

Corporate Management Code for the Companies Included in Sarajevo Stock Exchange Market

2022 ANNUAL QUERY

(All questions refer to one-year period to which the annual financial reports refer as well.)

Company:

Open joint stock company:

Closed joint stock company:

Business Transparency

1. Does the company have a web page on Internet?

If yes, what is the web address?

YES/NO Explanation

YES	www.bhtelecom.ba
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If no, why?

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2. Did the Management and Supervisory Board establish the information disclosure policy?

YES/NO

YES	
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If yes, is it incorporated in the company's Statute?

YES	The by-law adopted pursuant to the Statute
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If no, why?

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3. Are semi-annual and annual financial reports available to stockholders

YES/NO

YES	
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in the company's premises? (If not, why?)

YES	
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on the company's web page? (If not, why?)

YES	
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on the SASE/KVP FBiH web page? (If not, why?)

YES	
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in English language? (If not, why?)

YES	
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4. Does the company prepare the corporate calendar? (If no, why?)

YES/NO Explanation

YES	
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If yes, is it disclosed on the company's web page? (If no, why?)

YES	
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5. Does the company disclose the stockholders' list on the web page and

YES/NO

is it updated monthly and/or recommended to go to the link of the Securities Depository web page for inspection?

YES	The list of 10 biggest stockholders recommended to use RVP and SASE link
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6. Does the company disclose the list of members to the Supervisory and Managing Board? (If no, why?)

YES/NO

YES	
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7. Does the company have a mutual stockholding relationship with other company/ies? If yes,

YES/NO

YES	
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please state the companies.

	MY Media Ltd. Sarajevo
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Are the data on mutual stockholding relationship disclosed in public?

YES	
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8. Does the company disclose information on securities owned by the members to the Supervisory Board or Management on the web page? (If no, why?)

YES/NO

NO	Because they do not have securities
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If yes, are those data timely updated?

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9. Does the company establish and publicly disclose the risk factors? (If no, why?)

YES/NO

YES	
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10. Did the company establish the mechanisms important to provide for the persons having and dealing with the inside information

to be familiarized with their nature and importance and associated limitations? (If no, why?)

YES/NO	
YES	

11. Does the company send all information disclosed on its web page to Stock Exchange as well? (If no, why?)

YES/NO	
YES	Formal and mandatory information

Stockholder Assembly

12. Does the company disclose timely all relevant data about the content and volume of rights of the limited voting right stocks?

YES/NO	Explanation
NO	There are no stocks with a limited voting right.

13. Does the company treat all stockholders equally? (If no, why?)

YES/NO	
YES	

14. Did the company issue new stocks? If yes,

YES/NO	
NO	

are all stockholders enabled to take part in increase in the basic company's capital proportionally to their shares in the then basic capital (pre-emption right) in line with the law, by-laws and/or the company's Statute? (If no, why?)

YES/NO	

are all stockholders timely informed on the new issuance of the company's stocks and the method to exercise the pre-emption right? (If no, why?)

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15. Did the company acquire its own (treasury) stocks? If yes, was that acquisition or withdrawal done and where?

YES/NO	
NO	

In the open market? (If no, why?)

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Without granting benefits to single stockholder or investor or a group of stockholders/investors? (If no, why?)

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16. Does the company pay dividend? (If no, why?)

YES/NO	
YES	

17. Is the decision on dividend payment disclosed and submitted with all data to the Stock Exchange Market two days upon its adoption the latest? (If no, why?)

YES/NO	
YES	Through report on event significantly affecting the issuer's financial operations

18. Are the Assembly's agenda and all relevant data and documents, supported by the agenda explanation, disclosed on the company's web page and put at disposal to stockholders in the company's head office from the date of the first public disclosure of the agenda? (If no, why?)

YES/NO	Explanation
YES	

19. Are the Assembly's agenda and relevant data disclosed on the company's web page in English language as well? (If no, why?)

YES/NO	
YES	

20. Does the report, submitted by the Supervisory Board to the Assembly, besides legally defined content, include evaluation of the total company's success rate, the Management success rate and a special comment on its cooperation with the Management? (If no, why?)

YES/NO	
YES	

21. Does the company have mechanisms for protection of the minority stockholders' interests while decision making and denying at the Assembly meetings? (If no, why?)

YES/NO	
YES	

22. Does the company disclose the Assembly's decisions and data about eventual complaints against denial of those decisions in public? (If no, why?)

YES/NO	
YES	Through report on event significantly affecting the issuer's financial operations and Voting Board report

Over the company's web page? (If no, why?)

YES	
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Over public media? (If yes, state the public media.)

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YES/NO

23. Does the company send the Assembly's decisions to Stock Exchange?
(If no, why?)

Supervisory Board

YES	Through report on event significantly affecting the issuer's financial operations
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24. Did the Supervisory Board adopt the Labor Rulebook with the list of regular meetings and data which should be regularly and timely available to the members to the Supervisory Board? (If no, why?)

YES/NO	
YES	

25. State the names of the Supervisory Board's members.

Mugdim Mandžuka, a.i. President Almina Pilav, a.i. member Nedin Dedić, a.i. member Zoran Marijanović, a.i. member Haris Delizaimović, a.i. member Fuad Cuplov, a.i. member

26. State for each Supervisory Board member the companies in which he/she is also a supervisory board member. If some of them are competitors, state it too.

None of them is a member to supervisory board in other companies.

27. Does the Supervisory Board have independent members? (If no, why?)

YES/NO	Explanation
NO	No nominations and proposals

28. State independent members to the Supervisory Board.

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29. Does the company have a long-term succession plan? (If no, why?)

YES/NO	
NE	There is no long-term succession plan as a separate document in terms of human resources management. In line with the company's by-laws, the number of employees needed for business plan implementation is planned. Internal by-laws also include education and professional training of our extremely successful employees in order to prepare them for more complex jobs and higher positions following the company's needs. Internal documents also govern preparation of replacement (succession) of the managing positions, which will be done within HRM enhancement in the company.

30. Does the payment of the Supervisory Board members depend

on the business results? (If no, why?)

YES/NO	
NO	Defined in the Assembly's decision on the amount paid to the president, deputy president and members to the Supervisory Board pursuant to the Law on Wages and other entitlements of the managing bodies' members in the institutions of the Federation of Bosnia and Herzegovina and public enterprises whose majority owner is the Federation of Bosnia and Herzegovina („FBIH Official Gazette“, No. 12/09)

31. Is the amount paid to the Supervisory Board members:

defined by the Assembly's decision

YES/NO	
YES	

defined by the Statute

YES	
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defined otherwise (if yes, define how)

YES	Legally defined as well
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32. Are detailed data on all remunerations, paid by the company or related companies, to each Supervisory Board member, including their structure,

disclosed in public? (If no, why?) (If yes, where?)

YES/NO	
YES	In the 2022 Business Report, within the total amount paid to all Supervisory Board members

33. Does each Supervisory Board member inform the Management and other members about all changes in his ownership of the company's stocks next working day the latest, after occurrence of that change? (If no, why?)

YES/NO	
YES	

34. Are all operations in which the Supervisory Board members or related

persons and the company and related persons took part:

stated in the company's reports? (If no, why?)

YES/NO

NO	There was no such an operation.
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YES/NO Explanation

YES	Voting Board, Commission for Legal Persons Donations Award, Expert Team for Support to Commission for Donations Award
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35. Did the Supervisory Board establish relevant commissions? If yes, state the ones:

36. Does the company support and enable, in line with its needs and possibilities, a constant education for the Supervisory Board members in order to restore and improve their knowledge and skills?

YES/NO

YES	
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37. Did the Supervisory Board make its operations assessment in the previous period, including assessment of each member's contribution and competence, as the joint Board's operations, assessment of the Supervisory Board commissions' operations and assessment of the reached versus planned business goals of the company?

YES/NO

YES	
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Management

38. State the names of the Management members.

Sedin Kahrman, General Manager Muamer Hadžović, Executive Manager of the Executive Directorate for Business Development Samir Jusufović, Executive Manager of the Executive Directorate for Legal Affairs, Organization and Human Resources Management Adnan Huremović, Executive Manager of the Executive Directorate for Technology and Service Development Mirza Odošević, Executive Manager of the Executive Directorate for Economic and Financial Affairs Kemal Avdagić, Executive Manager of the Executive Directorate for Investments Samir Čerina, Executive Manager of the Executive Directorate for
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39. Are there rules for the Management operations?

If yes, what do they govern?

YES/NO

YES	Management Rules of Procedure - governs composition, duties, operating and decision-making methods during meetings and other functional matters
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40. Did the company disclose the statement on the Management and Supervisory Board remuneration policy in the Annual Report? (If no, why?)

YES/NO

NO	No remunerations.
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41. Is the remuneration policy statement always disclosed on the company's web page? (If no, why?)

YES/NO

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42. Does each Management member inform the Supervisory Board on all changes in his ownership of the company's stocks next working day after that change the latest, obliging the company to disclose it in public as soon as possible? (If no, why?)

YES/NO

YES	
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43. Are all operations, in which the Management members or related persons and company or related persons participated, stated in the company's reports? (If no, why?)

YES/NO

NO	There was no such an operation.
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44. Do the Management members have a significant share in the companies that can be found as the company's competition? (If yes, which, where and how much?)

YES/NO

NO	
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45. Does the Management timely inform the Supervisory Board about all facts and circumstances which can make effect on operations, financial standing and asset position of the company? (If no, why?)

YES/NO

YES	
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46. Did the Management establish appropriate internal risk control and management system? (If no, why?)

YES/NO

YES	
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47. Did the Management develop a protection mechanism for all stockholders' rights? (If no, why?)

YES/NO

YES	
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Audit and Internal Control Mechanisms

48. Is the Audit Board composition disclosed on the web page and updated timely? (If no, why?)

YES/NO

YES	
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49. State the members to the Audit Board.

Fatima Obhodaš, Chairwoman, Dika Hodžić, member, Esad Osmanbegović, member

YES/NO

50. Are there certain rights for performing the Audit Board operations?

YES

51. Does the Audit Board have an open and unlimited communication with the Management and Supervisory Board? (If no, why?)

YES/NO

YES

52. Does the Audit Board submit its work report to the Supervisory Board? (If no, why?)

YES/NO

YES

53. Does the company have an external auditor? State its name. (If no, why?)

YES/NO

YES

Ernst & Young Ltd. Sarajevo

54. Is the external auditor:

property- or interest-related to the company? (If yes, state how.)

YES/NO

NO

providing other services to the company on his own or over related persons? (If yes, state services and their prices.)

NO

55. Does the company disclose publicly the external auditor's name and amounts paid for the audit and other services being provided? (If no, why?)

YES/NO Explanation

YES

In the annual business report

56. Does the Audit Board supervise the external auditor's independence and impartiality, especially in terms of statutory auditors' rotation within the audit company? (If no, why?)

YES/NO

YES

Social Responsibility and Commitment to Corporate Management Principles

57. Does the company's operations incorporate social responsibility, i.e. are both stockholders' and all other stockholders' interests taken into consideration while making decisions? (If no, why?)

YES/NO

YES

58. Did the Management and Supervisory Board establish specific rules with respect to other stockholders' interests?

YES/NO

YES

59. Did anybody suffer the consequences of pointing to the company's shortages in regulations and code of ethics implementation to competent authorities within or outside the company? (If yes, why?)

YES/NO

NO

60. Does the company have its own corporate management principles grounded on the Corporate Management Code? (If no, why?)

YES/NO

YES

61. Are those principles available to all stockholders (e.g. over Internet) and harmonized?

YES/NO

YES

62. Do the company's annual reports disclose coherence of its actions with the corporate management principles (Corporate Management Code) and have an explanation of eventual derogations from those principles? (If no, why?)

YES/NO

YES

63. Is corporate management principles implementation discussed at the Management and Supervisory Board meetings? (If no, why?)

YES/NO

YES

Sarajevo, April 2023

GENERAL MANAGER

Sedin Kahrman, M.Tr.&Comm.