

ADDENDUM FOR THE CORPORATE
GOVERNANCE
CODE WHICH WAS INTRODUCED IN
SEPTEMBER, 2002

NOVEMBER 2003

1. Provision A.1.2.(g) of the Code has been modified as follows:

«the basic transactions of the company or /and their subsidiaries and associated companies, in any form, in which an Executive Director, Chief Executive Officer, Senior Executive, Secretary, Auditor or major shareholder of the company who directly or indirectly holds more than 5% of the shares of a company or voting rights, has directly or indirectly any material interest».

2. Provision C.2.1 has been merged with provision C.2.3 (which has been deleted) and has been modified as follows:

«Directors should, at least once a year, conduct a review of the effectiveness of group's systems of internal controls, as well as of the procedures which confirm the accuracy, completeness and validity of the information that is given to investors and certify this in the report on corporate governance. The review should cover all systems of internal control, including financial, operational as well as compliance and risk management controls which may threaten the achievement of the targets set by the company.

Companies which do not have an Internal Control Department, should examine on an annual basis the need of setting up such a department and should report and justify accordingly in case of not having such a department in the report on Corporate Governance.

The Board of Directors should also certify annually in the report on Corporate Governance that to the best of their knowledge, no violation has been notified to them regarding Securities and Stock Exchange of Cyprus Law and regulations, apart from the cases that are known by the Securities' Authorities (where this applies)».

3. Provision C.3.4 is being modified as follows:

«The Chief Financial Officer (CFO) or the person who has been specifically appointed to accomplish the relevant duties, should report to the Board of Directors about the issue of the selection of the accounting policies and the accounting estimates regarding the Financial Statements of the company. In such a case, he should collect accurate data, which should be prepared by the Financial Department of the company, under the technical supervision of the Auditors, (where this is considered as necessary) and submit to the Board of Directors for review, an advisory report which would emphasise on all consequences of the final decision. The Audit Committee should supervise the aforementioned procedures».

4. Provision C.3.6 has been modified as follows:

«The duties of the Audit Committee should include a review of the transactions of the company referred to in paragraph **A.1.2 (g)**, so as to ensure that these are being carried out at arm's length».

5. Provision D.2.2 has been modified as follows:

«Directors and executive directors should be obliged, in addition to the continuous obligations, to announce immediately to the Board of Directors and to the shareholders through the annual financial statements of the company, regarding any own material interest that might arise from transactions of the company which are considered as part of their duties, as well as any other conflict of own interests with those of the company or related to it companies, that arises from the exercise of their duties».

6. Provision D.2.5 is being modified as follows:

«Shareholders should be given timely and precise information about all essential issues concerning the company, including its financial situation, performance, ownership and corporate governance.

This information should include **among other** the following essential information:

- (a) **Financial statements of the company.**
- (b) Company's targets and activities if these have been **differentiated.**
- (c) Major shareholders and voting rights.
- (d) Basic foreseeable dangers.
- (e) Basic issues concerning employees (upgrading and reformation of personnel) and shareholders.
- (f) Structure of governance and policies.
- (g) Non-ordinary transactions of the company».