

## **DRAFT TEMPLATE FOR DISCUSSION**

### **CORPORATE GOVERNANCE COMPLIANCE STATEMENT**

This template is designed for those companies wishing to report on their compliance with the Code of Corporate Governance of the Republic of Armenia, as adopted by Government resolution N 1769-A of 30<sup>th</sup> December, 2010.

#### **Introduction:**

There are a number of methods in use for disclosing the corporate governance practices adopted by companies and their conformity with a given corporate governance code, under the so-called “comply and explain” mechanism.

(1) **Full narrative.** This tends to describe in some detail the existing practices and conformity. It may show, for example, the composition of board committees, number of meetings held, board composition with short biographical details, identification of any non-executive and or independent directors, details of remuneration, any conflicts of interest or disclosures of transaction with related parties and so on. Such a disclosure may run for many pages. They tend to be informative, but can render a clear picture of compliance with each of the code’s principles difficult to follow.

(2). **A general compliance statement followed by a list of exceptions, if any.** By way of illustration the general statement might say: *“The Board of Directors of Company X are pleased to report that during the year ended xxxx, the Company has been in full compliance with all clauses of its Corporate Governance Code (which is disclosed on its web-site xxx) except for:*

*Clause 29. Nominations Committee. The Company has not established a Nominations Committee because, given the company’s size, the Board did not consider it needed to establish a separate Board Committee and accordingly the director nominations responsibilities are carried out by the Board without any delegation.*

This practice has the advantage of brevity and highlights the exceptions with appropriate explanations in most cases. The disadvantage is that it will not provide a complete picture of the practices in place by the company. Further, an informative disclosure of code practices that the company does comply with tends to be missing or disclosed in various other documents and there is the risk that some deviations are not disclosed or are over-looked.

#### **Recommendation:**

Our recommendation for Armenia is to combine a short narrative description with a “reduced” comply or explain statement addressing only the most important sections of the code in a tabular format as attached. This method will provide a clear description of the practices in place and demonstrate clearly whether there is compliance with every specific Code clause, or an explanation as to why not, and bring a discipline in considering each and every clause.

## **Recommended Template for Corporate Governance Compliance:**

Set out below are two tables covering the narrative description (Annex 1) and comply or explain statement (Annex 2).

Where a company is not in compliance with a particular clause of the Code, it is important to give a full explanation of the reasons for non-compliance in the ‘comments’ column. Where applicable, a company that is not in compliance with a particular clause of the Code may wish to state what steps it is taking to ensure future compliance. As companies vary, and there can be many different reasons for non- or partial compliance, each compliance statement will be specific to the company completing it. Accordingly, there is no standard wording for the ‘comments’ section.

Where a company is in compliance with a particular clause of the Code, it is important to give full details, stating why the company believes it is in compliance. Where it is believed that a particular question does not apply to the company, the words “not applicable” should be entered in the ‘compliance status’ column, and the reason why the particular clause of the Code does not apply to the company should be stated in the ‘comments’ column.

The compliance statement including the two tables should be included in the Annual Report (Code clause 23.1.F) and on the Company’s web-site (Code clause 24.3.H).

\* \* \*

## Annex 1 – Corporate Governance Statement – Narrative Statement

COMPANY NAME:

ADDRESS:

Website:

### 1. CHAIRMAN'S INTRODUCTION

The introduction should briefly explain the governance structure and the actions undertaken by the company in order to improve its corporate governance within the reporting year.

### 2. GOVERNANCE STRUCTURE AND ORGANISATION

According to the company's charter and the requirements set forth by the Code of Corporate Governance of the Republic of Armenia, the company has adopted the following governance structure:

- a) General shareholders meeting,
- b) Board of Directors
- c) Board Committee: \_\_\_\_\_ *[please specify]*,
- d) Management/Management Board

The controlling shareholders of the company are:

1. \_\_\_\_\_, owning \_\_\_\_\_ share, representing \_\_\_\_\_% of the company's capital;
2. \_\_\_\_\_, owning \_\_\_\_\_ share, representing \_\_\_\_\_% of the company's capital;
3. \_\_\_\_\_, owning \_\_\_\_\_ share, representing \_\_\_\_\_% of the company's capital;

*[Please complete as necessary]*

*[In case the company is part of a group, please include a chart explaining the major shareholders and the structure of the group; a description of the group structure and of the relationship between the parent's and the subsidiaries' boards, functions and business should be added along with a chart describing the group structure]*

### 3. GENERAL SHAREHOLDERS MEETING (GSM)

1. During the reporting year, one Annual GSM and \_\_\_\_ *[please specify the number of meetings held, if any]* extraordinary GSM were held. All GSMs were held at the Company's headquarters **[OR: specify the address where the GSMs were held: \_\_\_\_\_]**.
2. The Annual GSM was held on \_\_\_\_\_ and the extraordinary GSM(s) were held on \_\_\_\_\_ *[please specify the date(s) of the GSM(s)]*.
3. Shareholders having the right to attend the GSM have been notified of the GSM *[please specify: by post/by e-mail/by publication on national newspaper]* on \_\_\_\_\_ *[please specify the date when the notification was sent]*, (i.e., \_\_\_\_\_ days in advance of the meeting *[please specify how many days before the GSM]*). The agenda and relevant documentation were sent with the agenda *[or: are made available to those who have the right to attend the GSM on the company's website]*.  
The procedures for notification of the GSM agenda to shareholders and on how shareholders can obtain relevant documentation for the GSM are set out in the Company's Charter *[please state relevant sections of the charter]* which can be found on the company website at \_\_\_\_\_ *[indicate the relevant link]*.
4. Shareholders were given the possibility to participate at the GSM by appointing a representative. Proxy forms were made available to shareholders in accordance with Section \_\_\_\_\_ *[please state relevant sections of the charter]* of the Company's Charter.
5. Shareholders voted in the GSM through cumulative voting, as specified in the Company's Charter *[please state relevant sections of the charter]*.
6. The agenda of the Annual GSM, the Proxy Form, the Voting Results and the Minutes of the meeting are available on the company website at \_\_\_\_\_ *[please specify the relevant link where the document can be found]*.

#### 4. THE BOARD OF DIRECTORS

##### *Responsibilities of the board*

Sections 8 and followings of the Code of Corporate Governance of the Republic of Armenia and Section(s) \_\_\_\_\_ *[please state relevant sections of the charter]* of the Company's Charter define exclusive and delegated authorities of the Board which can be found at \_\_\_\_\_ *[please indicate the links where relevant document can be found]*.

##### *Composition of the Board*

As of \_\_\_\_\_, *[please specify the date(s) of the GSM(s)]* the company has a Board of Directors composed of \_\_\_\_\_ *[please specify the numbers of directors]* directors, of which \_\_\_\_\_ are non-executive and \_\_\_\_\_ directors are independent *[please specify as necessary]*.

In line with Section 10 of the Code of Corporate Governance of the Republic of Armenia and with Section \_\_\_\_\_ *[please specify the relevant section in the charter]* of the Company's Charter, "Independent" means a director who:

1. Has not been a member of senior executive management or an employee of the Company or any of its associates in the past 3 years, except service as a director.
2. Has not received directly or indirectly any significant additional remuneration from the Company or its associates in the past 3 years, except the remuneration of director.
3. Has no material business relationship with the Company, including lending or borrowing relationships, or its associates either directly or as a partner, major shareholder, director or senior employee of a body having such a relationship at any time in the past 3 years.
4. Has not been a partner or employee of the present or former external auditor of the Company, or of any of the external auditor's associated companies in the past 5 years.
5. Has not served on the board of the Company for more than 6 years in the past 10 years; and, is not a close family member of any of the persons referred to in above.
6. Is not a significant shareholder or a representative of a significant shareholder (significant shareholder is one owning with related parties more than 10% of the company's voting shares).

BOARD OF DIRECTORS				
Position and name	Executive <sup>1</sup>	Non-executive <sup>2</sup>	Independent	Member of the board since:
1. Chairman: _____				
2. Director _____				
3. Director _____				
4. Director _____				
5. Director _____				
6. Director _____				
7. Director _____				

Bios of directors, providing the information listed in Section 12 (4) of the Code of Corporate Governance of the Republic of Armenia, also detailing on whether the director is considered independent directors, providing information on directors resigning or removed during the year, their functions and responsibilities and membership of board committees are disclosed in the Annual Report which can be found on the company's website at \_\_\_\_\_ *[please specify the relevant link where the document can be found]*.

**OR**

Bios of directors, including details on independent directors, those resigning or removed during the year, their functions and responsibilities and membership of board committees are listed below:

\_\_\_\_\_

<sup>1</sup> Executive director means a managing director involved in the day-to-day management of the company.

<sup>2</sup> Pursuant to the definition in the Code of Corporate Governance of the Republic of Armenia, Non-executive Director means, "an individual who is not involved in the day-to-day management of the company, or one of its subsidiaries"

**Chairman: Name**

Date of birth:

Education:

Experience and background:

Key qualifications:

Years with the company:

Sitting in board committee(s) in the company or in other companies:

Specific responsibilities and tasks:

Service in other boards/company:

**Director: Name**

Date of birth:

Education:

Experience and background:

Key qualifications:

Years with the company:

Sitting in board committee(s) in the company or in other companies:

Specific responsibilities and tasks:

Service in other boards/company:

.....

*[Please complete as necessary]*

**Activities of the Board**

During the year \_\_\_\_\_ *[please specify the relevant year]*, the Board met \_\_\_\_\_ *[please specify the number of times the board met in the year]* times, of which \_\_\_\_\_ *[please specify the number board meetings in absentia]* in absentia.

The directors' board meeting attendance is as follows:

Position and name	Meetings attended in person	Meetings attended in absentia	Meetings eligible to attend
1. Chairman: _____			
2. Director: _____			
3. Director: _____			
4. Director: _____			
5. Director: _____			
6. Director: _____			
7. Director: _____			

**Board's evaluation**

The board has **[has not]** adopted an evaluation policy.

The board has undertaken a self-evaluation *[or an evaluation engaging an external facilitator]* in accordance with its evaluation policy and procedures.

The main recommendations coming out from the evaluation are the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*[Please complete/delete as necessary]*

## 5. BOARD COMMITTEES

The Board has the following committees:

- a) Audit Committee:
- b) .....

*[Please complete as necessary]*

### **Audit committee**

The Audit Committee includes \_\_\_\_\_ *[please specify the numbers of members of the audit committee]* members.

All members of the audit committees are board members.

The audit committee members are:

AUDIT COMMITTEE			
Position and name	Non-executive	Independent*	Member of the audit committee since:
1. Chairman: _____			
2. Member: _____			
3. Member: _____			
*If there is no Audit committee or its members are not non-executive or independent, explain briefly why.			

The audit committee functions and responsibilities are stated in the audit committee's terms of reference according to terms of references adopted by the board on \_\_\_\_\_ *[please specify the adoption date]*.

The terms of reference of the audit committee can be found on the company website at \_\_\_\_\_ *[please specify the relevant link where the document can be found]*.

In line with Section 16 of the Code of Corporate Governance of the Republic of Armenia and with Section \_\_\_\_\_ *[please specify the relevant sections of the audit committee's terms of reference]* of the audit committee's terms of reference, the audit committee reports to the board, identifies any matters in respect of which it considers that action or improvement is needed, makes recommendations as to the steps to be taken and has the following exclusive tasks and responsibilities:

- A) to monitor the integrity of the financial statements of the company and any announcements of the company's financial performance, reviewing significant financial reporting judgments contained in them, review and recommend for board and shareholders' approval quarterly and annual statements;
- B) to review the company's internal control, internal audit, compliance and risk management systems;
- C) to oversee the activities of the internal auditors;
- D) to make recommendations to the board, for it to put to the shareholders for their approval in the General Shareholders Meeting (GSM), on the election of the external auditor, their proposed remuneration and the terms of engagement, subject to final approval by the shareholders;
- E) to receive and discuss the external auditors report including any issues and recommendations raised by the external auditor on internal control weaknesses;
- F) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant national professional and regulatory requirements; and
- G) to meet with external auditors at least once a year to discuss audit-related issues.

### **Activities of Audit committee**

During \_\_\_\_\_ *[please specify the relevant year]* the Audit committee met \_\_\_\_\_ *[please specify the number of audit committee's meetings]* times, of which \_\_\_\_\_ in person and \_\_\_\_\_ in absentia. *[please complete as necessary]*

Audit committee meeting attendance:

Position and name	Meetings attended in person	Meetings attended in absentia	Meetings eligible to attend
1. Chairman: _____			
2. Director: _____			
3. Director: _____			

The main recommendations expressed by the audit committee to the board with indication on whether the board has accepted or rejected the audit committee recommendation are included in chapter \_\_\_\_\_ *[please specify relevant chapter and page]* of the Annual Report, which is available on the company website at \_\_\_\_\_ *[please specify the relevant link]*.

## 6. MANAGEMENT BOARD

The management board of the company is as composed of \_\_\_\_\_ *[please specify the number of directors sitting in the management board]* directors.

Bios of members of the management board, including details on their functions and responsibilities are disclosed in chapter \_\_\_\_\_ *[please specify]* of the Annual Report which can be found on the company's website at \_\_\_\_\_ *[please specify the relevant link]*.

**OR**

*The bios of directors, including details on independent directors, those resigning or removed during the year, their functions and responsibilities and membership of board committees are listed below:*

**Chief Executive Officer (CEO): Name**

*Date of birth:*

*Education:*

*Experience and background:*

*Key qualifications:*

*Years with the company:*

*Sitting in board committee(s) in the company or in other companies:*

*Specific responsibilities and tasks:*

**Chief Financial Officer (CFO): Name**

*Date of birth:*

*Education:*

*Experience and background:*

*Key qualifications:*

*Years with the company:*

*Sitting in board committee(s) in the company or in other companies:*

*Specific responsibilities and tasks:*

.....

*[Please complete as necessary]*

## 7. INTERNAL AUDIT

The Company's internal auditor is Mr./Mrs. \_\_\_\_\_ *[please complete]* who is appointed and report directly to the Board/Audit Committee *[please specify]*.

The internal auditor performs its work in line with Section 27 of the Code of Corporate Governance of the Republic of Armenia.

## 8. THE CORPORATE SECRETARY

The Company's corporate secretary is Mr./Mrs. \_\_\_\_\_ *[please specify]*, who has been appointed by the Board decision on \_\_\_\_\_ *[please specify]*.

The corporate secretary performs its work in line with Section 22 of the Code of Corporate Governance of the Republic of Armenia.

## 9. EXTERNAL AUDITOR

The Company has appointed \_\_\_\_\_ *[please specify]* as independent external auditor, which is in charge for the external audit of the company since \_\_\_\_\_ *[please specify the date of the auditor's first appointment]*

The relationship between the company and the external auditor is in accordance with Section 28 of the Code of Corporate Governance of the Republic of Armenia.

Pursuant to Section 28 of the Code of Corporate Governance of the Republic of Armenia, the company has established an independence test for the external auditor. The test is monitored by the audit committee and the result of the test are published in chapter \_\_\_\_\_ *[please specify]* of the Annual Report which can be found on the company's website at \_\_\_\_\_ *[please specify the relevant link]*.

## 10. ANNUAL REPORT

The Company's Annual report has been presented and approved by the shareholders' at the GSM held on \_\_\_\_\_ *[please specify]*

The Annual report contains all the information pursuant to Section 23 of the Corporate Governance Code and is posted in the Company's website at \_\_\_\_\_ *[please specify the relevant link]*.

Signed on \_\_\_\_\_ by:

\_\_\_\_\_  
The Chairman of the Board

\_\_\_\_\_  
The Chief Executive Officer



**Annex 2: Corporate Governance Statement – “Comply or Explain”**

	Code of Corporate Governance Topic	Yes/No	Comments/Explanation
<b>Competences of General Shareholders’ Meeting (GSM) and Shareholders’ Rights</b>			
1.	The company’s charter includes clear procedures enabling shareholders to meet before the GSM and discuss cumulative voting for the GSM.		<i>[If yes, please specify relevant sections and the officer in charge for the implementation of such policy]</i>
2.	The company has provided shareholders with the list of shareholders in due time, enabling them to meet and discuss the candidates for cumulative voting		<i>[If yes, please specify how this was done]</i>
3.	The agenda and relevant documents for the GSM has been sent and was received by shareholders at least 21 days before the GSM.		<i>[Please specify the date of the meeting and when the agenda was sent out]</i>
4.	The agenda for the GSM includes the draft text of the resolutions to be voted on and the name of the external auditor proposed by the board, to be appointed by the GSM.		
5.	The company’s charter includes clear procedures enabling shareholders to vote in absentia (e.g., electronic voting).		<i>[If yes, please specify relevant sections and the officer in charge for the implementation of such procedure]</i>
6.	The company’s charter includes clear procedures enabling shareholders to appoint a representative and the proxy is attached to the agenda.		<i>[If yes, please specify relevant sections and the officer in charge for the implementation of such procedure]</i>
7.	Shareholders have the right to submit questions up to 10 days in advance of a GSM and the board has replied to the shareholders’ questions at the GSM.		
8.	Shareholders have the right to ask questions at the GSM and the board has replied to all questions posed.		
<b>Dividend Policy</b>			
9.	The company has a dividend policy prepared by the board, approved by the GSM and published on the company’s web-site.		
10.	The dividend policy includes a payout ratio.		
<b>The State As Owner <i>[For State Owned Companies only]</i></b>			
11.	The State entity controlling the company is clearly identified in the company’s Annual Report and on the company’s website.		
12.	The State entity controlling the company has published an ownership policy which details the overall objectives of State ownership, the specific targets to be achieved and on whether the company is funded out of its own profits or wholly or partly by the Government.		<i>[If yes, please specify the authority in charge for the implementation of such policy]</i>

	Code of Corporate Governance Topic	Yes/No	Comments/Explanation
<b>The Board</b>			
13.	The company has established a board of directors with clear rules and responsibilities established in writing and posted on the company's website		
<b>The Board - Directors' Appointment</b>			
14.	The nomination of directors to the GSM is correlated with specific terms of references and bios for the proposed directors, detailing the responsibilities and the functions of the directors for the position they are going to cover and their background.		
15.	The terms of references and bios for the proposed directors are published on the company's website at least 30 days before the GSM.		
<b>The Board - Monitoring Compliance</b>			
16.	The board reviews the corporate governance compliance statement with the Corporate Governance Code of the Republic of Armenia and the governance practices under which the company operates and is in charge of preparing the compliance report.		
17.	The company has appointed an officer in charge of monitoring compliance of the company's practices compliance with the Armenian Corporate Governance Code and the company's by-laws, reporting to the board on a regular basis.		<i>[If yes, please specify who is this officer]</i>
<b>The Board - Monitoring Performance</b>			
18.	The board reviews the performance of the management according to an agreed evaluation policy.		<i>[If yes, please specify who is in charge for the implementation of such policy]</i>
19.	The board undertakes a yearly evaluation of its performance and effectiveness according to an agreed evaluation policy.		
<b>Board Attendance</b>			
20.	The attendance by directors to board meetings is reported in the narrative statement and/or in the company's Annual Report.		
<b>Information on Board Members</b>			
21.	The Annual Report and/or the narrative statement provide detailed information on directors as required by the Corporate Governance Code.		
<b>Calendar of Board Meetings</b>			
22.	The board meets according to an agreed calendar and the agenda of the board meetings is sent to all directors at least 10 days in advance of the meeting, together with the relevant documentation.		

	Code of Corporate Governance Topic	Yes/No	Comments/Explanation
<b>The Chairman</b>			
23.	The chairman and chief executive officer are not the same individual.		
24.	The division of responsibilities between the chairman and chief executive is clearly established in the company charters and by laws.		<i>[If yes, please specify the relevant sections of the charter/by-laws]</i>
25.	The chairman is in charge of ensuring orientation, induction and training of all directors and the company has a training and induction program in place for directors		<i>[If yes, please provide details of the training and induction program (e.g., dates, frequency etc.)]</i>
<b>Indemnification and Insurance of Directors</b>			
26.	Company's by-laws include provisions for directors' indemnification and the company is insured against the risk of losses arising from the actions of directors.		<i>[If yes, please provide details of the policy in place]</i>
<b>Audit Committee</b>			
27.	The Company has established an audit committee comprised only of independent non-executive directors.		
28.	All members of the audit committee have expertise in financial, accounting, audit and internal control issues.		
29.	The audit committee is in charge of reviewing the company's internal financial controls and the company's internal control and risk management systems.		
30.	The audit committee is in charge of making recommendations to the board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment of the external auditor its remuneration and its terms of engagement.		
31.	The audit committee has established a test for the independence of the external auditor.		
32.	The audit committee has monitored the independence of the external auditor according an agreed independence test and the findings are reported in the Annual Report.		
33.	The audit committee keeps minutes of its meetings.		
34.	A synthesis of the recommendations of the audit committee to the board and on the board implementation of these recommendations is included in the annual report.		
<b>Internal Auditor</b>			
35.	The internal auditor is appointed and removed only with the consent of the audit committee.		

	Code of Corporate Governance Topic	Yes/No	Comments/Explanation
36.	The internal auditor reports directly to the audit committee.		
37.	The internal auditor works according to an annual audit plan approved by the audit committee and regularly reports to the audit committee the plan's implementation.		
38.	The internal auditor is in charge of reviewing the adequacy of internal control and the implementation of internal control procedures.		
<b>External Auditor</b>			
39.	The company has a policy for the provisions of non-audit services.		<i>[If yes, please specify the authority in charge for the implementation of such policy]</i>
40.	The external auditor's remuneration been disclosed and approved at the GSM.		
41.	The company has a policy on rotation of the external auditor.		<i>[If yes, please specify the authority in charge for the implementation of such policy]</i>
<b>Other Board Committees</b>			
42.	The company has established other committees made exclusively of board members <i>[please explain]</i> .		
43.	All board committees have terms of references detailing their functions, role and responsibilities.		
<b>Corporate Secretary</b>			
44.	The company has appointed a corporate secretary, appointed by and accountable to the board, in charge for organisation of board meetings including their planning, calling, conducting and record-keeping consistent with the law, regulations and company's procedures.		
45.	The corporate secretary is in charge of assisting and advising the chairman of the board on monitoring the company's compliance with the corporate governance requirements established by law, the Corporate Governance Code of the Republic of Armenia and the company charter and by-laws and any other relevant laws or regulations.		
<b>Chief Risk Officer <i>[For banks only]</i></b>			
46.	The bank has appointed an executive officer responsible for risk management (Chief Risk Officer) sitting in the management board.		
47.	The Chief Risk Officer is responsible for reviewing and recommending aggregate loss limit targets for various risk categories (e.g., loan losses, market losses, operational risk), paying special attention to capital adequacy and liquidity requirements.		
48.	The Chief Risk Officer is responsible for implementing risk policies and framework established by board (Risk Committee).		

	Code of Corporate Governance Topic	Yes/No	Comments/Explanation
49.	The Chief Risk Officer is responsible for monitoring and reporting to the board and CEO risk exposures and for assessing how the bank's changing risk profile affects the bank's need for capital.		
50.	The Chief Risk Officer is responsible for reviewing the bank's risk management infrastructure and control systems to ensure adequacy to enforce Bank's risk policies.		
51.	The Chief Risk Officer is responsible for regularly reviewing bank's risk exposures and compares to approved limits.		
52.	The Chief Risk Officer is responsible for regularly reviewing the bank's risk management infrastructure to ensure adequacy		<i>[please specify the frequency of the review]</i>
<b>Disclosure and Transparency</b>			
<b>Annual Report</b>			
53.	The company has prepared this year's Annual Report, which has been presented for shareholders' approval and posted on the company's website.		
54.	The annual report includes the financial reports prepared in accordance with IFRS.		
55.	The annual report includes the external auditor's conclusions.		
56.	The annual report includes the list of the company's major (larger than 10%) beneficial shareholders.		
57.	The annual report includes the list of company's related parties and list of related party transactions where the value of the transaction exceeds 2% of the company's total assets.		
58.	The annual report includes the names and brief bios of directors, including names of directors considered independent, those resigning or removed during the year, together with the remuneration of all directors who served during the year and records of their attendance at board meetings.		
59.	The annual report includes the name and remuneration of external auditors and disclosure of the results of the test of the auditor's independence.		
60.	The annual report includes the description of the company's structure, including subsidiaries, branches and parent companies and cross-shareholdings with other group or affiliated companies.		
61.	The annual report includes the directors' report summarising the performance for the past year, risk factors, prospects for the coming year, company strategy, major transactions during the year, any major changes in the business undertaken by the company, explanations of major changes in		

	Code of Corporate Governance Topic	Yes/No	Comments/Explanation
	financial performance in comparison with the preceding year, proposed allocation and distribution of profits, including proposed dividends.		
62.	The annual report details the compensation of directors and senior executives (including the CEO and Chief Accountant).		
63.	The annual report includes the list of number and class and classes of shares issued and summary of rights for each class of shareholders.		
<b>Company's website</b>			
64.	The company has a web site with a specific section dedicated to corporate governance.		
65.	The website, the corporate governance section and the documents posted are available also in a foreign language.		
66.	The corporate governance section on the company's website posts the company's Act of Incorporation and charter, inclusive of all amendments in force.		
67.	The corporate governance section on the company's website provides info on the members of the board and management, detailing bios and specifying responsibilities and functions.		
68.	The corporate governance section on the company's website posts the terms of reference for the board, board committees and corporate secretary.		
69.	The corporate governance section on the company's website posts the company's policy on annual evaluation of the board.		
70.	The corporate governance section on the company's website posts the minutes of the GSM for the previous 5 years.		
71.	The corporate governance section on the company's website posts the approved dividend policy.		
72.	The corporate governance section on the company's website posts the company's structure and cross-shareholdings.		
73.	The corporate governance section on the company's website posts the Annual Reports for the past three years.		
<b>For State Owned Enterprises Only</b>			
74.	The State entity controlling the company has disclosed in the Annual Report/website any State aid, subsidies, grants and commitments granted to the company		
<b>Code of Ethics</b>			
75.	The company has adopted a code of ethics.		

	Code of Corporate Governance Topic	Yes/No	Comments/Explanation
76.	The code of ethics includes provision on corporate values, business behaviour, relationship with governments and officials and relationship with competitors.		<i>[If yes, please specify relevant sections of the Code of Ethics]</i>
77.	The code of ethics includes provision on whistleblowing arrangements and reporting of breaches of the code of ethics and protecting the confidentiality of such reporting		
78.	The company has appointed an officer responsible for monitoring compliance with the Code of Ethics.		<i>[If yes, please identify the officer]</i>
<b>Increase of capital</b>			
79.	In the last year the board has approved a capital increase.		<i>[If yes, please specify the date of the board meeting when the capital increase was voted]</i>
80.	An extraordinary shareholders meeting has been called and shareholders have been informed and have voted and approved this capital increase.		<i>[If yes, please specify the date of the shareholders meeting]</i>
<b>Stakeholders</b>			
81.	The board has identified stakeholders which are relevant to its operations. have legitimate interests and expectations from the company and		<i>[If yes, please identify the stakeholders]</i>
82.	The company has adopted a policy for taking into account their interest and expectations.		<i>[If yes, please identify the officer in charge for the implementation of this policy]</i>
83.	The company has developed and disclosed policies and procedures for dealing with stakeholders and discloses their implementation annually.		<i>[If yes, please identify the officer in charge for the implementation of this policy and indicate where the policies and procedures can be accessed.]</i>
84.	Stakeholders can access the company's website's section on annual reports and corporate governance		
<b>For State Owned Enterprises Only</b>			
85.	The State ownership policy recognises the company's responsibility to stakeholders		
86.	The Annual Report includes a section on the implementation of the ownership policy to stakeholders		<i>[If yes, please identify the relevant section in the Annual Report]</i>