



HRVATSKA BANKA ZA OBNOVU I RAZVITAK

**BY-LAWS
OF HRVATSKA BANKA ZA OBNOVU I RAZVITAK**

March 2024

Overview of the document versions

No.	Version	Description	Date	Owner/Author of amendment
1.	1.0	By-laws of Hrvatska banka za obnovu i razvitak	21.3.2007	Supervisory Board/Management Board
2.	1.1	Changes and amendments to the By-laws of Hrvatska banka za obnovu i razvitak	22.8.2012	Supervisory Board/Management Board
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Pursuant to Article 19 of the Act on Hrvatska banka za obnovu i razvitak, the Supervisory Board of Hrvatska banka za obnovu i razvitak passed on its 4th meeting held on 1 March 2024 the

BY-LAWS OF HRVATSKA BANKA ZA OBNOVU I RAZVITAK

Subject matter of regulation

Article 1

The By-laws of Hrvatska banka za obnovu i razvitak (hereinafter: the By-laws) define in more details the manner of work, operations and internal organisation of Hrvatska banka za obnovu i razvitak (hereinafter: HBOR).

Status and legal personality of HBOR

Article 2

(1) The Act on Hrvatska banka za obnovu i razvitak (hereinafter: the Act) defines the position, activities, ownership, powers and organisation of HBOR as a special financial institution.

(2) HBOR is the development and export bank of the Republic of Croatia.

(3) HBOR is a legal person established by a special law and shall not be entered into the Register of Companies.

Corporate name

Article 3

(1) HBOR operates under the corporate name »Hrvatska banka za obnovu i razvitak« and under the abbreviated corporate name »HBOR«.

(2) In its foreign transactions Hrvatska banka za obnovu i razvitak may use its corporate name in English, »Croatian Bank for Reconstruction and Development«.

Registered office and business address

Article 4

(1) The registered office of HBOR is in Zagreb.

(2) The decision on business address of HBOR shall be made by the Management Board.

Business activities and manner of conduct

Article 5

(1) HBOR carries out basic and additional financial services in the Republic of Croatia and abroad and makes investments in the Croatian economy. HBOR also issues guarantees for exports covering non-market risks.

(2) The main activities of HBOR shall be:

1. financing the reconstruction and development of the Croatian economy;
2. financing infrastructure;
3. promoting exports;
4. supporting the development of small and medium-sized enterprises;
5. promoting environmental protection;
6. insuring the exports of Croatian goods and services against non-market risks.

(3) In order to conduct the activities referred to in paragraph (2) of this Article, HBOR shall:

1. approve loans and other placements;
2. issue bank and other guarantees;
3. conclude insurance and re-insurance contracts;
4. invest into debt and equity securities;
5. perform other financial transactions and services aimed at conducting the activities set out in this Article.

(4) The Government of the Republic of Croatia may entrust HBOR with other financial transactions if considered to be of interest to the Republic of Croatia.

(5) The activities referred to in sub-paragraph 6 of paragraph (2) and the transactions referred to in subparagraph 3 of paragraph (3) shall be conducted by HBOR for and on behalf of the Republic of Croatia pursuant to special legislation.

(6) HBOR conducts its activities directly and indirectly through banks and other legal entities.

Capital

Article 6

(1) The capital of HBOR amounts to EUR 929,059,658.90, and shall be paid up by the Republic of Croatia from the State Budget.

(2) The schedule of payments of the capital of HBOR shall be determined by the State Budget for each year.

Authorisations in legal transactions and liability for obligations

Article 7

(1) HBOR can operate in its own name and for its own account, in its own name and for the account of another party and in the name and for the account of another party.

(2) HBOR has unlimited authorisation in legal transactions with third parties. The liability of HBOR for its obligations extends to all of its assets.

(3) The Republic of Croatia guarantees for the obligations of HBOR unconditionally, irrevocably and at first demand, without issuing a separate guarantee instrument. The liability of the Republic of Croatia as the guarantor for the obligations of HBOR is joint and several and unlimited.

Duration and dissolution

Article 8

- (1) HBOR is a legal entity established by a special law by the Republic of Croatia for an indefinite period of time and may cease to operate only by the provisions of a special law.
- (2) HBOR may not be subject to bankruptcy or liquidation proceedings.

Financial operations and taxation

Article 9

- (1) HBOR does not operate with the objective of achieving profit.
- (2) Annual profits shall be allocated to the reserves of HBOR.
- (3) HBOR is exempt from profit tax.

Bodies of HBOR

Article 10

The bodies of HBOR are the Management Board and the Supervisory Board.

The Management Board

Article 11

- (1) The Management Board consists of three members, one of whom is the President of the Management Board. The President of the Management Board and the members of the Management Board shall be appointed and dismissed by the Supervisory Board.
- (2) The President and the members of the Management Board shall be appointed for a five-year term of office and may be reappointed thereafter.
- (3) A person may be appointed President or member of the Management Board pursuant to regulations.

Cessation of the term of office

Article 12

- (1) The term of office of a member of the Management Board shall end by the expiry of the term of office, dismissal by the Supervisory Board, resignation of a member of the Management Board, retirement or death.
- (2) The President of the Management Board and members of the Management Board shall submit their resignation to the Supervisory Board in writing.
- (3) Should any legal hindrance to the performance of duty arise for a member of the Management Board, the President of the Management Board shall urgently summon a meeting of the Supervisory Board at which the dismissal of such member of the Management Board and simultaneously the appointment of a new member of the Management Board shall be proposed to the Supervisory Board.
- (4) Should the term of office of a member of the Management Board terminate by retirement or death of a member of the Management Board, the President of the Management Board shall urgently request that a meeting of the Supervisory Board be convened, at which he/she shall propose that the termination of the term of office of such member of the Management Board be established, and shall simultaneously propose to the Supervisory Board to appoint a new member of the Management Board.
- (5) Should the circumstances referred to in paragraphs (3) and (4) of this Article arise in connection with the President of the Management Board, the President of the Supervisory Board shall convene an urgent meeting of the Supervisory Board, at which he/she shall propose that the President of the Management Board be dismissed, i.e. the termination of the term of office of the President of the Management Board

be established, and shall simultaneously propose to the Supervisory Board to appoint a new President of the Management Board.

Rights and obligations of the President of the Management Board

Article 13

- (1) The President of the Management Board shall have rights, obligations and powers as defined by the Act, these By-laws and other internal regulations of HBOR and resolutions of the Supervisory Board.
- (2) The President of the Management Board shall:
1. propose to the Supervisory Board the dismissal in accordance with paragraph (3) of Article 12 of these By-laws, i.e. the establishment of termination of the term of office of a member of the Management Board in accordance with paragraph (4) of Article 12 of these By-laws, and in such cases shall propose to the Supervisory Board to appoint a new member of the Management Board;
 2. manage the activities of the Management Board;
 3. summon meetings of the Management Board, propose the agenda and chair the meetings, as well as propose making of decisions of the Management Board;
 4. assign duties to the members of the Management Board;
 5. co-ordinate responsibilities and authorisations within HBOR;
 6. report to the Supervisory Board on behalf of the Management Board.

Authorities and powers of the Management Board

Article 14

- (1) The Management Board shall represent HBOR, manage its operations and administer its assets in accordance with the Act and these By-laws. It shall be obliged and authorised to take all actions and make all decisions that it deems necessary for lawful and successful conduct of the operations of HBOR.
- (2) The Management Board shall have the following authorities: management and conduct of HBOR's operations, passing of documents determining the manner of business conduct and internal organisation of HBOR, passing of programmes and general terms and conditions of operations, passing of decisions on approvals of financial and other transactions, making decisions on the appointment and dismissal of employees with special authorisations, making decisions on rights and obligations of employees as well as reporting to the Supervisory Board.
- (3) Within the scope of its authorities, the Management Board shall:
1. manage the operations of HBOR;
 2. establish and implement an effective and reliable management system of HBOR in accordance with regulations and pass the internal regulations determining the manner of operations and risk management, internal organisation and internal structure of HBOR;
 3. supervise and control the overall activities of HBOR, in particular the issues of business policy, security, profitability and liquidity of operations;
 4. appoint and dismiss employees with special authorisations, and contractually regulate remunerations and other rights and obligations between them and HBOR. In certain cases, when so prescribed by the regulations and/or rules of HBOR, employees with special authorisations shall be appointed and dismissed by the Management Board with the approval of the Supervisory Board, and in which case the decision shall become effective upon approval;
 5. pass the general terms and conditions of lending activities, issuing of guarantees, warranties and other financial transactions in accordance with the business strategy of HBOR, and other documents of HBOR regulating its operations;
 6. pass the budgets of HBOR;

7. adopt the financial statements, except the ones within the scope of competence of the Supervisory Board;
8. prepare and propose the annual financial statements to be adopted by the Supervisory Board;
9. pass the rules of procedure of the Management Board;
10. propose the By-laws and changes and amendments thereof to the Supervisory Board;
11. make decisions on HBOR direct loans to clients and indirect loans through banks and other legal entities. For decisions of the Management Board, by which a loan is approved directly to the client, where HBOR's exposure to that client or a group of connected clients, including the loan subject to approval, exceeds EUR 20 million, the approval of the Supervisory Board is required. In such case, the decision shall come into force after consent is given. Decisions on loan modifications (for example, modification of the loan repayment period, extension of the disbursement period, contract on repayment in instalments, settlements, etc.) approved by the Supervisory Board shall be made by the Management Board without the consent of the Supervisory Board, with the exception of decisions approving an increase in the loan amount exceeding 5% of the approved loan amount or an increase of more than EUR 0.5 million. In such case, the decision shall come into force after consent is given by the Supervisory Board. The provisions of this sub-paragraph shall apply appropriately to decisions on guarantees, letters of credit and warranties of HBOR;
12. make decisions approving the HBOR's limit of exposure to a single credit or financial institution or a group of clients connected with the credit or financial institution. The approval of the Supervisory Board shall be required for decisions of the Management Board by which the HBOR's limit of exposure to a single credit or financial institution or a group of clients connected with the credit or financial institution is approved or increased in the manner that HBOR's limit of exposure is greater than EUR 20 million. In such case, the decision shall come into force after consent is given;
13. make decisions on reducing or cancelling the HBOR's limit of exposure to a single credit or financial institution or a group of clients connected with the credit or financial institution, regardless of the limit amount;
14. make decisions on other financial or any other transactions. For decisions on other financial or any other transactions in an individual amount exceeding EUR 20 million, the consent of the Supervisory Board shall be required. In such case, the decision shall come into force after consent is given. Decisions on modifications in decisions which are approved by the Supervisory Board shall be made by the Management Board without the consent of the Supervisory Board, with the exception of decisions approving an increase in transaction exceeding 5% of the approved transaction amount or an increase of more than EUR 0.5 million. In such case, the decision shall come into force after consent is given;
15. make decisions on assets and liabilities management, fund raising and treasury affairs, regardless of the amount. For the Management Board decisions approving the raising of funds with a maturity of more than one year, regardless of the amount, the consent of the Supervisory Board shall be required, in which case the decision shall come into force after consent is given;
16. make decisions on write-offs of receivables and/or debt relief. For decisions on the write-off of receivables and/or debt relief, by which one client or a group of persons connected with the client is written off or relieved in total, successively and/or by one or more placements, more than EUR 5 million of the principal/principals, the consent of the Supervisory Board shall be required, in which case the decision shall come into force after consent is given.

(4) Should, in the operations of HBOR, an issue or need for decision-making arise, for which no particular body of HBOR is defined as being competent by the provisions of the Act or these By-laws, the Management Board shall be authorised to make such a decision.

(5) The provisions of this Article shall appropriately apply to the activities performed by HBOR in its own name and for the account of others and in the name and for the account of others, unless otherwise prescribed by the regulations and/or decisions of the Management Board or the Supervisory Board.

(6) In the implementation of activities from the previous paragraph, including the activities referred to in Article 5 paragraph (2) sub-paragraph (6) of these By-Laws and the activities from Article 5 paragraph

(3) sub-paragraph (3) of these By-Laws, the term exposure from paragraph (3) sub-paragraph (11) of this Article shall imply the total amount of all placements approved to an individual client within the framework of a single mandate transaction.

Decision-making by the Management Board

Article 15

- (1) The Management Board shall take its decisions by a majority of votes of all of its members.
- (2) The modes of work of the Management Board shall be laid down in more detail in the Rules of Procedure of the Management Board.

Representation

Article 16

- (1) HBOR shall be represented by the President and one member of the Management Board acting jointly or by two members of the Management Board acting jointly.
- (2) The power of representation of the Management Board of HBOR cannot be limited.
- (3) The Management Board may authorise employees with special authorities, other employees of HBOR or third parties to represent HBOR in certain transactions pursuant to regulations.

Responsibility of the Management Board

Article 17

- (1) The Management Board shall, in accordance with the Act and these By-laws, represent HBOR and conduct business on its own responsibility.
- (2) The Supervisory Board shall be authorised to raise the question of responsibility of the Management Board or an individual member of the Management Board for his/her work and to dismiss them if their responsibility for negligence resulting in considerable damage to HBOR has been established.

Employment contracts of Management Board members

Article 18

The President of the Supervisory Board shall conclude individual employment contracts with the President and the members of the Management Board regulating in detail their rights and duties.

Supervisory Board

Article 19

- (1) The Supervisory Board of HBOR consists of ten members.
- (2) The Supervisory Board consists of six Ministers in the Government of the Republic of Croatia, of which the Minister in charge of finance, the Minister in charge of the economy and the Minister in charge of regional development and EU funds shall be the obligatory members of the Supervisory Board, whereas the remaining three ministers shall be appointed to the Supervisory Board by the Government of the Republic of Croatia from among the Ministers in charge of tourism, agriculture, environmental protection, construction industry or entrepreneurship and crafts.

(3) The Parliament of the Republic of Croatia shall appoint three members of the Supervisory Board and their permanent deputies from among the Members of Parliament.

(4) The President of the Croatian Chamber of Economy shall be the *ex officio* member of the Supervisory Board.

(5) Members of the Supervisory Board referred to in paragraphs (2) and (4) of this Article shall appoint their respective permanent deputies, who shall, in case of their absence, participate in the work and decision-making of the Supervisory Board.

(6) The Minister in charge of finance shall be the President of the Supervisory Board, and the Minister in charge of the economy shall be the Deputy President.

Powers and authorities of the Supervisory Board

Article 20

(1) The Supervisory Board has the following powers and authorities: determines the principles of HBOR's business policy and strategy, supervises the conduct of business of HBOR, adopts the annual financial statements, passes documents within its authorisation, makes decisions within its authorisation by the Act or these By-laws and gives consent for decisions of the Management Board pursuant to these By-laws.

(2) Within the framework of its responsibilities, the Supervisory Board shall:

1. adopt HBOR's By-laws;
2. adopt HBOR's business strategy;
3. give consent to strategies and policies of risk assumption and risk management of HBOR;
4. give consent to the internal regulations on control functions and their activity plans and activity reports;
5. adopt the annual financial statements of HBOR and give consent to the budget of HBOR;
6. make a decision on the selection of an auditing company for a particular business year;
7. appoint and dismiss the President and members of the Management Board;
8. monitor and control the lawfulness of operations of the Management Board;
9. act on behalf of HBOR when liaising with the President and members of the Management Board,
10. give consent for decisions of the Management Board on direct loans to clients, if the exposure of HBOR to those clients or a group of persons connected with the clients, including the loan subject to the approval, exceeds EUR 20 million, and for decisions of the Management Board on the increase of loan amount greater than 5% of the approved loan amount or exceeding EUR 0.5 million, requiring a consent of the Supervisory Board. Provisions of this subparagraph shall be applied appropriately to decisions on guarantees, letters of credit and warranties of HBOR;
11. give consent for decisions of the Management Board, by which HBOR's limit of exposure to a single credit or financial institution or a group of clients connected with that credit or financial institution is approved or increased so that HBOR's exposure limit is greater than EUR 20 million;
12. make decisions on approving the limit of HBOR's exposure to a single credit or financial institution, i.e. the group of clients connected with the credit or financial institution with more than 25% of the equity capital of HBOR;
13. give consent for decisions of the Management Board on other financial and any other transactions in an amount exceeding EUR 20 million, and for decisions of the Management Board on increasing the amount of transaction approved by the Supervisory Board that exceeds 5% of the approved transaction amount or of more than EUR 0.5 million;

14. give consent for individual decisions of the Management Board on transactions with entities that have a special relationship with HBOR, and makes decisions on the acquisition of ownership interests or shares in companies and international organisations;
15. give consent for decisions of the Management Board approving the raising of funds with a maturity of more than one year, regardless of the amount;
16. adopt the Rules of Procedure of the Supervisory Board;
17. give consent for decisions of the Management Board on write-offs of receivables and/or debt relief, by which one client or a group of persons connected with the client is written off or relieved in total, successively and/or by one or more placements, more than EUR 5 million of the principal/principals.

(3) The provisions of this Article shall appropriately apply to the activities performed by HBOR in its own name and for the account of others and in the name and for the account of others, unless otherwise prescribed by the regulations and/or decisions of the Management Board or the Supervisory Board.

(4) In the conduct of the activities from the previous paragraph, including the activities referred to in Article 5 paragraph (2) sub-paragraph (6) of these By-Laws and the activities from Article 5 paragraph (3) sub-paragraph (3) of these By-Laws, the term exposure from paragraph (2) sub-paragraph (10) of this Article shall imply the total amount of all placements approved to an individual client within the framework of a single mandate transaction.

Manner of performing activities of the Supervisory Board

Article 21

- (1) The Supervisory Board performs its activities at meetings that are convened when necessary, but at least once in three months.
- (2) Meetings of the Supervisory Board are chaired by the President of the Supervisory Board or, if he/she is prevented, by the Deputy President of the Supervisory Board.
- (3) The Supervisory Board may also take decisions by written ballot without convening a meeting. In such case, decisions are taken by at least a majority vote of all the members of the Supervisory Board.
- (4) The manner of convening and holding meetings and all issues relating to the activities of the Supervisory Board are regulated by the Rules of Procedure of the Supervisory Board.

Decision-making of the Supervisory Board

Article 22

- (1) The Supervisory Board takes its decisions by a majority of votes of its attending members, with the obligatory presence of at least half of its members or their deputies, except for decisions for the taking of which some other majority has been prescribed by the Act or by these By-laws.
- (2) On behalf of the Supervisory Board, decisions and other acts of the Supervisory Board are signed by the President or, if he is prevented, by the Deputy President of the Supervisory Board.

Internal organisation and manner of conducting business in HBOR

Article 23

- (1) HBOR performs its activities within the framework of the following organisational units: divisions, departments, services, units, independent organisational units and independent functions with the Management Board.

(2) HBOR has neither subsidiaries nor branch offices.

(3) The Management Board may establish regional offices in the Republic of Croatia with the objective of presenting HBOR's loan programmes and its other activities. The seat of a regional office and the areas covered by a regional office are determined by the decision establishing that respective regional office.

(4) The scope of work, competencies and internal organisation of units referred to in this Article are regulated in detail by HBOR's internal regulations.

Committees and other bodies with HBOR

Article 24

The Management Board may establish committees and other bodies, and determine the scope of their competences and the way in which they carry out their activities.

Employees with special powers

Article 25

(1) Employees with special powers are appointed and dismissed by the Management Board.

(2) Employees with special powers are: Senior Executive Director, Executive Director, Head of the Management Board Office, Managing Director, Advisor to the Management Board and other employees having been endowed with special powers by a decision of the Management Board.

(3) Within their competencies, employees with special powers are responsible for the legality of operations and business performance, liquidity, fulfilment of duties, economic and financial success, improvement of the quality of operations and services as well as strengthening of HBOR's reputation.

(4) The conditions and the terms of appointment of employees with special powers are determined by documents on HBOR's internal organisation.

Powers and authorities of committees, bodies, organisational units and employees with special powers

Article 26

(1) In performing its duties, the Management Board may delegate the authority for making of decisions falling under the competence of the Management Board, with the exception of the decisions for which a consent of the Supervisory Board is required, to committees, bodies, organisational units and employees with special authorisations, where the authorisation for making of decisions falling under the competence of the Management Board:

1. from Article 14 paragraph (3), sub-paragraphs 11, 14, 15 and 16 of these By-laws;
2. on the management of impairments and provisions,

the Management Board may delegate only provided that the preconditions from paragraph (2) of this Article have been previously fulfilled in an appropriate manner.

(2) In performing the duties referred to in paragraph (1) sub-paragraphs 1 and 2 of this Article, the Management Board may delegate its powers only provided that, in the part of activities in relation to which the authority is delegated, the following preconditions have been met:

- a clear organisational structure with well-defined, transparent and consistent lines of powers and responsibilities established in such a manner so as to avoid the conflict of interest;
- a system of established competences and powers of committees, bodies, organisational units and individual employees with special authorisations for the approval of exposures, depending on the amount and the risk of exposure;
- an effective system of management of all risks that HBOR is or could be exposed to in its operations;

- an appropriate system of internal controls that includes appropriate administrative and accounting procedures;
- a clear and documented decision-making process;
- a clear and documented process of reporting to the Management Board on all delegated powers and decisions made on the basis of the delegated powers;
- a remuneration policy that is consistent with an appropriate and effective risk management that promotes appropriate and effective risk management,

to the extent applicable in the part of business in relation to which the authorisation is delegated while respecting other provisions of the regulations governing certain areas of operations or risk, respectively.

(3) The provisions of this Article shall appropriately apply to the activities performed by HBOR in its own name and for the account of others and in the name and for the account of others, unless otherwise prescribed by the regulations and/or decisions of the Management Board or the Supervisory Board.

Control of loans extended

Article 27

(1) Expert teams regularly verify whether HBOR loan funds on-lent via commercial banks or granted directly to clients are utilised for specified purposes.

(2) For the purpose of financial and technical control, external assistants, experts and auditors may be engaged in addition to HBOR staff members.

(3) Expert teams are obliged to regularly report on their activities to HBOR's bodies in charge.

(4) The provisions of this Article shall appropriately apply to the activities performed by HBOR in its own name and for the account of others and in the name and for the account of others, unless otherwise prescribed by the regulations and/or decisions of the Management Board or the Supervisory Board.

Control functions

Article 28

(1) In order to establish and implement an effective internal control system in all areas of operations, three control functions have been established in HBOR: risk control function, compliance monitoring function and internal audit function.

(2) The control functions referred to in Article 1 above shall be independent of business processes and activities in which the risk arises, i.e. which are monitored and supervised by such control functions, and shall be established so as to avoid the conflict of interest.

(3) The organisation and work of control functions from paragraph (1) above shall be established within the framework of independent organisational units so as to avoid the conflict of interest.

(4) The Management Board shall, with the consent of the Supervisory Board, pass internal regulations for each of the control functions referred to in paragraph (1) above, by which at least the following shall be prescribed: objectives, scope and manner of operation of the control function, organisational structure and role of the control function, position of the control function within HBOR, measures to ensure independence and objectivity of the control function, powers, responsibilities and relations with other organisational units and other elements in accordance with regulations.

(5) A person responsible for the work of a particular control function cannot be appointed or replaced by the Management Board without the consent of the Supervisory Board.

Annual financial statements

Article 29

(1) Annual financial statements are adopted by the Supervisory Board at the proposal of the Management Board, and the Supervisory Board submits them for confirmation to the Croatian Parliament.

(2) Annual financial statements are accepted when confirmed by the Croatian Parliament.

Audit of operations

Article 30

(1) The State Audit Office is in charge of auditing HBOR's operations and financial statements.

(2) HBOR's financial statements are audited by a chartered auditing company each year. The Supervisory Board decides about selecting a chartered audit company at the proposal of the Management Board.

Business and banking secret

Article 31

(1) Documents and data that, due to their nature and importance within the framework of conducting business, must not be published, distributed or submitted to unauthorised persons, except in the way prescribed by regulations and/or documents of HBOR, are considered to be business secret.

(2) In addition to the data considered to be business secret, HBOR shall also keep confidential the data which are considered to be banking secret in accordance with the regulations, and shall handle such data in accordance with the provisions thereof.

(3) The Management Board shall define more detailed provisions concerning business and banking secret as well as the confidential data storage.

Conflict of interests

Article 32

(1) President and members of the Management Board as well as employees with special powers must not establish another credit institution or any other financial institution during their employment with HBOR. Establishing another credit institution or a financial institution stands as well for the purchasing of shares or any other manner of acquiring ownership interest in other credit and financial institutions.

(2) Acquiring ownership interest of less than 5% of the total capital of a credit institution or a financial institution is not considered a purchase of shares or acquisition of ownership interest in other credit and financial institutions.

(3) By way of exception to the provisions of this Article, the Supervisory Board may give its consent to activities that are contrary to the provisions of paragraphs (1) and (2) of this Article.

Passing of, and Changes and Amendments to, the By-laws

Article 33

(1) The By-laws are adopted, changed and amended by the Supervisory Board by a qualified majority of 3/4 of the attending members' votes, but in any case by at least a majority vote of all the members.

(2) The Supervisory Board may authorise the Management Board to pass changes to the By-laws or to adopt the consolidated text of the By-laws.

(3) Draft changes and amendments to the By-laws may be proposed by the Supervisory Board and the Management Board.

Transitional and final provisions

Article 34

(1) These By-laws come into force 60 days from the date they are adopted.

(2) As of 2nd February 2026, paragraph (2) of Article 25 of these By-Laws shall be changed and read as follows:

"Employees with special powers are: Executive Director, Head of the Management Board Office, Managing Director, Advisor to the Management Board and other employees having been endowed with special powers by a decision of the Management Board."

and the Management Board Office shall be responsible for compiling the consolidated version of the By-laws.

(3) The Management Board Office shall be responsible for the interpretation of these By-laws.

(4) These By-laws shall be published on the Internet and Intranet sites of HBOR.

(5) On the date of these By-laws coming into force, the By-laws of the Croatian Bank for Reconstruction and Development, adopted by the Supervisory Board of HBOR at its meeting held on 21st March 2007 with all subsequent changes and amendments shall cease to be valid.