

KODEKS KORPORATIVNOG UPRAVLJANJA

GODIŠNJI UPITNIK

MAIN COMPANY INFORMATION:

CONTACT PERSON AND CONTACT PHONE:

DATE OF QUESTIONNAIRE COMPLETE:

OT - Optima Telekom d.d., Bani 75a,
Buzin, Zagreb

Morana Čulo Jovičić +385 1 549 2012

17.03.2014.

All the questions contained in this questionnaire relate to the period of one business to which annual financial statements also relate.

If question in questionnaire ask for explanation, it is needed to explain answer.

All answers in questionnaire will be measured in percentage as explained in the beginning of each chapter.

COMPANY HARMONIZATION TO THE PRINCIPLES OF CORPORATE GOVERNANCE CODE

Answers to this questionnaire chapter will be valued with max. 20% of whole questionnaire valuation of company harmonization to the principles of Corporate Governance Code

Question No.	Questions	Answer YES/NO	Exsplanation
1	Did the Company accept the application of the Corporate Governance Code or did it accept its own policy of corporate governance?	YES	The Company has adopted the use of the Corporate Governance Code.
2	Does the Company have adopted principles of corporate governance within its internal policies?	NO	The Company does not operate a dedicated internal policy of upholding the Codex recommendations.
3	Does the Company announce within its annual financial reports the compliance with the principles of 'comply or explain'?	YES	

	4	Does the Company take into account the interest of all shareholders in accordance with the principles of Corporate Governance Code while making decisions?	YES	
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SHAREHOLDERS AND GENERAL MEETING

Answers to this questionnaire chapter will be valued with max. 30% of whole questionnaire valuation of company harmonization to the principles of Corporate Governance Code

	Question No.	Questions	Answer YES/NO	Exsplanation
	5	Is the company in a cross-shareholding relationship with another company or other companies? (If not, explain)	NO	
	6	Does each share of the company have one voting right? (If not, explain)	YES	
	7	Does the company treat all shareholders equally? (If not, explain)	YES	
	8	Has the procedure for issuing power of attorney for voting at the general assembly been fully simplified and free of any strict formal requirements? (If not, explain)	YES	
	9	Has the company ensured that the shareholders of the company who, for whatever reason, are not able to vote at the assembly in person, have proxies who are obliged to vote in accordance with instructions received from the shareholders, with no extra costs for those shareholders? (If not, explain)	NO	The Company has not ensured authorised person/proxies, because there were yet, no such request.
	10	Did the management or Management Board of the company, when convening the assembly, set the date for defining the status in the register of shares, which will be relevant for exercising voting rights at the general assembly of the company, by setting that date prior to the day of holding the assembly and not earlier than 6 days prior to the day of holding the assembly? (If not, explain)	YES	
	11	Were the agenda of the assembly, as well as all relevant data and documentation with explanations relating to the agenda, announced on the website of the company and put at the disposal of shareholders on the company's premises as of the date of the first publication of the agenda? (If not, explain)	YES	

12	Does the decision on dividend payment or advance dividend payment include information on the date when shareholders acquire the right to dividend payment, and information on the date or period during which the dividend will be paid? (If not, explain)	NO	There were no dividend payments.
13	Is the date of dividend payment or advance dividend payment set to be not later than 30 days after the date of decision making? (If not, explain)	NO	There were no dividend payments.
14	Were any shareholders favoured while receiving their dividends or advance dividends? (If so, explain)	NO	There were no dividend payments.
15	Are the shareholders allowed to participate and to vote at the general assembly of the company using modern communication technology? (If not, explain)	NO	This is not determined in the Statute.
16	Have the conditions been defined for participating at the general assembly by voting through proxy voting (irrespective of whether this is permitted pursuant to the law and articles of association), such as registration for participation in advance, certification of powers of attorney etc.? (If so, explain)	YES	Conditions for participation at the general assembly, as well as conditions for voting have been determined because of the legal certainty.
17	Did the management of the company publish the decisions of the general assembly of the company?	YES	
18	Did the management of the company publish the data on legal actions, if any, challenging those decisions? (If not, explain)	NO	There were no such lawsuits.

MANAGEMENT AND SUPERVISORY BOARD

PLEASE PROVIDE THE NAMES OF MANAGEMENT BOARD MEMBERS AND THEIR FUNCTIONS

Matija Martić, Management Board President; Jadranka Suručić, Board Member; Goran Jovičić, Board Member

PLEASE PROVIDE THE NAMES OF SUPERVISORY BOARD AND THEIR FUNCTIONS

Nada Martić, President; Ivan Martić, Deputy; Zrinka Vuković Berić, Member; Duško Grabovac, Member

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	Question No.	Questions	Answer YES/NO	Exsplanation
	19	Did the Supervisory or Management Board adopt a decision on the master plan of its activities, including the list of its regular meetings and data to be made available to Supervisory Board members, regularly and in a timely manner? (If not, explain)	NO	The Supervisory Board meetings are held in observance of the actual laws and bylaws, most commonly quarterly in a year, and more often if needed.
	20	Did the Supervisory or Management Board pass its internal code of conduct? (If not, explain)	NO	Activity of the Supervisory Board is determined enough by law.
	21	Is the Supervisory Board composed of, i.e. are non-executive directors of the Management Board mostly independent members? (If not, explain)	NO	All the members of the Supervisory Board have been elected at General Assembly according to regulations, with their candidacy, prior to the day of the Assembly, been made public.
	22	Is there a long-term succession plan in the company? (If not, explain)	NO	Company invests in the education of its employees in accordance with the requests of the business.
	23	Is the remuneration received by the members of the Supervisory or Management Board entirely or partly determined according to their contribution to the company's business performance? (If not, explain)	YES	Remuneration received by the members of the Supervisory Board is determined in accordance with the ability of the Company and complexity of the work done by the members.
	24	is the remuneration to the members of the Supervisory or Management Board determined by a decision of the general assembly or in the articles of association of the company? (If not, explain)	YES	Remuneration to the members of the Supervisory and Management Board is determined by a decision of the general assembly.
	25	Have detailed records on all remunerations and other earnings of each member of the Supervisory or Management Board received from the company or from other persons related to the company, including the structure of such remuneration, been made public? (If not, explain)	NO	Records of all remunerations are published cumulatively for Management and Supervisory Board members within audited annual financial reports.

26	Does every member of the Supervisory or Management Board inform the company of each change relating to their acquisition or disposal of shares of the company, or to the possibility to exercise voting rights arising from the company 's shares, not later than five trading days, after such a change occurs (If not, explain)	YES	
27	Were all transactions involving members of the Supervisory or Management Board or persons related to them and the company and persons related to it clearly presented in reports of the company? (If not, explain)	NO	There were no such transactions in 2013
28	Are there any contracts or agreements between members of the Supervisory or Management Board and the company?	NO	
29	Did they obtain prior approval of the Supervisory or Management Board? (If not, explain)	NO	There were no agreements or legal arrangements between supervisory board members in 2013.
30	Are important elements of all such contracts or agreements included in the annual report? (If not, explain)	NO	There were no agreements or legal arrangements between supervisory board members in 2013.
31	Did the Supervisory or Management Board establish the appointment committee?	NO	Members of the Supervisory Board, within regular supervision are informed on key appointmentst and absolutions of Management.
32	Did the Supervisory or Management Board establish the remuneration committee?	NO	Members of the Supervisory Board, within regular supervision are informed on key appointmentst and absolutions of Management.
33	Did the Supervisory or Management Board establishe the audit committee?	NO	There was no perception of need for the chartering of a separate and special commission
34	Was the majority of the committee members selected from the group of independent members of the Supervisory Board? (If not, explain)	NO	Not applicable
35	Did the committee monitor the integrity of the financial information of the company, especially the correctness and consistency of the accounting methods used by the company and the group it belongs to, including the criteria for the consolidation of financial reports of the companies belonging to the group? (If not, explain)	NO	Not applicable

36	Did the committee assess the quality of the internal control and risk management system, with the aim of adequately identifying and publishing the main risks the company is exposed to (including the risks related to the compliance with regulations), as well as managing those risks in an adequate manner? (If not, explain)	NO	Not applicable
37	Has the committee been working on ensuring the efficiency of the internal audit system, especially by preparing recommendations for the selection, appointment, reappointment and dismissal of the head of internal audit department, and with regard to funds at his/her disposal, and the evaluation of the actions taken by the management after findings and recommendations of the internal audit? (If not, explain)	NO	Not applicable
38	If there is no internal audit system in the company, did the committee consider the need to establish it? (If not, explain)	NO	Not applicable
39	Did the committee monitor the independence and impartiality of the external auditor, especially with regard to the rotation of authorised auditors within the audit company and the fees the company is paying for services provided by external auditors? (If not, explain)	NO	Not applicable
40	Did the committee monitor nature and quantity of services other than audit, received by the company from the audit company or from persons related to it? (If not, explain)	NO	Not applicable
41	Did the committee prepare rules defining which services may not be provided to the company by the external audit company and persons related to it, which services may be provided only with, and which without prior consent of the committee? (If not, explain)	NO	Not applicable
42	Did the committee analyse the efficiency of the external audit and actions taken by the senior management with regard to recommendations made by the external auditor? (If not, explain)	NO	Not applicable
43	Did the audit committee ensure the submission of high quality information by dependent and associated companies, as well as by third parties (such as expert advisors)? (If not, explain)	NO	Not applicable
44	Was the documentation relevant for the work of the Supervisory Board submitted to all members on time? (If not, explain)	YES	
45	Do Supervisory Board or Management Board meeting minutes contain all adopted decisions, accompanied by data on voting results? (If not, explain)	YES	

	46	Has the Supervisory or Management Board evaluated their work in the preceding period, including evaluation of the contribution and competence of individual members, as well as of joint activities of the Board, evaluation of the work of the committees established, and evaluation of the company's objectives reached in comparison with the objectives set?	NO	The Supervisory Board delivers an annual Supervision Report
	47	Did the company publish a statement on the remuneration policy for the management, Management Board and the Supervisory Board as part of the annual report? (If not, explain)	NO	The Company does not operate a dedicated award policy since no need were perceived to constitute it, seeing as how there haven't yet been awards paid out to employees
	48	Is the statement on the remuneration policy for the management or executive directors permanently available on the website of the company? (If not, explain)	NO	The Company does not operate a dedicated award policy since no need were perceived to constitute it, seeing as how there haven't yet been awards paid out to employees
	49	Are detailed data on all earnings and remunerations received by each member of the management or each executive director from the company published in the annual report of the company? (If not, explain)	YES	Information on earnings of the Management board members is published cumulatively with the information of the members of the Supervisory Board.
	50	Are all forms of remuneration to the members of the management, Management Board and Supervisory Board, including options and other benefits of the management, made public, broken down by items and persons, in the annual report of the company? (If not, explain)	NO	During the year 2013 members of both Boards did not receive remuneration
	51	Are all transactions involving members of the management or executive directors, and persons related to them, and the company and persons related to it, clearly presented in reports of the company? (If not, explain)	NO	There were no such transactions.
	52	Does the report to be submitted by the Supervisory or Management Board to the general assembly include, apart from minimum information defined by law, the evaluation of total business performance of the company, of activities of the management of the company, and a special comment on its cooperation with the management? (If not, explain)	YES	

AUDIT AND MECHANISMS OF INTERNAL AUDIT

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Question No.	Questions	Answer YES/NO	Exsplanation
53	Does the company have an external auditor?	YES	
54	Is the external auditor of the company related with the company in terms of ownership or interests?	NO	
55	Is the external auditor of the company providing to the company, him/herself or through related persons, other services?	NO	
56	Has the company published the amount of charges paid to the independent external auditors for the audit carried out and for other services provided? (If not, explain)	NO	This is confidential information.
57	Does the company have internal auditors and an internal audit system established? (If not, explain)	NO	The size and the organization of the Company does not demand a special organizational unit to be established just for the auditing of the business.

TRANSPARANCY AND THE PUBLIC OF ORGANIZATION OF BUSINESS

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Question No.	Questions	Answer YES/NO	Exsplanation
58	Are the semi-annual, annual and quarterly reports available to the shareholders?	YES	
59	Did the company prepar the calendar of important events?	YES	
60	Did the company establish mechanisms to ensure that persons who have access to or possess inside information understand the nature and importance of such information and limitations related to it?	YES	

	61	Did the company establish mechanisms to ensure supervision of the flow of inside information and possible abuse thereof?	YES	The Company has not established the mechanism to ensure supervision on the flow of inside information and its abuse, because every person in the Company who has access or possess inside information has been properly informed on the nature and importance of such information.
	62	Has anyone suffered negative consequences for pointing out to the competent authorities or bodies in the company or outside, shortcomings in the application of rules or ethical norms within the company?	NO	
	63	Did the management of the company hold meetings with interested investors, in the last year?	NO	
	64	Do all the members of the management, Management Board and Supervisory Board agree that the answers provided in this questionnaire are, to the best of their knowledge, entirely truthful?	YES	

