

# ANNUAL GENERAL MEETING 2022

# LAQGHA ĠENERALI ANNWALI 2022

Notice and Circular to Shareholders  
Avviż u Ċirkulari lill-Azzjonisti

## Notice to Shareholders

in terms of Article 18.6 of the Articles of Association

Notice is hereby given of the Forty Eighth (48<sup>th</sup>) Annual General Meeting of Bank of Valletta p.l.c. (the Company) to be held remotely on Thursday 2 June 2022 at 10.00 a.m., for the purpose of considering and, if thought fit, approving the resolutions set out below:

### Ordinary Resolutions

#### Resolution 1 – Annual Report and Accounts

That the Profit and Loss Account and Balance Sheet for the financial year from 1 January 2021 to 31 December 2021, and the Directors' and Auditors' Reports thereon, be hereby received and approved.

#### Resolution 2 – Auditors (Appointment and Remuneration)

That the re-appointment of KPMG Malta jointly with KPMG LLP (UK), as auditors, be hereby approved, and that the Board of Directors be hereby authorised to fix their remuneration.

#### Resolution 3 – Dividend

That a gross final dividend of €0.0264 per share, which represents a gross payment of €15,413,620 as approved by the Board of Directors on 9 December 2021 and paid on 28 January 2022 be hereby ratified and approved.

### Ordinary Resolutions – Special Business

#### Resolution 4 – Renewal of Authority to Issue Shares

That the Board of Directors be and is hereby duly authorised and empowered to issue new shares of the Company up to the prescribed amount, as defined in the Articles of Association, for a period of five (5) years from the date of this resolution.

#### Resolution 5 – Revised Remuneration Policy for Directors

That the revised Remuneration Policy for Directors as set out in the Circular to Shareholders dated 11 May 2022 be hereby noted and approved.

#### Resolution 6 – Directors' Remuneration Report (Advisory Vote)

That the Directors' Remuneration Report in terms of Chapter 12 of the Capital Markets Rules as set out in the Bank's Annual Report for the financial year 2021 be hereby noted and approved.

## Avviż lill-Azzjonisti

skont l-Artikolu 18.6 tal-Artikoli t'Assoċjazzjoni

L-Azzjonisti qegħdin jiġu nnotifikati dwar it-Tmienja u Erbgħin (48) Laqgħa Ġenerali Annwali tal-Bank of Valletta p.l.c. (il-Kumpanija) li ser issir b'mod virtwali nhar il-Hamis 2 ta' Ġunju 2022 fl-10.00 ta' filgħodu, bil-għan li jiġu kkunsidrati u, jekk jinħass xieraq, jiġu approvati r-riżoluzzjonijiet segwenti:

### Riżoluzzjonijiet Ordinarji

#### Riżoluzzjoni 1 - Rapport Annwali u Kontijiet

Illi l-Kont tal-Qliġh u Telf u l-Karta tal-Bilanċ għas-sena finanzjarja mill-1 ta' Jannar 2021 sal-31 ta' Diċembru 2021, kif ukoll ir-Rapporti tad-Diretturi u l-Awdituri għall-istess perjodu, jiġu hawn riċevuti u approvati.

#### Riżoluzzjoni 2 - Awdituri (Hatra u Rimunerazzjoni)

Illi l-hatra mill-ġdid ta' KPMG Malta flimkien ma' KPMG LLP (UK), bħala awdituri, tiġi hawn approvata, u li l-Bord tad-Diretturi jkun hawn awtorizzat sabiex jstabilixxi r-rimunerazzjoni tagħhom.

#### Riżoluzzjoni 3 - Dividend

Illi dividend finali gross ta' €0.0264 għal kull sehem, li jirrappreżenta ħlas gross ta' €15,413,620 kif approvat mill-Bord tad-Diretturi fid-9 ta' Diċembru 2021 u mħallas fit-28 ta' Jannar 2022, jiġi hawn ratifikat u approvat.

### Riżoluzzjonijiet Ordinarji - Kwistjonijiet Speċjali

#### Riżoluzzjoni 4 - Tiġdid tas-Setgħa għall-Hruġ ta' Ishma

Illi l-Bord tad-Diretturi jkun u huwa hawn debitament awtorizzat u mogħti s-setgħa li joħroġ ishma ġodda tal-Kumpanija sal-ammont preskritt, kif definit fl-Artikoli ta' Assoċjazzjoni, għal perjodu ta' ħames (5) snin mid-data ta' din ir-riżoluzzjoni.

#### Riżoluzzjoni 5 - Reviżjoni tar-"Remuneration Policy for Directors"

Illi r-"Remuneration Policy for Directors", riveduta kif stipulata fiċ-Ċirkulari lill-Azzjonisti datata 11 ta' Mejju 2022 tiġi hawn innutata u approvata.

#### Riżoluzzjoni 6 – Rapport dwar ir-Rimunerazzjoni tad-Diretturi (Vot Konsultattiv)

Illi r-Rapport dwar ir-Rimunerazzjoni tad-Diretturi skont il-Kapitolu 12 tal-"Capital Markets Rules" kif stipulat fir-Rapport Annwali tal-Bank għas-sena finanzjarja 2021, jiġi hawn innutat u approvat.

## Extraordinary Resolution – Special Business

### Resolution 7 – Changes to the Memorandum & Articles of Association

That the existing Memorandum and Articles of Association of the Company be and are hereby replaced and substituted in their entirety by the new Memorandum and Articles of Association, a copy of which may be obtained from the Company's website under the 'Investor Relations' section <https://www.bov.com/documents/memorandum-and-articles-2022> or from the Office of the Company Secretary at the House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350.

### Appointment of Directors

Two (2) vacancies for Non-Executive Directors will arise during the forthcoming Annual General Meeting. Following a call for nominations, pursuant to Article 25.4 of the Company's Articles of Association, the Bank received four (4) valid nominations for the appointment of Directors, one (1) of which was subsequently withdrawn. Three (3) nominees were deemed by the Bank's Nominations and Remuneration Committee to be fit and proper to act as Non-Executive Directors of the Bank. However, one (1) of these nominees subsequently withdrew his nomination. In view that there are as many nominees as there are vacancies, no election shall take place. The nominees, namely James Grech and Deborah Schembri, will be automatically appointed as Non-Executive Directors at the forthcoming Annual General Meeting. The appointment of Deborah Schembri is subject to regulatory approval.

By order of the Board.



Dr Ruth Spiteri Longhurst  
Company Secretary

11 May 2022

## Riżoluzzjoni Straordinarja - Kwistjonijiet Speċjali

### Riżoluzzjoni 7 - Bidliet fil-Memorandum u l-Artikoli ta' Assoċjazzjoni

Il-li l-Memorandum u l-Artikoli ta' Assoċjazzjoni eżistenti tal-Kumpanija jiġu u huma hawn mibdula u sostitwiti fl-intier tagħhom bil-Memorandum u l-Artikoli ta' Assoċjazzjoni l-ġodda, li kopja tagħhom tista' tinkiseb mill-websajt tal-Kumpanija taħt it-taqsimha 'Investor Relations' <https://www.bov.com/documents/memorandum-and-articles-2022> jew mill-Uffiċċju tas-Segretarju tal-Kumpanija f'House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350.

### Hatra tad-Diretturi

Se jōhōrgu żewġ (2) postijiet vakanti għal Diretturi Mhux Eżekuttivi waqt il-Laqqgħa Ġenerali Annwali li jmiss. Wara sejħa għal nominazzjonijiet, skont l-Artikolu 25.4 tal-Artikoli ta' Assoċjazzjoni tal-Kumpanija, il-Bank irċieva erba' (4) nominazzjonijiet validi għall-hatra ta' Diretturi, li waħda (1) minnhom ġiet sussegwentament irtirata. Tliet (3) nominati tqiesu mill-Kumitat tan-Nominazzjonijiet u r-Rimunerazzjoni tal-Bank bħala kompetenti u idonei biex jaġixxu bħala Diretturi Mhux Eżekuttivi tal-Bank. Madankollu, wieħed (1) minnhom sussegwentament irtira n-nomina. Minħabba li hemm kandidati daqs kemm hemm postijiet vakanti, mhux se ssir elezzjoni. Il-persuni nominati, jiġifieri James Grech u Deborah Schembri, ser jiġu awtomatikament maħtura bħala Diretturi Mhux Eżekuttivi fil-Laqqgħa Ġenerali Annwali li jmiss. Il-hatra ta' Deborah Schembri hija soġġetta għal approvazzjoni regolatorja.

B'ordni tal-Bord.



Dr Ruth Spiteri Longhurst  
Segretarju tal-Kumpanija

11 ta' Mejju 2022

## EXPLANATORY NOTES

### A. Record Date

This notice has been mailed to the Bank's Shareholders appearing on the Register of Members (the "Register") held at the Central Securities Depository of the Malta Stock Exchange (MSE) on 3 May 2022 (the "Record Date").

### B. Participation by Shareholders

The Company announces that in line with Legal Notice 288/2020, the Company will be holding this year's Annual General Meeting ("AGM") remotely on Thursday 2 June 2022 at 10.00 a.m. No physical attendance of shareholders shall be allowed.

Shareholders appearing on the Register held at the Central Securities Depository of the Malta Stock Exchange on the Record Date shall only be able to appoint the Chairman of the meeting as their proxy and may indicate on the Form of Proxy how the Chairman as their proxy is to vote on each resolution presented to the Meeting.

The Meeting will be streamed live on the following link:

<https://www.bov.com/content/bov-agm-2022-live-stream>

**The real-time transmission of the Meeting does not imply that there will be real-time two-way communication enabling Shareholders to address, participate and vote by poll through electronic means in the General Meeting from a remote location.**

Every Shareholder entitled to participate and vote at the Annual General Meeting, shall have the right to ask questions, ahead of the Meeting, which are pertinent and related to items on the agenda of this Annual General Meeting and to have such questions answered by the Directors or such person as the Directors may delegate for that purpose, subject to any reasonable measures that the Company may take to verify the identity of the Shareholder.

In this regard, questions can be sent, up to 48 hours before the Meeting, either by mail to the Company at House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350, Malta, or by e-mail to [agm2022@bov.com](mailto:agm2022@bov.com)

The Company shall provide an answer to the questions on its website within 48 hours from the termination of the Meeting. The Company may provide an overall answer to questions having the same content.

### C. Voting and Completing the Form of Proxy

A Shareholder wishing to participate and vote at the AGM, is to complete in full all details required on the Form of Proxy, and in particular, where the proxy is being filled in by hand, details should be completed clearly and in a legible manner.

## NOTI TA' SPJEGAZZJONI

### A. Record Date

Dan l-awiz intbagħat lill-Azzjonisti tal-Bank li kienu jidhru fuq ir-Regjistru tal-Membri (ir-"Regjistru") miżmum fis-"Central Securities Depository" tal-Borża ta' Malta (MSE) fit-3 ta' Mejju 2022 (ir-"Record Date").

### B. Partecipazzjoni mill-Azzjonisti

Il-Kumpanija tħabbar li f'konformità mal-Awiz Legali 288/2020, il-Kumpanija se torganizza l-Laqqgħa Ġenerali Annwali (LĠA) ta' din is-sena b'mod virtwali nhar il-Hamis 2 ta' Ġunju 2022 fl-10.00 ta' filgħodu. L-azzjonisti ma jstgħux jattendu fizikament għal din il-Laqqgħa.

L-azzjonisti li jidhru fir-Regjistru miżmum fis-"Central Securities Depository" tal-Borża ta' Malta fir-"Record Date", se jkunu jstgħu jaħtru liç-Chairman tal-Laqqgħa biss bħala l-prokuratur (proxy) tagħhom, u jstgħu jindikaw fuq il-Formola ta' Prokura kif iç-Chairman, bħala l-prokuratur tagħhom, għandu jivvota fuq kull riżoluzzjoni mressqa quddiem il-Laqqgħa.

Il-Laqqgħa se tiġi trazzmessa b'mod dirett fuq il-link ta' hawn taħt:

<https://www.bov.com/content/bov-agm-2022-live-stream>

**It-trażmissjoni diretta tal-Laqqgħa ma jfissirx illi se jkun hemm komunikazzjoni diretta bejn iż-żewġ naħat, u l-Azzjonisti mhux ser jkunu jstgħu jindirizzaw, jipparteċipaw u jivvutaw b'mod elettroniku fil-Laqqgħa Ġenerali.**

Kull Azzjonist li huwa intitolat li jipparteċipa u jivvota fil-Laqqgħa Ġenerali Annwali, għandu d-dritt li jistaqsi mistoqsijiet, qabel il-Laqqgħa, li huma pertinenti u relatati mal-punti fuq l-aġenda ta' din il-Laqqgħa Ġenerali Annwali u li dawn il-mistoqsijiet jiġu mwiegħba mid-Diretturi jew persuni li d-Diretturi jstgħu jiddelegaw għal dan il-għan, sugġett għal kwalunkwe miżura raġonevoli li tista' tiegħu l-Kumpanija biex tivverifika l-identità tal-Azzjonist.

F'dan ir-rigward, il-mistoqsijiet jstgħu jintbagħtu, sa mhux aktar tard minn 48 siegħa qabel il-Laqqgħa, jew bil-posta lill-Kumpanija f'House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT1350, Malta, jew b'email fuq [agm2022@bov.com](mailto:agm2022@bov.com)

Il-Kumpanija se tipprovdi fuq il-websajt tal-Kumpanija tveġibiet għall-mistoqsijiet sottomessi fi żmien 48 siegħa mit-tmiem tal-Laqqgħa. Il-Kumpanija tista' tipprovdi tveġiba ġenerali għal mistoqsijiet li għandhom l-istess kontenut.

### C. Votazzjoni u kif għandek timla l-Formola ta' Prokura

Azzjonist li jixtieq jipparteċipa u jivvota fil-LĠA, għandu jimla b'mod komplet id-dettalji kollha meħtieġa fuq il-Formola ta' Prokura, u b'mod partikolari, fejn il-prokura tkun qed timtela bl-idejn, id-dettalji għandhom jimtlew b'mod ċar u li jinqara.

It is important to note the following:

- i. To participate and vote at the Annual General Meeting the Shareholder shall complete the Form of Proxy and appoint as proxy the Chairman of the Meeting;
- ii. In the case of body corporates, shares held jointly by several persons, spouses and minors, these are also entitled to participate and vote at the Annual General Meeting by completing the Form of Proxy and granting their proxy to the Chairman of the Meeting.

Where the Shareholder is a body corporate, including a company, a partnership, an association of persons, a foundation or other entity, a Form of Proxy must be duly executed in favour of the Chairman of the Meeting in accordance with the Memorandum and Articles of Association or similar constitutional documents of the entity. The Office of the Company Secretary reserves the right to request evidence as aforesaid.

In the case of shares held jointly, except in the case of shares held jointly by spouses, the first named joint holder on the Register held at the Central Securities Depository of the Malta Stock Exchange, shall be entitled to complete the Form of Proxy and appointing as proxy the Chairman of the Meeting. In the case of spouses, the Form of Proxy must be signed by both spouses.

- iii. The Shareholder is encouraged to indicate whether the Shareholder wishes the Chairman (as proxy) to vote as the Chairman wishes. In the event that no indication is made, it shall be deemed that the Shareholder authorises the Chairman (as proxy) to vote as he wishes.
- iv. When voting for a resolution, if the Shareholder wishes that the Chairman (as proxy) votes in a particular manner, the Shareholder should indicate his/her/its voting preference against each resolution in the appropriate box either by inserting the number of votes (shares held) or by the use of a cross (X) or mark (✓) (instead of inserting a number of votes) under either 'For' or 'Against' or 'Abstain'. The cross (X) or mark (✓) shall be interpreted that the Shareholder has assigned all the votes accordingly. If a cross (X) or a mark (✓) is placed under each of 'For' or 'Against' or 'Abstain' for the same resolution, the Shareholder's vote on that particular resolution shall be invalid.

If the Shareholder inserts the number of votes, these may be split up in any proportion whatsoever, under 'For', 'Against' or 'Abstain' for any resolution. A Shareholder may therefore utilise all or part of the votes for each resolution. However, in no circumstances, may the Shareholder use more votes than he/she/it is entitled to. If this occurs, then the vote on that particular resolution shall be invalid.

Huwa importanti li wiehed jinnota dan li ġejj:

- i. Biex jipparteċipa u jivvota fil-Laqgħa Ġenerali Annwali, l-Azzjonist għandu jimla l-Formola ta' Prokura u jahtar bħala prokuratur tiegħu/tagħha liċ-Chairman tal-Laqgħa;
- ii. Fil-każ ta' entitajiet korporattivi, ishma li huma miżmuma b'mod kongunt minn diversi persuni, konjuġi u minuri, dawn ukoll huma intitolati li jipparteċipaw u jivvutaw fil-Laqgħa Ġenerali Annwali billi jimlew il-Formola ta' Prokura u jagħtu l-prokura tagħhom liċ-Chairman tal-Laqgħa.

Fejn l-Azzjonist huwa entità korporattiva, inkluż kumpanija, "partnership", assoċjazzjoni ta' persuni, fondazzjoni jew entità oħra, il-Formola ta' Prokura għandha tiġi eżegwita kif xieraq favur iċ-Chairman tal-Laqgħa, skont il-Memorandum u l-Artikoli ta' Assoċjazzjoni jew dokumenti kostituzzjonali simili tal-entità. L-Uffiċċju tas-Segretarju tal-Kumpanija jirriżerva d-dritt li jitlob evidenza kif preskritt iktar 'il fuq.

Fil-każ ta' ishma miżmuma b'mod kongunt, hliet fil-każ ta' ishma miżmuma b'mod kongunt minn konjuġi, l-ewwel detentur kongunt imsemmi fir-Regjistru miżmum fis-"Central Securities Depository" tal-Borża ta' Malta, jkun intitolat jimla l-Formola ta' Prokura u jahtar bħala prokuratur liċ-Chairman tal-Laqgħa. Fil-każ tal-konjuġi, il-Formola tal-Prokura għandha tkun iffirmata miż-żewġ konjuġi.

- iii. L-Azzjonist huwa mistieden sabiex jindika jekk jixtieq jawtorizza liċ-Chairman (bħala prokuratur tiegħu/tagħha) biex jivvota kif jixtieq iċ-Chairman. Fil-każ li ma ssir l-ebda indikazzjoni, se jitqies li l-Azzjonist awtorizza liċ-Chairman (bħala prokuratur) biex jivvota kif jixtieq.
- iv. Meta ssir votazzjoni fuq riżoluzzjoni, jekk l-Azzjonist jixtieq li iċ-Chairman (bħala prokuratur tiegħu/tagħha) jivvota b'mod partikolari, l-Azzjonist għandu jindika l-preferenza tal-vot tiegħu/tagħha fuq kull riżoluzzjoni fil-kaxxa xierqa, billi jdaħħal in-numru ta' voti (ishma miżmuma) jew billi jagħmel salib (X) jew jimmarka (✓) (minflok ma jniżżel in-numru ta' voti) fil-kaxxa mmarkata 'Favur' jew 'Kontra' jew 'Jastjeni'. Is-salib (X) jew il-marka (✓) se jiġu interpretati li l-Azzjonist assenja l-voti kollha kif xieraq. Jekk salib (X) jew marka (✓) titqiegħed taht kull wiehed minn 'Favur' jew 'Kontra' jew 'Jastjeni' għall-istess riżoluzzjoni, il-vot tal-Azzjonist fuq dik ir-riżoluzzjoni partikolari jiġi meqjus bħala invalidu.

Jekk l-Azzjonist idaħħal in-numru ta' voti, dawn jistgħu jinqasqu fi kwalunkwe proporzjon, taht 'Favur', 'Kontra' jew 'Jastjeni' għal kwalunkwe riżoluzzjoni. Għaldaqstant, Azzjonist jista' juża l-voti kollha jew parti minnhom għal kull riżoluzzjoni. Madankollu, fl-ebda ċirkostanza, l-Azzjonist ma jista' juża aktar voti milli hu/hi intitolat/a għalihom. Jekk dan iseħh, il-vot fuq dik ir-riżoluzzjoni partikolari jiġi meqjus bħala invalidu.

## D. Sending the Form of Proxy

The Form of Proxy can be submitted to the Company as follows:

- i. Either by mailing the Form of Proxy to the Office of the Company Secretary at House of the Four Winds, Triq I-Imtiehen, Il-Belt Valletta VLT 1350, Malta; or
- ii. Shareholders may opt to send their Form of Proxy electronically. In this case, Shareholders are requested to send an email to [agm2022@bov.com](mailto:agm2022@bov.com) quoting the Activation Code (printed at the bottom left hand side of the Form of Proxy) and the Shareholder's MSE number. The Bank will then send the electronic Form of Proxy to the Shareholder for completion. The Bank will not accept to send an electronic Form of Proxy unless the said Activation Code and valid MSE number are quoted by the Shareholder. The Shareholder is to complete and send the electronic Form of Proxy from the same email address as received. Upon receipt of the completed Form of Proxy, the Bank will send an electronic acknowledgement to the Shareholder.

In order to be valid, the completed Form of Proxy must reach the Office of the Company Secretary at House of the Four Winds, Triq I-Imtiehen, Il-Belt Valletta VLT 1350, Malta, whether by hand, by mail or electronically, up to 48 hours before the appointed date and time of the AGM. Shareholders opting to send the proxy by mail are advised to use the business reply service envelope enclosed.

## E. Draft Resolutions and Documents

The draft resolutions to be considered and voted upon at the AGM are included as an integral part of this Notice.

As stated in the Bank's Company Announcement No. 428, a Shareholder or Shareholders holding not less than 5% of the voting issued share capital of the Bank was/were entitled to request the Bank to include items on the agenda of the AGM and to table draft resolutions for items to be included in the agenda of the AGM. Such requests were to be submitted to the Bank by 16 April 2022, that is at least forty six (46) days before the date set for the AGM (2 June 2022).

The Form of Proxy is being sent directly to the Shareholders together with this Notice. The full text of the aforementioned documentation (including the Bank's Annual Report and Financial Statements for financial year 2021) is also available at the Office of the Company Secretary, House of the Four Winds, Triq I-Imtiehen, Il-Belt Valletta VLT 1350, Malta, and on the Bank's website [www.bov.com](http://www.bov.com) under the Investor Relations section.

A copy of the Bank's Annual Report has been made available on the Bank's website on:

<https://www.bov.com/documents/bov-annual-report-2021>

## D. Kif tintbaghat il-Formola ta' Prokura

Il-Formola ta' Prokura tista' tiġi sottomessa lill-Kumpanija kif ġej:

- i. Jew billi tibgħat il-Formola ta' Prokura fl-uffiċċju reġistrat tal-Kumpanija f'House of the Four Winds, Triq I-Imtiehen, Il-Belt Valletta VLT 1350, Malta; jew
- ii. L-Azzjonisti jistgħu jagħzlu li jibagħtu l-Formola ta' Prokura tagħhom b'mod elettroniku. F'dan il-każ, l-Azzjonisti huma mitluba jibagħtu email lill [agm2022@bov.com](mailto:agm2022@bov.com) billi jikkwotaw il-Kodiċi ta' Attivazzjoni (stampat fin-naħa t'isfel fuq ix-xellug tal-Formola ta' Prokura) u n-numru tal-MSE tal-Azzjonist. Il-Bank imbagħad jibgħat il-Formola ta' Prokura elettronika lill-Azzjonist biex timtela. Il-Bank mhux se jaċċetta li jibgħat Formola ta' Prokura elettronika sakemm l-imsemmi Kodiċi ta' Attivazzjoni u numru validu ta' MSE ma jkunux ikkwotati mill-Azzjonist. L-Azzjonist għandu jimla u jibgħat il-Formola ta' Prokura elettronika mill-istess indirizz elettroniku fejn ikun irċeviha. Malli jirċievi l-Formola ta' Prokura mimlija, il-Bank se jibgħat rikonoxximent elettroniku lill-Azzjonist.

Sabiex tkun valida, il-Formola ta' Prokura mimlija trid tasal l-Uffiċċju tas-Segretarju tal-Kumpanija f'House of the Four Winds, Triq I-Imtiehen, Il-Belt Valletta VLT 1350, Malta, kemm jekk titwassal bl-idejn, bil-posta jew elettronikament, sa 48 siegħa qabel id-data u l-hin stabbiliti tal-LĠA. L-azzjonisti li jagħzlu li jibagħtu l-prokura bil-posta jingħataw parir jużaw il-“business reply” envelop meħmuż.

## E. Abbozzi ta' Riżoluzzjonijiet u Dokumenti

L-abbozzi tar-riżoluzzjonijiet li se jiġu kkunsidrati u li se jittiehed vot dwarhom matul il-LĠA huma inklużi bħala parti integrali ta' dan l-Avviż.

Kif ġie iddikjarat fl-Avviż tal-Kumpanija tal-Bank Nru 428, Azzjonist jew Azzjonisti li għandhom mhux anqas minn 5% tal-kapital azzjonarju maħruġ tal-Bank b'jedd għall-vot kien/ku intitolat/i jitolbu lill-Bank li jinkludi punti fuq l-aġenda tal-LĠA u li jipprezentaw abbozzi ta' riżoluzzjonijiet sabiex jiġu nkluzi fl-aġenda tal-LĠA. Dawn it-talbiet kellhom jiġu sottomessi lill-Bank sas-16 ta' April 2022, jiġifieri mill-inqas sitta u erbghin (46) jum qabel id-data stabbilita għall-LĠA (2 ta' Ġunju 2022).

Il-Formola ta' Prokura qed tintbagħat direttament lill-Azzjonisti flimkien ma' dan l-Avviż. It-test sħiħ tad-dokumentazzjoni msemmija hawn fuq (inkluż ir-Rapport Annwali tal-Bank u d-Dikjarazzjonijiet Finanzjarji għas-sena finanzjarja 2021) huma wkoll disponibbli fl-Uffiċċju tas-Segretarju tal-Kumpanija, House of the Four Winds, Triq I-Imtiehen, Il-Belt Valletta VLT 1350, Malta, u fuq is-sit elettroniku tal-Bank [www.bov.com](http://www.bov.com) taht it-taqsimha Investor Relations.

Kopja tar-Rapport Annwali tal-Bank hija disponibbli fuq is-sit elettroniku tal-Bank fuq:

<https://www.bov.com/documents/bov-annual-report-2021>



A printed copy of the Annual Report shall be provided to shareholders upon written request.

Pursuant to Capital Markets Rules 12.11.2, this section of the website will also indicate the total number of shares and voting rights as at the date of the Notice.

## F. Appointment of Directors

Pursuant to Article 28.2 of the Bank's Articles of Association, the most senior directors due to retire during the 2022 AGM are Steve Agius and James Grech. On the 9 February 2022, the Bank issued a call for interested parties to submit their nomination for appointment as Non-Executive Directors on the Board pursuant to Article 25 of its Articles of Association. The Bank received four (4) valid nominations, one (1) of which was subsequently withdrawn. Three (3) nominees were deemed by the Bank's Nominations and Remuneration Committee to be fit and proper to act as Non-Executive Directors of the Bank. However, one (1) of these nominees subsequently withdrew his nomination. In view that there are as many nominations as there are vacancies, and since both nominees were deemed by the Bank's Nominations and Remuneration Committee to be fit and proper to act as Non-Executive Directors of the Bank, no election will take place.

The nominees, namely James Grech and Deborah Schembri, will be automatically appointed as Non-Executive Directors during the forthcoming AGM. The appointment of Deborah Schembri is subject to regulatory approval.

All other incumbent Directors (Executive and Non-Executive Directors) shall remain in office pursuant to the Articles of Association.

Therefore, with effect from 2 June 2022, the Board of Directors shall be composed of the following Directors:

1. Cordina Gordon (Chairman)
2. Borg Kevin J.
3. Borg Miguel
4. Bugeja Diane
5. Camilleri Elizabeth
6. Grech James
7. Hunkin Rick
8. Lupi Alfred
9. Mangion Anita
10. Mifsud Alfred
11. Piras Antonio
12. Schembri Deborah
13. Swain Godfrey

## G. Directors' Recommendation

The Board of Directors, having undertaken the necessary considerations, is of the view that the proposed resolutions are in the best interests of the Company and of its shareholders and should improve shareholder value. The Board therefore recommends that the shareholders vote in favour of all resolutions at the forthcoming AGM.

Kopja stampata tar-Rapport Annwali tinghata lill-azzjonisti fuq talba bil-miktub.

Kif mitlub mil-"Capital Markets Rules" 12.11.2, din is-sezzjoni tas-sit elettroniku tindika wkoll in-numru totali ta' ishma u drittijiet tal-vot sad-data tal-Avviz.

## F. Hatra ta' Diretturi

Skont l-Artikolu 28.2 tal-Artikoli tal-Assoċjazzjoni tal-Bank, id-Diretturi li l-iktar ilhom fil-kariga li għandhom jirtiraw matul il-LĠA tal-2022 huma Steve Agius u James Grech. Fid-9 ta' Frar 2022, il-Bank ħareġ sejha għal partijiet interessati li jixtiequ jissottomettu n-nomina tagħhom għall-hatra bhala Diretturi Mhux Eżekuttivi fuq il-Bord skont Artikolu 25 tal-Artikoli ta' Assoċjazzjoni. Il-Bank irċieva erba' (4) nominazzjonijiet validi, li waħda (1) minnhom giet sussegwentament irtirata. Tliet (3) nominati tqiesu mill-Kumitat tan-Nominazzjonijiet u r-Rimunerazzjoni tal-Bank bhala kompetenti u idonei biex jaġixxu bhala Diretturi Mhux Eżekuttivi tal-Bank. Madankollu, wiehded (1) minnhom sussegwentament irtira n-nomina. Peress li kien hemm nominazzjonijiet daqs kemm hemm postijiet vakanti, u billi ż-żewġ nominati kienu meqjusa mill-Kumitat tan-Nominazzjonijiet u r-Rimunerazzjoni tal-Bank, bhala kompetenti u idonei biex jaġixxu bhala Diretturi Mhux Eżekuttivi tal-Bank, mhux se ssir elezzjoni.

Il-persuni nominati, jiġifieri James Grech u Deborah Schembri, ser jiġu awtomatikament maħtura bhala Diretturi Mhux Eżekuttivi matul il-LĠA li jmiss. Il-hatra ta' Deborah Schembri hija soġġetta għal approvazzjoni regolatorja.

Id-Diretturi eżistenti kollha (Diretturi Eżekuttivi u Mhux Eżekuttivi) se jibqgħu fil-kariga skont l-Artikoli ta' Assoċjazzjoni.

Għalhekk, b'effett mit-2 ta' Ġunju 2022, il-Bord tad-Diretturi se jkun magħmul mid-Diretturi li ġejjin:

1. Cordina Gordon (Chairman)
2. Borg Kevin J.
3. Borg Miguel
4. Bugeja Diane
5. Camilleri Elizabeth
6. Grech James
7. Hunkin Rick
8. Lupi Alfred
9. Mangion Anita
10. Mifsud Alfred
11. Piras Antonio
12. Schembri Deborah
13. Swain Godfrey

## G. Rakkomandazzjoni tad-Diretturi

Il-Bord tad-Diretturi, wara li qies il-konsiderazzjonijiet neċessarji, huwa tal-opinjoni li r-riżoluzzjonijiet proposti huma fl-aħjar interessi tal-Kumpanija u tal-Azzjonisti tagħha u għandhom itejbu l-valur għall-azzjonisti. Il-Bord għalhekk jirrakkomanda li l-Azzjonisti jvutaw favur ir-riżoluzzjonijiet kollha fil-LĠA li jmiss.

In case of any difficulties or queries, the Shareholders are kindly asked to contact the Office of the Company Secretary on 2275 3556 or on e-mail address [agm2022@bov.com](mailto:agm2022@bov.com)

In case of any conflicts between the Maltese and English versions of these Explanatory Notes, the English version is deemed as being the official version.

Approved and issued by Bank of Valletta p.l.c., with registered address at 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta and head office at House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350, Malta.

11 May 2022

F'każ ta' xi diffikultajiet jew mistoqsijiet, l-Azzjonisti huma ġentilment mitluba jikkuntattjaw lill-Uffiċċju tas-Segretarju tal-Kumpanija fuq 2275 3556 jew fuq l-indirizz elettroniku [agm2022@bov.com](mailto:agm2022@bov.com)

Fil-każ ta' xi kunflitt bejn il-verżjoni bil-Malti u dik bl-Ingliż ta' dawn in-Noti ta' Spjegazzjoni, il-verżjoni bl-Ingliż titqies bħala dik uffiċjali.

Approvata u maħruġa mill-Bank of Valletta p.l.c., bl-indirizz irreġistrat fi 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta u l-uffiċċju ewlieni f'House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350, Malta.

11 ta' Mejju 2022



## SHAREHOLDERS' CIRCULAR

### 48TH ANNUAL GENERAL MEETING

The purpose of this Circular is to inform the Members of Bank of Valletta p.l.c., a public limited liability company registered in Malta, having company registration number C 2833 and its registered office at 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta (the “**Company**”) on two ordinary resolution (special business) and one extraordinary resolution (special business) being proposed at the forthcoming Annual General Meeting (the “**AGM**”) of the Company.

#### 1. IMPORTANT INFORMATION

This Circular, which contains information about the resolutions to be proposed for approval at the forthcoming AGM, including the proposed changes to the Memorandum and Articles of Association of the Company, as approved by the Board of Directors of the Company, is being dispatched to all members, that is, the shareholders appearing on the register of members of the Company on the Official List of the Malta Stock Exchange as at close of business on 3 May 2022 (the “**Members**”).

This Circular is being issued in compliance with the Capital Markets Rules issued by the Malta Financial Services Authority, in particular the requirements set out in Capital Markets Rule 6.2 on the contents of all circulars.

All the directors of the Company as at the date of this Circular, namely, Gordon Cordina, Stephen Agius, Kevin J. Borg, Miguel Borg, Diane Bugeja, Elizabeth Camilleri, James Grech, Rick Hunkin, Alfred Lupi, Anita Mangion, Alfred Mifsud, Antonio Piras and Godfrey Swain (the “**Directors**”) accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the importance of such information.

This Circular is important and requires your immediate attention. If you remain in doubt as to what voting action to take, you are advised to consult an appropriate independent advisor.

You are kindly requested to ensure that if you sell or transfer any or all of the shares held in the Company, this Circular is passed on to the person through whom the sale or transfer was effected for the transmission to the purchaser or transferee.

#### 2. INTRODUCTION

Apart from the resolutions relating to the ordinary business of the Company being placed before the Members at the AGM and the ordinary resolution special business (advisory vote), the Directors are also placing before the Members two ordinary resolutions (relating to special business of the Company) and one extraordinary resolution (relating to special business of the Company), as set out in this Circular.

## ĊIRKULARI GHALL-AZZJONISTI

### IT-48 LAQGHA ĠENERALI ANNWALI

L-għan ta' din iċ-Ċirkulari huwa li tinforma lill-Membri tal-Bank of Valletta p.l.c., kumpanija pubblika b'responsabbiltà limitata rreġistrata f'Malta bin-numru tar-reġistrazzjoni tal-kumpanija C 2833 u bl-uffiċċju reġistrat tagħha fi 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta (il-“**Kumpanija**”) fuq żewġ riżoluzzjonijiet ordinarji (kwistjonijiet speċjali) u riżoluzzjoni waħda straordinarja (kwistjonijiet speċjali), li se jiġu proposti fil-Laqgħa Ġenerali Annwali li jmiss (l-“**LĠA**”) tal-Kumpanija.

#### 1. INFORMAZZJONI IMPORTANTI

Din iċ-Ċirkulari, li fiha informazzjoni dwar ir-riżoluzzjonijiet li se jiġu proposti għall-approvazzjoni fil-LĠA li jmiss, inkluż it-tibdil propost fil-Memorandum u l-Artikoli ta' Assoċjazzjoni tal-Kumpanija, kif approvati mill-Bord tad-Diretturi tal-Kumpanija, qed tintbagħat lill-membri kollha, jiġifieri lill-azzjonisti li jidhru fuq ir-reġistru tal-membri tal-Kumpanija fil-Lista Uffiċjali tal-Borża ta' Malta mal-għeluq tan-negozju fit-3 ta' Mejju 2022 (il-“**Membri**”).

Din iċ-Ċirkulari qed tinhareġ f'konformità mal-“Capital Markets Rules” maħruġa mill-Awtorità Maltija għas-Servizzi Finanzjarji, b'mod partikolari r-rekwiziti stipulati fil-“Capital Markets Rules” 6.2 dwar il-kontenut taċ-ċirkolari kollha.

Id-diretturi kollha tal-Kumpanija sad-data ta' din iċ-Ċirkulari, jiġifieri, Gordon Cordina, Stephen Agius, Kevin J. Borg, Miguel Borg, Diane Bugeja, Elizabeth Camilleri, James Grech, Rick Hunkin, Alfred Lupi, Anita Mangion, Alfred Mifsud, Antonio Piras u Godfrey Swain (id-“**Diretturi**”) jaċċettaw ir-responsabbiltà għall-informazzjoni li fiha din iċ-Ċirkulari. Fl-aħjar għarfien u twemmin tad-Diretturi, li ħadu l-prekawzjonijiet kollha raġjonevoli biex jaċċertaw li dan ikun fil-fatt il-każ, l-informazzjoni li fiha din iċ-Ċirkulari hija konformi mal-fatti u ma thalli barra xejn li jista' jaffettwa is-sinifikat ta' din l-informazzjoni.

Din iċ-Ċirkulari hija importanti u teħtieġ l-attenzjoni immedjata tiegħek. Jekk tibqa' f'dubju dwar kif għandek tivvota, nagħtuk parir li tikkonsulta ma' konsulent indipendenti xieraq.

Int ġentilment mitlub tiżgura li jekk tbigh jew tittrasferixxi l-ishma kollha li għandek fil-Kumpanija, jew parti minnhom, din iċ-Ċirkulari tingħata lill-persuna li permezz tagħha sar il-bejgħ jew it-trasferiment biex din iċ-Ċirkulari tiġi trażmessa lix-xerrej jew lil min akkwista l-ishma.

#### 2. INTRODUZZJONI

Apparti mir-riżoluzzjonijiet relatati mal-kwistjonijiet ordinarji tal-Kumpanija li qed jitressqu quddiem il-Membri fil-LĠA, u r-riżoluzzjoni ordinarja relatata mal-kwistjonijiet speċjali (vot konsultattiv), id-Diretturi qed iressqu wkoll quddiem il-Membri żewġ riżoluzzjonijiet ordinarji (relatati mal-kwistjonijiet speċjali tal-Kumpanija) u riżoluzzjoni straordinarja waħda (relatata mal-kwistjonijiet speċjali tal-Kumpanija), kif stabbilit f'din iċ-Ċirkulari.

This Circular sets out an explanation to Members of the resolutions proposed at the forthcoming Annual General Meeting. The Circular also explains the changes that are being proposed in the Company's Memorandum and Articles of Association.

### 3. PROPOSED ORDINARY RESOLUTIONS – SPECIAL BUSINESS

#### Resolution 4 – Renewal of Authority to Issue Shares

The proposed resolution reads as follows:

[That the Board of Directors be and is hereby duly authorised and empowered to issue new shares of the Company up to the prescribed amount, as defined in the Articles of Association, for a period of five \(5\) years from the date of this resolution.](#)

Explanatory Note to the proposed resolution:

Currently Article 3.2 of the Articles of Association provides that the Company may, pursuant to and in accordance with the Companies Act (Cap.386 of the Laws of Malta) generally and unconditionally authorise the directors, during the prescribed period (five years) to exercise all the powers of the Company to issue and allot Equity Securities under such terms and conditions including (but not limited to) with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, up to the prescribed amount. Provided that such an authorisation shall be valid for a period of five (5) years renewable for further periods of five years each.

The current authority of the board was granted during the Extraordinary General Meeting of the Company held on the 27 July 2017 for a period of five (5) years and expires on the 26 July 2022. This resolution proposes to renew this authority for a further five (5) year period, with effect from the 2 June 2022 to expire on the 1 June 2027.

The purpose of this authority is to grant flexibility to the board of directors to act in accordance with this authority without the need to convene a general meeting of the Company.

#### Resolution 5 – Revised Remuneration Policy for Directors

The proposed resolution reads as follows:

[That the revised Remuneration Policy for Directors as set out in the Circular to Shareholders dated 11 May 2022 be hereby noted and approved.](#)

Explanatory Note to the proposed resolution:

Pursuant to Chapter 12 of the Capital Markets Rules, the Shareholders of the Company shall be granted the right to vote on the Remuneration Policy for Directors and any material change thereof. The Remuneration Policy for Directors was approved by the Shareholders of the company during the

Din iċ-Ċirkulari tagħti spjegazzjoni lill-Membri dwar ir-riżoluzzjonijiet proposti għal-Laqgħa Ġenerali Annwali li jmiss. Iċ-Ċirkolari tispjega wkoll il-bidliet li qed jiġu proposti fil-Memorandum u fl-Artikoli ta' Assoċjazzjoni tal-Kumpanija.

### 3. RIŻOLUZZJONIJIET ORDINARJI PROPOSTI - KWISTJONIJIET SPEĊJALI

#### Riżoluzzjoni 4 - Tiġdid tas-Setgħa għall-Hruġ ta' Ishma

Ir-riżoluzzjoni proposta taqra kif gej:

[Illi l-Bord tad-Diretturi jkun u huwa hawn debitament awtorizzat u mogħti s-setgħa li joħroġ ishma ġodda tal-Kumpanija sal-ammont preskritt, kif definit fl-Artikoli ta' Assoċjazzjoni, għal perjodu ta' ħames \(5\) snin mid-data ta' din ir-riżoluzzjoni.](#)

Nota Spjegattiva għar-riżoluzzjoni proposta:

Attwalment Artikolu 3.2 tal-Artikoli ta' Assoċjazzjoni jstipula li l-Kumpanija tista', skont u f'konformità mal-Att dwar il-Kumpaniji (Kap.386 tal-Liġijiet ta' Malta) b'mod ġenerali u bla riżerva tawtorizza lid-diretturi, matul il-perjodu preskritt (ħames snin) li jeżerċitaw is-setgħat kollha tal-Kumpanija biex joħroġu u jallokaw Titoli ta' Ekwità taħt tali termini u kundizzjonijiet inkluż (iżda mhux limitati għal) b'dawk id-drittijiet preferuti, differiti, jew drittijiet speċjali jew tali restrizzjonijiet oħra, kemm fir-rigward ta' dividend, votazzjoni, ritorn ta' kapital jew mod ieħor, sal-ammont preskritt. Jistipula li tali awtorizzazzjoni tibqa' valida għal perjodu ta' ħames (5) snin li jista' jiġġedded għal perjodi oħra ta' ħames snin il-wieħed.

Is-setgħa attwali tal-bord ingħatat waqt il-Laqgħa Ġenerali Straordinarja tal-Kumpanija li saret fis-27 ta' Lulju 2017 għal perjodu ta' ħames (5) snin u tiskadi fis-26 ta' Lulju 2022. Din ir-riżoluzzjoni tipproponi li tiġi mġedda din is-setgħa għal perjodu ieħor ta' ħames (5) snin, b'effett mit-2 ta' Ġunju 2022 u tiskadi fl-1 ta' Ġunju 2027.

L-iskop ta' din is-setgħa huwa li tagħti flessibilità lill-bord tad-diretturi biex jaġixxi skont din is-setgħa mingħajr il-ħtieġa li tissejjaħ laqgħa ġenerali tal-Kumpanija.

#### Riżoluzzjoni 5 - Revizzjoni tar-"Remuneration Policy for Directors"

Ir-riżoluzzjoni proposta taqra kif gej:

[Illi, r-"Remuneration Policy for Directors", riveduta kif stipulata fiċ-Ċirkulari lill-Azzjonisti datata 11 ta' Mejju 2022 tiġi hawn innutata u approvata.](#)

Nota Spjegattiva għar-riżoluzzjoni proposta:

Skont Kapitolu 12 tal-"Capital Markets Rules", l-Azzjonisti tal-Kumpanija għandhom jingħataw id-dritt li jivvutaw fuq ir-"Remuneration Policy for Directors" u kwalunkwe bidla materjali tagħha. Ir-"Remuneration Policy for Directors" ġiet approvata mill-Azzjonisti tal-kumpanija waqt il-Laqgħa Ġenerali Annwali

Annual General Meeting held on 26 November 2020. The Remuneration Policy for Directors (the "Policy") has been revised and is hereby being submitted for the Shareholders Approval.

The main changes to the Policy are as follows:

- The annual remuneration of Non-Executive Directors (NEDs) and the Chairman is increased by €2,000, and thus from the current €20,500 to €22,500 for NEDs, and from the current €80,000 to €82,000 for the Chairman.
- The Executive Directors on the Bank's Board of Directors will not receive Board honoraria in addition to their executive role package.
- The Nominations and Governance Committee and the Remunerations Committee have merged into one committee, namely the Nominations and Remuneration Committee. This change in the name of the Committee was also reflected in the revised Policy.

The Remuneration Policy for Directors as revised, is being enclosed with this Circular as Appendix 1.

#### 4. PROPOSED EXTRAORDINARY RESOLUTION – SPECIAL BUSINESS

##### Resolution 7 – Changes to The Memorandum and Articles of Association

The proposed resolution reads as follows:

That the existing Memorandum and Articles of Association of the Company be and are hereby replaced and substituted in their entirety by the new Memorandum and Articles of Association, a copy of which may be obtained from the Company's website under the 'Investor Relations' section <https://www.bov.com/documents/memorandum-and-articles-2022> or from the Office of the Company Secretary at the House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350.

Explanatory note to the proposed resolution:

The only material change being proposed to the Company's Memorandum and Articles of Association relates to Article 28 of the Articles of Association. The other changes proposed for adoption are of a minor non-material nature.

##### Amendments to Article 28

It is being proposed that the existing Article 28 of the Company's Articles of Association shall be deleted and replaced by the following:

li saret fis-26 ta' Novembru 2020. Ir-"Remuneration Policy for Directors" (il-"Policy") giet riveduta u hawnhekk qed tigi sottomessa għall-Approvazzjoni tal-Azzjonisti.

Il-bidliet ewlenin fil-"Policy" huma kif ġej:

- Ir-rimunerazzjoni annwali tad-Diretturi Mhux Eżekuttivi (NEDs) u tač-Chairman tiżdied b'€2,000, u għalhekk mill-ammont attwali ta' €20,500 għal €22,500 għall-NEDs, u mill-ammont attwali ta' €80,000 għal €82,000 għač-Chairman.
- Id-Diretturi Eżekuttivi fuq il-Bord tad-Diretturi tal-Bank mhux se jirċievu onorarji tal-Bord apparti l-pakkett tar-wol eżekuttiv tagħhom.
- Il-Kumitat tan-Nominazzjonijiet u l-Governanza u l-Kumitat tar-Rimunerazzjonijiet ingħaqdu f'kumitat wieħed, jiġifieri l-Kumitat tan-Nominazzjonijiet u r-Rimunerazzjoni. Din il-bidla fl-isem tal-Kumitat giet riflessa wkoll fil-"Policy" riveduta.

Ir-"Remuneration Policy for Directors" kif riveduta, qed tigi mehmuža ma' din ič-Cirkolari bhala Appendiċi 1.

#### 4. RIŻOLUZZJONI STRAORDINARJA PROPOSTA - KWISTJONIJIET SPEĊJALI

##### Riżoluzzjoni 7 - Bidliet fil-Memorandum u l-Artikoli ta' Assoċjazzjoni

Ir-riżoluzzjoni proposta taqra kif ġej:

Il-li I-Memorandum u l-Artikoli ta' Assoċjazzjoni eżistenti tal-Kumpanija jiġu u huma hawn mibdula u sostitwiti fl-intier tagħhom bil-Memorandum u l-Artikoli ta' Assoċjazzjoni l-ġodda, li kopja tagħhom tista' tinkiseb mill-websajt tal-Kumpanija taht it-taqsimha 'Investor Relations' <https://www.bov.com/documents/memorandum-and-articles-2022> jew mill-Uffiċċju tas-Segretarju tal-Kumpanija f'House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350.

Nota Spjegattiva għar-riżoluzzjoni proposta:

L-unika bidla materjali li qed tigi proposta fill-Memorandum u l-Artikoli ta' Assoċjazzjoni tal-Kumpanija hija relatata mal-Artikolu 28 tal-Artikoli ta' Assoċjazzjoni. Il-bidliet l-oħra proposti għall-adozzjoni huma ta' natura immaterjali minuri.

##### Emendi fl-Artikolu 28

Qed jiġi propost li l-Artikolu 28 eżistenti tal-Artikoli ta' Assoċjazzjoni tal-Kumpanija għandu jiħassar u jiġi sostitwit b'dan li ġej:

## 28. ROTATION OF DIRECTORS

- 28.1. The provisions of this Article 28 shall not apply to Non-Executive Directors who have been co-opted to the Board in accordance with the provisions of Article 27A above. At the first Annual General Meeting of the Company following the adoption of this Article, all the Directors shall retire from office, and at that annual general meeting Non-Executive Directors shall, subject to the rotation provisions in this Article (including Article 28.4), be appointed or re-appointed as the case may be, for a period of three (3) years.
- 28.2. At the Annual General Meeting falling on the first (1<sup>st</sup>) anniversary of the general meeting referred to in Article 28.1, one-third of the Non-Executive Directors shall retire from office. In every subsequent year one third of the Non-Executive Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office.
- 28.3. The Non-Executive Directors to retire first shall be those who have been in office longest since the date of their election or re-election (as the case may be) but as between persons who were elected or re-elected (as the case may be) on the same day or in the event that the duration in office cannot be properly determined those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 28.4. In the event that one or more of the Non-Executive Directors who have been in office longest and are due to retire by rotation in terms of Articles 28.2 and 28.3, would, as from the date of their appointment, election or re-election (as the case may be) up to then forthcoming general meeting at which an election and/or re-election of Directors is to take place, have occupied office for less than two calendar years (a "Two-Year Term"), said Non-Executive Director or Directors (as the case may be) shall not retire. There shall be no retirement by rotation of any Non-Executive Directors at the Annual General Meeting in any given year if all Non-Executive Directors due to retire by rotation in terms of Articles 28.2 and 28.3 have been in office for less than the Two-Year Term, and, if at the annual general meeting in any given year, from the Non-Executive Directors due to retire by rotation in terms of Articles 28.2 and 28.3: (a) one or more Non-Executive Directors have been in office for less than the Two-Year Term; and (b) one or more other Non-Executive Directors have been in office for a period exceeding said Two Year Term, it is only the Non-Executive Director(s) mentioned in (b) who shall retire by rotation in that year.
- 28.5. A retiring Director shall, subject to the provisions of Article 23.6, be eligible for re-election or reappointment:  
Provided that any Non-Executive Director who reaches seventy-five (75) years of age at any time during his/her term of office, such Non-Executive Director shall complete such term of office but shall not be eligible for re-appointment or re-election in accordance with this Article 28.5.
- 28.6. Subject to the provisions of Article 28.8, at the general meeting at which a Director retires in the manner aforesaid, the Company may fill the vacated office by electing a person thereto from amongst Approved Candidates.
- 28.7. These provisions on rotation shall, subject to the provisions of Article 27A.5 and Article 28.8, apply to all Non-Executive Directors whether appointed by a Qualifying Shareholder or otherwise, but shall not apply to the Executive Directors.
- 28.8. Where a Non-Executive Director appointed by a Qualifying Shareholder retires pursuant to the provisions of this Article 28, that Director may be substituted only by another Non-Executive Director nominated by the Qualifying Shareholder who had originally nominated the retiring Non-Executive Director, provided that (i) such new appointee has been duly approved by the Nominations and Remuneration Committee; and (ii) the Qualifying Shareholder still holds a Qualifying Shareholding at the time of the substitution or new appointment.
- 28.9. In the event that one or more Non-Executive Directors resign effective as of the date of a general meeting at which an election or re-election of Directors is to take place, the resigning Director(s) shall be excluded from the total number of Non-Executive Directors on the basis of which the number of Non-Executive Directors required to retire by rotation (one third or a number nearest to one third, calculated in accordance with Articles 28.2, 28.3 and 28.4) shall be calculated.

### Explanation of above changes

The changes being proposed are intended to clarify the mechanism by which directors are to retire by rotation. The rotation mechanism currently requires that one third - or a

### Spjegazzjoni għall-bidliet ta' hawn fuq

Il-bidliet li qed jiġu proposti huma maħsuba biex jiċċaraw il-mekkanizmu li bih id-diretturi għandhom jirtiraw b' sistema ta' rotazzjoni. Il-mekkanizmu ta' rotazzjoni attwalment jitlob li terz

number nearest to one third - of the Company's Non-Executive Directors (excluding those who have been co-opted) are required to retire by rotation every year. The main changes being proposed to Article 28 are intended to: (a) clarify that the Non-Executive Directors required to retire in any given year are those who have been in office longest since the date of their election or re-election; and (b) make clear that if, in any given year, the Non-Executive Directors who have been in office longest and are due to retire by rotation, have occupied office for less than two years, said directors shall not retire by rotation. The practical impact of (b) is that if, in any given year, all the Non-Executive Directors due to retire by rotation - by virtue of their holding office longest - have occupied office for less than two years, no Non-Executive Directors will retire by rotation in that year.

## 5. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or certified copies thereof will be available for inspection at the Company's registered office at 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta, for at least fourteen (14) days from the date of publication of this Circular:

- the Company's Memorandum and Articles of Association;
- the Company's last Annual Report for the year ended 31 December 2021;
- the Company's Interim Report for the period 1 January 2021 to 30 June 2021; and
- the revised Remuneration Policy for Directors, as put forward for approval by the shareholders of the Company.

## 6. DIRECTORS' RECOMMENDATION

The Board of Directors, having undertaken the necessary considerations, is of the view that the proposed resolutions are in the best interests of the Company and of its shareholders and should improve shareholder value. The Board therefore recommends that the shareholders vote in favour of all resolutions at the forthcoming AGM.

11 May 2022

Approved and issued by Bank of Valletta p.l.c., with registered address at 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta and head office at House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350, Malta.

– jew numru l-eqreb ta' terz – tad-Diretturi Mhux Eżekuttivi tal-Kumpanija (eskluzi dawk li jkunu ġew co-opted) ikunu meħtieġa jirtiraw b' sistema ta' rotazzjoni kull sena. Il-bidliet ewlenin li qed jiġu proposti għall-Artikolu 28 huma maħsuba biex: (a) jiċċaraw li d-Diretturi Mhux Eżekuttivi meħtieġa li jirtiraw fi kwalunkwe sena partikolari huma dawk li l-iktar li jkun ilhom fil-kariga mid-data tal-ħatra jew ħatra mill-ġdid tagħhom; u (b) jagħmluha ċara li jekk, f'xi sena partikolari, id-Diretturi Mhux Eżekuttivi li l-iktar li jkun ilhom fil-kariga u li suppost se jirtiraw bis-sistema ta' rotazzjoni, ikunu okkupaw il-kariga għal inqas minn sentejn, dawn l-imsemmija diretturi m'għandhomx jirtiraw bis-sistema ta' rotazzjoni. L-impatt prattiku ta' (b) huwa li jekk, fi kwalunkwe sena partikolari, id-Diretturi Mhux Eżekuttivi kollha li suppost se jirtiraw bis-sistema ta' rotazzjoni – minħabba li jkunu l-iżjed li ilhom fil-kariga tagħhom – ikunu okkupaw il-kariga għal inqas minn sentejn, l-ebda Diretturi Mhux Eżekuttivi ma jirtira bis-sistema ta' rotazzjoni f'dik is-sena.

## 5. DOKUMENTI DISPONIBBLI GHALL-ISPEZZJONI

Id-dokumenti sussegwenti jew kopji ċċertifikati tagħhom se jkunu disponibbli għall-ispezzjoni fl-uffiċċju registrat tal-Kumpanija f'58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta, għal mill-inqas erbatax-il (14) jum mid-data tal-pubblikazzjoni ta' din iċ-Ċirkulari:

- il-Memorandum u l-Artikoli ta' Assoċjazzjoni tal-Kumpanija;
- l-aħħar Rapport Annwali tal-Kumpanija għas-sena li ntemmet fil-31 ta' Diċembru 2021;
- ir-Rapport Interim tal-Kumpanija għall-perjodu mill-1 ta' Jannar 2021 sat-30 ta' Ġunju 2021; u
- ir-"Remuneration Policy for Directors", riveduta kif imressqa għall-approvazzjoni mill-azzjonisti tal-Kumpanija.

## 6. RAKKOMANDAZZJONI TAD-DIRETTURI

Il-Bord tad-Diretturi, wara li qies il-konsiderazzjonijiet neċessarji, huwa tal-opinjoni li r-riżoluzzjonijiet proposti huma fl-aħħar interessi tal-Kumpanija u tal-Azzjonisti tagħha u għandhom itejbu l-valur għall-azzjonisti. Il-Bord għalhekk jirrakkomanda li l-Azzjonisti jivvutaw favur dawn ir-riżoluzzjonijiet fil-LĠA li jmiss.

11 ta' Mejju 2022

Approvata u maħruġa mill-Bank of Valletta p.l.c., bl-indirizz irregistrat fi 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130, Malta u l-uffiċċju ewleni fil-House of the Four Winds, Triq l-Imtiehen, Il-Belt Valletta VLT 1350, Malta.



## APPENDIX 1

### REMUNERATION POLICY FOR DIRECTORS

#### Introduction

The Remuneration Policy (the “Policy”) for members of the Board of Directors of Bank of Valletta p.l.c. (the “Bank”) has been prepared in accordance with the requirements to the Capital Markets Rules (then Listing Rules) which were introduced in July 2019.

The Policy was approved by shareholders during the Bank’s Annual General Meeting held on the 26 November 2020.

Efforts are made to ensure that the remuneration of the Board of Directors takes into consideration Board members’ required competencies, skills, effort and scope of the Board work, including the number of meetings. Due consideration is also given to market demands, the size of the Bank and its importance to the local economy as well as to the Directors’ responsibilities. A successful implementation of the Policy will ensure that the Bank can attract and retain high-quality people, enabling us to execute our business strategy and serve our long-term interests, including our sustainability goals.

For the purposes of the Policy, Director means any member of the Board of Directors including both Executive Directors and Non-Executive Directors of the Bank.

#### Non-Executive Director Remuneration

Details of Directors remuneration are disclosed in the Bank’s annual report and shall be subject to such limit of aggregate emoluments to Directors that is approved by shareholders from time to time.

#### Fees

The composition of fees may change from time to time. Currently, a base annual fee of €22,500 is paid to each Non-Executive Director and €82,000 to the Chairman of the Board. In addition to the base fee, Non-Executive Directors who are also appointed as members of one of the Board Committees receive additional compensation. The additional remuneration paid depends on whether a Non-Executive Director is Chair or a member of such Board Committee.

Fee levels are fixed and determined by the Nominations and Remuneration Committee from time to time in order to provide an appropriate reward to attract individuals with appropriate knowledge and experience to review and support the implementation of the Company’s strategy.

#### Other benefits

Non-Executive Directors may receive various benefits as approved by the Nominations and Remuneration Committee. Currently, all Non-Executive Directors are entitled to health insurance and to a reimbursement of out-of-pocket expenses incurred by them in attending and returning from meetings of the Directors or other committees or general meetings of the Bank or in connection with the business of the Bank.

In addition, Non-Executive Directors may be entitled to such discounts on products and services of the Bank as the Nominations and Remuneration Committee may from time to time determine.

Non-Executive Directors are not eligible to participate in the annual bonus plan or pension arrangements.

#### Executive Director Remuneration

The Bank’s policy is that the remuneration of the Executive Directors ought to reflect primarily their executive positions within the Bank. Such remuneration shall include a fixed salary and bonuses, and may include pension benefits, termination benefits and other benefits as may be provided for in their employment contract with the Bank.

The Bank believes that a combination of fixed and variable remuneration seeks to attract and retain suitable executives who have the necessary competence, skills, qualities and expertise to enable them to discharge their duties according to the highest standards. The fixed remuneration component considers the level of responsibility such position entails, whereas the variable component is subject to performance assessment (whether, of the Bank, the individual or otherwise) on such basis as the



Nominations and Remuneration Committee considers appropriate and which may include risk-adjusted performance indicators and be aligned to the achievement of strategic objectives and the delivery of value to shareholders.

The remuneration of each Executive Director is set and approved by the Board upon the recommendation of the Nominations and Remuneration Committee and is aligned with the Group's Remuneration Policy for executives and employees. The Remuneration Committee takes into account wider pay arrangements throughout the Bank.

## **Fixed remuneration**

Fixed remuneration for Executive Directors consists of salary, pension benefits (where the Executive Director has an entitlement under their contract of employment) and other benefits. Executive Directors shall not be entitled for any fees for sitting on the Bank's Board of Directors.

## **Salary**

Executive Directors receive a fixed base salary based on position, responsibilities, performance and competencies.

## **Pension**

Currently no formal pension plan is provided although, on a non-contractual basis, employees with a prescribed level of service may be eligible to a retirement gratuity of up to three (3) times salary. Executive Directors may also benefit from a lump sum early retirement package in accordance with the terms of their contract of employment (although the current Chief Executive Officer is not entitled to such a benefit under his definite contract of employment).

## **Other benefits**

The Nominations and Remuneration Committee may determine the level and type of benefits to be provided from time to time. All Directors are entitled to health insurance and to a reimbursement of out-of-pocket expenses incurred by them in attending and returning from meetings of the Directors or other committee or general meetings of the Bank or in connection with the business of the Bank.

In addition, Executive Directors are entitled to:

- such discounts on products and services of the Bank as the Board may from time to time determine; and
- the use of a company car.

## **Variable remuneration**

The variable component of Executive Director remuneration is set so as to compensate executives for achieving certain levels of performance, without however exposing the Bank to unwarranted risk.

The variable component of individual Executive Directors is determined in line with this Policy. The Policy may be applied differently to different executives in instances where the Nominations and Remuneration Committee may consider it appropriate, such as where an executive is employed on a definite contract or an indefinite contract with the Bank.

Variable remuneration normally takes the form of annual bonuses, paid in a combination of cash and ordinary shares of the Bank (or other qualifying instruments). Annual bonus outcomes for a financial year shall not exceed 100% of fixed remuneration. This level is set as a cap in compliance with banking regulations and has been chosen to provide suitable flexibility during the term of this Policy. In practice, the Nominations and Remuneration Committee does not envisage annual bonus outcomes exceeding a lower limit of 50% of fixed remuneration in normal circumstances.

All variable remuneration will be determined by reference to criterion determined by the Nominations and Remuneration Committee to be appropriate. Measures and targets will normally be set around the start of a financial year and may be based on a number of key performance indicators ("KPIs") that determine a balanced scoring between quantitative and qualitative factors and the overall performance of the Group. The KPIs will normally be selected in order to ensure that they contribute to the company's business strategy and long-term interests and sustainability.

The Nominations and Remuneration Committee selects and approves the KPIs, targets and relative weightings around the start of each year to ensure strong alignment with current business strategy and that targets are sufficiently stretching without, in the

view of the Nominations and Remuneration Committee, unduly exposing the Bank to risk. The Nominations and Remuneration Committee shall have full discretion in evaluating performance and attainment of KPIs and awarding the variable remuneration following the publication of the relevant financial results for a financial year of the Bank.

Subject to any de minimis exceptions permitted by relevant banking regulations (de minimis), at least 40% of the annual bonus outcome will normally be deferred over 5 years, paid annually in equal instalments.

Similarly subject to de minimis, in order to align the interests of Executive Directors with the long-term interests of shareholders, at least 50% of the annual bonus outcome will normally be paid out in ordinary shares of the Bank with the balance normally be paid out in cash.

## **Malus and clawback**

Any variable component of Executive Director remuneration shall also be subject to malus and clawback provisions which would allow a reduction or reversal of any variable remuneration.

The Nominations and Remuneration Committee may enforce such provisions up to seven (7) years from the date of performance assessment (which may be increased to ten (10) years if there is an on-going investigation) in the case of:

- (malus only) material misstatement of the Company's financial results
- (malus only) material error
- (malus and clawback) circumstances warranting summary dismissal
- (malus and clawback) material failure of risk management
- (malus only) material downturn in economic activity

## **Others**

The Bank's Board may from time to time have members appointed to it who hold an indefinite salaried office with the Bank, but who are not considered as Executive Directors since their position is not one of executive decision making with the Bank, and are appointed to the Board by shareholders in general meeting. Any remuneration paid to any Director by virtue of his holding an indefinite salaried office with the Bank shall not be deemed to form part of such Director's emoluments and shall not be taken into consideration for the purpose of the Policy.

## **Duration**

According to Article 24 of the Bank's articles of association the Chief Executive Officer shall upon his or her appointment to that executive office become an Executive Director on the Board of Directors and shall serve as Executive Director throughout his or her tenure of the position of Chief Executive Officer.

Other Executive Directors who are appointed on the Board shall be appointed for a period of three (3) years and shall thereafter be eligible for re-appointment.

The employment contract of the Chief Executive Officer is for a definite period of time and consequently shall be governed by the legal provisions applicable to the termination of such contracts. Depending on whether the contract of employment of the other Executive Director/s is for an indefinite or a definite period of time, details of notice period shall be governed by the relative legal provisions applicable to the termination of such contracts.

Non-Executive Directors are appointed on the Board of Directors for a term of three (3) years and are eligible for re-appointment subject to the rotation of directors' process as stipulated in Article 28 of the Bank's Articles of Association.

## **Termination and payments linked to termination**

An Executive Director shall, upon termination of his service agreement, continue to benefit from all the benefits offered to retired executives under the applicable terms and conditions existing at the time of signing of his contract of employment. The current Chief Executive Officer is not entitled to any pension, retirement schemes or other entitlements upon termination of contract.

Non-Executive Directors are not paid any benefits linked to the termination of their office and they do not benefit from any pension or early retirement schemes by virtue of their office.

## **Recruitment arrangements**

The Nominations and Remuneration Committee may approve special arrangements as it considers necessary on the recruitment of a new Executive Director, including honouring amounts to compensate for the loss of rights on leaving their former employer in respect of external recruits provided that such buy-out awards are, in the view of the Committee no more generous overall than the rights forfeited.

## **Managing potential conflicts of interest**

In order to avoid any conflict of interest, remuneration is managed through well-defined processes ensuring no individual is involved in the decision-making process related to their own remuneration. In particular, the remuneration of all Executive Directors is approved by Board upon the recommendation of the Nomination and Remuneration Committee; none of the Executive Directors are involved in the determination of their own remuneration arrangements. The Nominations and Remuneration Committee also receives support from external advisers and evaluates the support provided by those advisers annually to ensure that advice is independent, appropriate and cost-effective.

In determining variable pay out-turns, the Nominations and Remuneration Committee may seek such advice as it considers appropriate, including from the Risk Committee and from external advisers.

## **Revision of Policy**

The Nominations and Remuneration Committee is tasked with keeping the Policy under review and considers whether it requires revision or updating in line with market demands with a view to ensuring that the Bank's Board attracts and retains, suitable members that provide the collective skills and experience required for the proper functioning of the Board.

The Policy shall be reviewed regularly, and any material amendments thereto shall be submitted to a vote by the general meeting before adoption, and in any case at least every four (4) years.

Issued by Bank of Valletta p.l.c.  
58, Triq San Żakkarija Il-Belt Valletta VLT 1130 - Malta

**Bank of Valletta p.l.c.**

www.bov.com E-mail: [customercare@bov.com](mailto:customercare@bov.com)

Registered Office: 58, Triq San Żakkarija, Il-Belt Valletta VLT 1130 - Malta Registration Number: C 2833

Bank of Valletta p.l.c. is a public limited company licensed to carry out the business of banking and investment services in terms of the Banking Act (Cap. 371 of the Laws of Malta) and the Investment Services Act (Cap. 370 of the Laws of Malta).

Bank of Valletta p.l.c. is an enrolled tied insurance intermediary of MAPFRE MSV Life p.l.c. MAPFRE MSV Life is authorised by the Malta Financial Services Authority to carry on long term business of insurance under the Insurance Business Act 1998.

Bank of Valletta p.l.c. is authorised to act as a trustee by the Malta Financial Services Authority.