence at the meeting. The right to chair a meeting may not be delegated.

11. The Supervisory Board is authorised to litigate for the Company against a member of the Board of Directors.
12. The Supervisory Board adopts its rules of procedure. The Supervisory Board may establish one or more committees composed of its members, specifically with a view to preparing its meetings and decision-making or for supervision over the implementation of its resolutions (in particular, a working committee and a committee for the matters of the Board of Directors), and delegate certain authorities to such committees and their individual members. The authority to grant consent to acts and measures which otherwise require consent of the Supervisory Board under the Articles of Association or the rules of procedure for the Board of Directors may also be delegated to such a committee especially if the matter is so urgent that it cannot wait until the next meeting of the Board of Directors. A committee for the matters of the Board of Directors is authorised, in particular, but without limitation, to approve agreements on discharge of office with members of the Board of Directors and to deal with any other issues regarding remuneration of members of the Board of Directors.
13. Art. 24 and 25 of these Articles apply analogously to liability and ban on competition for members of the Supervisory Board.

### **Art. 28** **Decision-Making by the Supervisory Board**

1. The Supervisory Board has a quorum if a majority of its members are present, including the Chairperson or a Vice-Chairperson of the Supervisory Board.
2. The Supervisory Board adopts its resolutions by a simple majority of votes of its members present. In case of equality of votes, the Chairperson, or the Vice-Chairperson, has the casting vote. Any members personally affected by the subject of the resolution to be adopted must refrain from voting.
3. Where necessary and if urgent, the Chairperson or Vice-Chairperson may issue a resolution *per rollam* on the basis of a written declaration made by all members of the Supervisory Board whereby they expressed their consent to the envisaged manner of voting. For this purpose, manifestations sent by electronic means are also considered to comply with the written form. A resolution *per rollam* must be recorded in the minutes of the next meeting of the Supervisory Board.

4. If all the members of the Supervisory Board agree, any of them, and also all the members of the Supervisory Board, as appropriate, may participate in a meeting of the Supervisory Board and vote by telephone or via some other communication system allowing all the persons participating in the meeting to hear each other. A person participating in the meeting and voting in this manner is considered present at the meeting and has the right to vote.

**Art. 28a**  
**Audit Committee**

1. The Audit Committee is a body of the Company, which, in particular:
  - a) monitors the process of compilation of the financial statements and consolidated financial statements;
  - b) assesses the efficiency of the Company's internal control, internal audit and, where appropriate, risk management systems;
  - c) monitors the process of mandatory audit of the financial statements and consolidated financial statements;
  - d) to assess the independence of the statutory auditor and audit firm, and especially the provision of non-audit services to the Company by the statutory auditor and audit firm;
  - e) recommends an auditor;
  - f) presents a report on its activities to the General Meeting.
2. The competence of the Audit Committee is without prejudice to the competences and responsibilities of other bodies of the Company under the law and these Articles.
3. The Audit Committee may request information on the Company's matters from the Board of Directors or the Supervisory Board at any time.
4. The Audit Committee has at least three members, where the exact number of members of the Audit Committee shall be determined by a decision of the General Meeting or a decision *per rollam* in accordance with the applicable provisions of these Articles of Association.
5. Only a natural person who complies with the general conditions for operating a trade under a special law and with respect to whom there is no obstacle for operation of a trade under the special law, irrespective of the Company's objects of business, may be a member of the Audit Committee.
6. A majority of members of the Audit Committee must be independent and professionally qualified. Members of the Audit Committee may be appointed

from among non-executive members of the Company's Supervisory Board or third parties. A member of the Audit Committee may not simultaneously be a member of the Board of Directors, corporate agent or employee of the Company.

7. Members of the Audit Committee are appointed by the General Meeting. Members of the Audit Committee may be re-appointed.
8. The term of office of all members of the Audit Committee is 5 years unless a decision of the General Meeting stipulates otherwise. The office of a member of the Audit Committee terminates upon appointment of a new member of the Audit Committee to replace him/her, but not later than 3 months from the end of his/her term of office.
9. The Audit Committee elects a Chairperson and one or more Vice-Chairpersons from among its members. The election is repeated whenever the office of Chairperson or Vice-Chairperson becomes vacant.
10. The Vice-Chairperson assumes the tasks of the Chairperson of the Audit Committee in cases where the Chairperson cannot perform these tasks.
11. A member of the Audit Committee may resign in accordance with the Corporations Act. The provisions on resignation under Art. 26 (8) of these Articles apply analogously.
12. The General Meeting may remove a member of the Audit Committee also before expiry of his/her term of office, even without stating a reason.
13. If the office of member of the Audit Committee becomes vacant for any reason whatsoever and the number of members of the Audit Committee thus drops below 3 (three), the General Meeting must appoint a new member of the Audit Committee at its next session.
14. The Audit Committee adopts its rules of procedure. If no rules of procedure exist, the Supervisory Board's rules of procedure also apply – if permitted by the law – to the Audit Committee.
15. Detailed conditions relating, in particular, to convening the Audit Committee and its meetings will be laid down in the rules of procedure under Art. 28a (14) of these Articles.
16. The members of the Audit Committee may not delegate their duties to any other person. The members of the Audit Committee therefore may not be represented by other persons.



17. Art. 24 and 25 of these Articles apply analogously to liability and ban on competition for the members of the Audit Committee.

**Art. 28b**  
**Decision-making by the Audit Committee**

1. The Audit Committee shall have a quorum if a majority of its members are present, including the Chairman of the Audit Committee or a Vice-Chairman.
2. The Audit Committee adopts its resolutions by a simple majority of votes of the members present. In case of equality of votes, the Chairperson, or the Vice-Chairperson, has the casting vote. Any members personally affected by the subject of the resolution to be adopted must refrain from voting.
3. Where necessary and if urgent, the Chairperson or Vice-Chairperson may issue a resolution *per rollam* on the basis of a written declaration made by all members of the Audit Committee whereby they expressed their consent to the envisaged manner of voting. For this purpose, manifestations sent by electronic means are also considered to comply with the written form. A resolution *per rollam* must be recorded in the minutes of the next meeting of the Audit Committee.
4. If all the members of the Audit Committee agree, any of them, and also all the members of the Audit Committee, as appropriate, may participate in a meeting of the Audit Committee and vote by telephone or via some other communication system allowing all the persons participating in the meeting to hear each other. A person participating in the meeting and voting in this manner is considered present at the meeting and has the right to vote.

**Art. 29**  
**Election of the Board of Directors and Remuneration for Members of the Board of Directors**

1. The Supervisory Board elects and removes members of the Board of Directors and their substitutes. The Supervisory Board may nominate candidates for the positions of Chairperson and Vice-Chairperson of the Board of Directors.
2. The Supervisory Board elects and removes members of the Board of Directors in that the proposal for election or removal is submitted by the member of the Supervisory Board authorised to this effect by the General Meeting or, if there is no such authorised member, by the Chairperson of the Supervisory Board. In other aspects, convening and meetings of the Supervisory Board in election and



removal of members of the Board of Directors are governed by the rules of procedure of the Supervisory Board.

3. The provisions of Art. 28 of these Articles apply with regard to the quorum and decision-making of the Supervisory Board in election and removal of members of the Board of Directors.
4. The Supervisory Board's committee for the matters of the Board Directors decides on remuneration and other performances for the benefit of members of the Board of Directors in accordance with the law.

### **Art. 30**

#### **Procedure in supplementing and Amending the Articles of Association**

1. If the agenda of the General Meeting includes supplementation or modification of the Articles of Association, the invitation to the General Meeting must include the draft resolution on amendment to the Articles of Association, a concise and clear description of and the reasons for the proposed changes.
2. The Board of Directors will publish the entire wording of the draft amendment to the Articles of Association along with the invitation to the General Meeting on the Company's website. The Company will enable every shareholder to inspect at its registered office, free of charge, the bilingual (Czech and German) draft modifications and supplements to the Articles of Association during the period set out in the invitation to the General Meeting. The Company shall advise the shareholders of this right in the invitation to the General Meeting.
3. A decision of the General Meeting on modification and supplementation of the Articles of Association has to be certified by a public deed. The Board of Directors is obliged to provide for the presence of a notary at the General Meeting that is to decide on modifying or supplementing the Articles of Association; the notary will draw up a public deed of such a decision.
4. If the facts entered in the Commercial Register based on the law change due to the supplementation or modification of the Articles of Association, the Board of Directors has to file an application for entry of the change in the Commercial Register without undue delay.

**PART VI**  
**Economic Management of the Company**

**Art. 31**  
**Ordinary Financial Statements**

1. The Board of Directors presents to the General Meeting for approval, after having obtained prior consent of the Supervisory Board, the following documents for the preceding accounting period corresponding to a calendar year, in particular:
  - a) the audited financial statements with a proposal for distribution of profits or payment of losses, as appropriate;
  - b) the Company's annual report;
  - c) the report on the relationships between the controlled entity and the controlling entity and on the relationships between the controlled entity and other entities controlled by the same controlling entity, if appropriate.
  
2. The Board of Directors sends the underlying documents pursuant to paragraph 1 above in a bilingual version (Czech and German) to shareholders holding registered shares at least 30 days prior to the General Meeting where these documents are to be discussed.

**Art. 32**  
**Distribution of Profits**

1. Profits generated by the Company are to be used preferentially for payment of the obligatory taxes and fees.
  
2. The General Meeting decides on distribution of the balance of the net profits on proposal of the Board of Directors approved by the Supervisory Board, having regard to sufficient creation of provisions and the planned business development of the Company.
  
3. If net profits follow from the balance sheet of the Company, the General Meeting decides on the following, in particular:
  - a) on the amount of the net profits to be distributed among the shareholders;
  - b) on allocation for financing the Company's social programme;
  - c) on the amount of bonuses for the members of the Board of Directors and Supervisory Board;
  - d) on other contributions from net profits, or on the fact that the balance of the net profits will not be distributed.

**Art. 33**  
**Payment of Losses**

1. The General Meeting decides on payment of losses reported in the balance sheet of the Company on proposal of the Board of Directors approved by the Supervisory Board.
2. In this respect, the Board of Directors follows, in particular, from the following order of the methods of payment of losses generated by the Company:
  - a) from retained earnings from preceding accounting periods;
  - b) by a decrease in the registered capital.

**PART VII**

**Art. 34**  
**Company's Website**

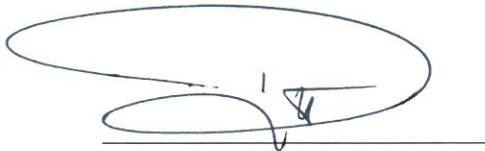
1. Invitations to the General Meeting, as well as further information required by the law, are published by the Company on its website at: [www.koop.cz](http://www.koop.cz).
2. The Board of Directors may decide to change the address of the Company's website at any time, where such a change will enter into effect on the 15<sup>th</sup> (fifteenth) day after (i) the relevant decision on the change of the website address is sent to all the shareholders in the manner set for sending invitations to the General Meeting of the Company; and (ii) publication of this decision at the current address of the Company's website.
3. The Board of Directors may decide to restrict public accessibility of information and data within the meaning of paragraph 1 above on the website (in particular, as regards data, information and underlying documents containing business secrets of the Company and/or data, information and underlying documents which the Company bodies, shareholders or other persons are obliged to maintain confidential or secret under the law) so that only the Company's shareholders will have access to the specified information and underlying documents on the website after they enter a username and password provided to them free of charge; other persons will be provided with login details for accessing this information or data only in justified cases based on a special decision of the Board of Directors.

## PART VIII

### Art. 35 Final Provisions

The above wording of the Articles of Association represents an up-to-date consolidated version of the Articles of Association of the Company as of **15 December 2023**. The consolidated version of the Articles of Association was drawn up by the Board of Directors in accordance with Section 433 of Act No. 90/2012 Coll., the Corporations Act, as amended.

Correctness guaranteed by:



Ing. Martin Diviš, MBA,  
Chairman of the Board  
of Directors



Mgr. Martin Laur  
Member of the Board of  
Directors