

REGULATION OF THE BOARD OF DIRECTORS OF THE COMPANY IMPACT DEVELOPER & CONTRACTOR SA

1. RECITALS

- 1.1 The Board of Directors ('**Board**') of **IMPACT DEVELOPER & CONTRACTOR SA** ('**Company**') adopted these regulations ('**Regulations**') in order to regulate its activity as part of the Company's corporate governance. This Regulation was elaborated in accordance with the provisions of the Corporate Governance Code of the Bucharest Stock Exchange ('**BVB**'), the edition of 11 September 2015 and with the Regulation no. 2/2016 on the application of corporate governance principles by entities authorized, regulated and supervised by the Financial Supervisory Authority ('**Regulation no 2/2016**').
- 1.2 This Regulation may be amended on the basis of a Council Decision.

2. BOARD COMPOSITION

- 2.1 The Board will be composed of 5 (five) members, whose term is 4 (four) years, and may be renewed, except as provided by law or by the Articles of Incorporation of the Company.
- 2.2 The majority of the members of the Board will be non-executive directors, being any members of the Board who are not full-time employees of the Company, who do not obtain additional remuneration or other advantages such as benefits in kind from the Company or a company controlled by it and are not involved in the current operations of the Company.
- 2.3 Given that the Company is part of the Premium category, at least 2 (two) directors will be **independent non-executive directors**, who have not engaged in any relationship that could affect their ability to make decisions independently.
- 2.4 At least 1 (one) of the directors must have economic studies and experience in the economic, accounting, audit or financial field of at least 5 (five) years.
- 2.5 The independent non-executive director must meet the following criteria:
- (i) Not to hold the position of General Manager/executive officer of the Company or of a company controlled by it and has not held this position in the last 5 (five) years;
 - (ii) Not being an employee of the Company or of a company controlled by it and not having held this capacity in the last 5 (five) years;
 - (iii) Not receiving and not having received additional remuneration or other advantages from the Company or from a company controlled by it, except for those corresponding to the position of non-executive director;
 - (iv) Not holding the position of General Manager/executive officer of another company in which a General Manager/executive officer of the Company holds the position of non-executive director;
 - (v) Not having and not having had in the previous year a professional or commercial relationship with the Company or with a company controlled by it, neither directly, nor as a partner, shareholder, client, member of the Board of Directors/Director, General Manager/executive officer or employee of a company that has such a relationship if this relationship, in its essence, could affect its objectivity;

- (vi) Not having had the capacity of non-executive director of a company for more than 3 (three) terms;
- (vii) Not being or not representing a majority or significant shareholder of the Company, which controls over 10% of the voting rights or a company controlled by it;
- (viii) Not related to a person in the situations mentioned in points (i) and (vii) above;
- (ix) Not being and not having been, in the last 3 (three) years, the external/internal auditor, partner/associate/employee of the current external/internal financial auditor of the Company or of a company controlled by it.
- (x) Other relatively permanent professional commitments and obligations of a member of the Board of Directors, including executive and non-executive positions on the Board of non-profit corporations and institutions, will be disclosed to potential shareholders and investors before appointment and during his term of office.

- 2.6 Each independent member of the Board must submit a declaration at the time of his/her nomination for election or re-election, as well as when any change in his/her status occurs, indicating the elements on the basis of which he/she is considered independent in terms of character and judgment. If a director considers himself/herself independent, despite the existence of relationships or circumstances provided for in point 2.5 above, he/she must provide arguments in support of such claim.
- 2.7 When the position of director becomes vacant before the end of the term of office, the term of office of the new director shall be equal to the remaining term of office of his/her predecessor.
- 2.8 When the ordinary general meeting of shareholders decides to supplement the number of members of the Board of Directors, the term of office of the first directors appointed to the additional positions will be equal to the remaining term of the directorships that are being executed, at the date of the decision to supplement the number of members of the Board of Directors.
- 2.9 For the appointment of a director to be valid, the person appointed must expressly accept it within a maximum of 15 days from the date of the appointment decision or from the date on which he/she became aware of the appointment decision, by written declaration transmitted to the Company.
- 2.10 The resignation of the mandate of director or chairman will be notified, in advance, to the Board of Directors, at least 30 days before the date considered for the vacancy of the position, by resignation, subject to payment of damages.

3. FIELDS OF RESPONSIBILITY

- 3.1 The Board represents the decision-making body regarding all significant aspects for the Company as a whole, due to their strategic, financial or reputational implications. The Board delegates the management competencies of the Company, subject to the conditions and limits provided by law and by the Articles of Incorporation.
- 3.2 The Board of Directors will fulfill all the necessary and useful acts for the accomplishment of the object of activity of the Company except those that are provided by law in the competence of the General Meeting of Shareholders and of those delegated to the director.
- 3.3 The following core competencies may not be delegated by the Board to directors:
 - (i) to establish the main directions of activity and development of the Company;
 - (ii) to approve the management plan of the Company;

- (iii) to establish the accounting policies and the financial control system, as well as to approve the financial planning;
- (iv) to appoint and remove directors, including the Director General, and establish their remuneration;
- (v) to supervise the activity of the officers;
- (vi) to prepare the annual report of the directors;
- (vii) to organize the meetings of the general meeting of shareholders, as well as to implement its decisions;
- (viii) to file the requests for the opening of insolvency prevention and insolvency proceedings of the Company;
- (ix) to prepare rules/regulations regarding the own activity, of the general meeting of shareholders, of the consultative committees and of the officers, without contravening the legal provisions or the Articles of Association;
- (x) to establish or close secondary offices (branches, agencies, representation offices or any other work points); to establish subsidiary companies as well as their operating conditions, in order to fulfill the strategic objectives of the Company;
- (xi) to change the Company's headquarters;
- (xii) to increase the share capital of the Company to a maximum level. Within the limits of the fixed level, the directors may decide, following the delegation of powers, to increase the share capital, competence assigned to the directors for a maximum period of 1 (one) year and may be renewed by the general meeting for a period that, for each renewal, may not exceed 1 (one) year;
- (xiii) to grant company loans to companies in which the Company is an associate, whose value does not exceed, individually or cumulatively, with other ongoing company loans, the equivalent in lei of Eur 1 (one) million;
- (xiv) to approve the organizational structures of the Company and related companies, the personnel schemes, the remuneration and motivation, the internal regulations of their organization and functioning;
- (xv) to adopt a policy to ensure that any transaction of the Company with any of the companies with which it has close relations whose value is equal to or greater than 5% of the net assets of the Company (established according to the latest financial report) is approved by the Board of Directors following a mandatory opinion of the Board's audit committee and correctly disclosed to shareholders and potential investors, insofar as these transactions fall into the category of events that are subject to reporting requirements.
- (xvi) other powers of the Board of Directors that cannot be delegated, according to the law.

3.4 The Board will manage operations with experience and care, in accordance with, inter alia, the applicable laws and regulations, the Articles of Incorporation, the management contracts concluded with each director and these Regulations.

3.5 The Board has the obligation to establish relevant criteria for monitoring the results of the Company's executive management activity and to evaluate annually the application of the performance criteria.

3.6 The activities carried out by the Company and its development perspectives are analyzed at least once a year by the Board.

- 3.7 The Board will act with professionalism, good faith, honesty and fidelity, in the interest of the Company and in the common interest of all shareholders;
- 3.8 The Board has duties and powers related to the strategic direction and general management of the Company, including:
- (i) to approve the general strategic direction of the Company, make proposals for the attention of the GMS regarding the annual and multi-annual business plans, approve the annual and multi-annual objectives and any decisions that are outside the approved business plan;
 - (ii) to establish and maintain policies and procedures for the entire strategy of organization and development of the Company;
 - (iii) to establish policies for the supervision, coordination and prudent management of the Company's activity;
 - (iv) to ensure an effective framework for internal control, internal audit and compliance functions and effective communication and reporting channels;
 - (v) to adopt financial objectives and forecasts;
 - (vi) to establish an effective risk assessment, administration and management system (including by establishing risk tolerance/appetite levels). The system ensures the compliance of the control activities with the risks generated by the activities and processes that are subject to control;
 - (vii) to establish the key policies applicable at the level of the Company;
 - (viii) periodic evaluation of the financial situation of the Company;
 - (ix) to ensure the existence of an adequate framework for verifying the manner in which the specific legislation on reporting to the FSA is applied and the information transmitted to the FSA, at its request, regarding certain actions undertaken by the Company.
 - (x) to permanently monitor the Vektor scoring improvement.
- 3.9 In addition to the duties listed above, the Council also has the following competencies:
- (i) The Board will consistently ensure that risk management issues are complemented by an internal control system that regulates an appropriate level of policies, procedures and processes for limiting, mitigating risks and meeting the Company's objectives. The internal control system of the Company is established at the executive management and reports directly to the Board and is independent from the operational organizational structures and the support ones that it controls and monitors;
 - (ii) The Board has the obligation to analyze the adequacy, efficiency and updating of the risk management system, in order to efficiently manage the assets held by the Company, as well as the management of the related risks to which the Company is/could be exposed.
 - (iii) To receive periodic reports from the Audit Committee on the adequacy of the Company's internal control systems and the general risk management framework;
 - (iv) To designate the members of the Board of Directors, which will be submitted to the GMS, based on the guiding principles regarding the nomination and/or on the recommendation of the Chairman of the Board and the General Manager;
 - (v) To elect the Chairman of the Council from among its members;

- (vi) To appoint the Secretary of the Company (whether this position is outsourced or not);
- (vii) To appoint and revoke the Internal Auditor, at the recommendation of the Audit Committee;
- (viii) To make proposals to the General Meeting of Shareholders regarding the level of remuneration and allowances for the members of the Board;
- (ix) To assess the performance of the Company's Directors. The Board will approve their remuneration, depending on the fulfillment of the pre-established performance criteria;
- (x) To approve all financial reports and management reports of the Company, before reporting them to shareholders, on the recommendation of the Audit Committee and after presentation by the General Manager;
- (xi) To approve the Agenda of the General Meeting of Shareholders, at the proposal of the Chairman of the Board;
- (xii) To receive periodic reports from the Audit Committee regarding the adequacy of the Company's internal control systems and the general risk management framework;
- (xiii) To recommend to the General Meeting of Shareholders the election or revocation of the external auditor, following the proposal from the Audit Committee.
- (xiv) To analyze and establish the Company's remuneration policy so that it corresponds to the business strategy, objectives and long-term interests and includes measures to prevent conflicts of interest. All remuneration commitments are fully and responsibly structured and remuneration policies allow and promote effective risk management without leading to risk-taking beyond the Company's level of risk tolerance.
- (xv) The Board and the executive management shall communicate with stakeholders on the basis of a communication strategy that meets at least the following requirements:
 - (a) Ensuring fair treatment for stakeholders and shareholders;
 - (b) Communication of information in a timely manner;
 - (c) Ensuring a transparent communication framework.

3.10 The Board will adopt decisions with a major influence on the corporate organization of the Company, including the establishment and implementation of the corporate governance regulations of the Company, as they may be approved by the general meeting of shareholders.

3.11 The Board may establish with the financial auditor a formal and transparent framework through which to provide accurate, complete and timely information on how financial reporting principles and practices are applied, including prudential reporting.

3.12 The Board shall ensure compliance with the requirements for the outsourcing/delegation of operational activities or functions, both before and during the outsourcing/delegation. Outsourcing / delegation can only be done under specific legislation and only if it does not have one of the following consequences:

- (i) Significant deterioration of the quality of the Company's corporate governance system;
- (ii) Unjustified increase in operational risk;
- (iii) The impossibility of the A.S.F. to monitor the Company's compliance with its obligations;
- (iv) Impeding the provision of continuous and quality services to consumers of financial products.

3.13 Each Board member must also, inter alia:

- (i) submit to the Board information on any relationship with a shareholder who directly or indirectly holds shares representing 5% of all voting rights;
- (ii) prepare properly for Board meetings and, where appropriate, of other structures or committees in which it has been appointed;
- (iii) fulfill any specific obligation entrusted to it by the Board or which can reasonably be considered to be within its duties;
- (iv) actively participate in the Board's annual evaluation exercise.

4. TRAINING AND SUPPORT

- 4.1 Board members, together with the Chief Executive Officer and the rest of the selected key management staff, will receive initial and regular training on key issues related to corporate governance, the Company's business, the Board's activities and management issues so that they can participate actively and effectively in the decision-making process as soon as possible after their appointment. This training will be provided by designated persons within the Company or other reputable experts, and the Company will provide the necessary resources for the continuous development and strengthening of the knowledge and skills of its directors, officers and key management personnel.
- 4.2 Board members will constantly update their skills and improve their knowledge of the Company's business, as well as best practices in corporate governance, in order to fulfill their role both within the Board and, where appropriate, in the committees of which they are members. The Chairman of the Board will periodically review and establish with each of the directors their training and development needs.
- 4.3 Internal procedures are established and implemented to provide all directors with adequate knowledge of the Company and access to its operations and personnel.
- 4.4 The Board shall ensure that directors, in particular non-executive directors, have access to independent professional advice at the expense of the Company, if and when necessary.

5. ASSESSMENT

- 5.1 Under the chairman and in accordance with best practice, the Board shall conduct an annual self-assessment of its performance, its committees, and its cooperation with the officers, and shall report its results to the **GMS**.
- 5.2 This periodic evaluation must promote the continuous improvement of the governance practices adopted and implemented by the Company.
- 5.3 The Board's assessment will take into account the balance between the Board's powers, experience, independence and knowledge, its diversity, including gender, the way the Council works as a whole and other factors relevant to its effectiveness. The evaluation process focuses mainly on the achievement of three objectives:
 - (i) assessing the functioning of the Board and its committees;
 - (ii) preparing and discussing important aspects in the Company's activity;
 - (iii) the presence of the directors at the Board meetings and of the relevant advisory committees, as

well as their constructive involvement in the debates and in the decision-making process.

- 5.4 The purpose of the Board's evaluation is to show whether each director continues to make an effective contribution and to demonstrate a commitment to his or her role (including the allocation of time for meetings of the Board and committees, as well as for any other duties).
- 5.5 The Board will be assisted in its annual evaluation by the Nominating Committee, and if necessary, by external consultants.
- 5.6 The non-executive directors of the Board shall meet, without the chairman being present, at least annually, to assess the performance of the chairman, as well as on such other occasions as are deemed appropriate.
- 5.7 Where appropriate, non-executive directors will evaluate their collaboration with executive directors once a year. To this end, non-executive directors shall meet at least once a year, in the absence of the Director-General.

6. CHAIRMAN

- 6.1. A person will not be able, at the same time, to be appointed Chairman of the Board of Directors and director, within the Company.
- 6.2. During the period when the Chairman of the Board is temporarily unable to exercise his duties, the Board of Directors may appoint another director to exercise the mandate of chairman.
- 6.3. During the period in which the Board of Directors has not appointed a chairman and/or a substitute or, although appointed, none may exercise the mandate of chairman, during the respective state of impossibility the Board of Directors may appoint another director to perform the function of the chairman.
- 6.4. The President of the Board shall ensure that the work of the Board is carried out efficiently and that the Board carries out its duties. In particular, the Chairman shall:
 - (i) organize and lead the Board activity, encourage an open and constructive dialogue within the Board in which all its members take part and create the best possible conditions for Board operations;
 - (ii) submit to the Board such proposals as it deems appropriate to ensure the proper functioning of the Company and the functioning of the Board and other structures of the Company;
 - (iii) ensure that the Board allocates sufficient and adequate time to discuss complex, sensitive or controversial issues, organizing, where appropriate, informal meetings with Board members, officers and advisers to allow for thorough preparation for Board discussions and meetings;
 - (iv) ensure that the Board carries out an annual self-assessment;
 - (v) regularly contact the General Manager;
 - (vi) monitor the correct implementation of decisions taken by the Board;
 - (vii) chair the GMS and ensure effective communications with shareholders and other key stakeholders;
 - (viii) ensure the implementation of efficient risk management and internal control systems within the Company;
 - (ix) oversee the proper integration of all new directors;

- (x) recommend to the Board, based on the nomination guidelines, the candidates for the position of director within the Board;
 - (xi) establish the agenda of the Board meeting, containing the main strategic and operational aspects that affect the Company, taking into account the opinions of the General Manager and other directors;
 - (xii) maintain a close, informal and constructive relationship with the General Manager, thus contributing to the development of the Company's strategy and ensuring that the strategies, plans and performance of the executive management are properly presented to the Board;
 - (xiii) any other responsibility delegated to it by the Board.
- 6.5. The term of office of the director and the term of office of the chairperson shall run from the date provided for in the appointment decision or, failing that, from the day following the decision appointing the person in charge of the term of office of the director or, as the case may be, the term of office of the president.

7. GENERAL MANAGER

- 7.1 The General Manager will be responsible for the general executive management and for the day-to-day operations of the Company, in accordance with the approved strategy.
- 7.2 The General Manager will be responsible for the execution of the duties delegated by the Board of Directors, except for the following activities:
- (i) To prepare the financial-accounting statements;
 - (ii) The financial-accounting reports to the company's shareholders, the members of the Board of Directors, the Financial Administration, the Administration of the Environmental Fund, the Bucharest Stock Exchange, ASF, which also fall under the responsibility of the Financial Director.
- 7.3 The General Manager ensures that, at any time, the finance department is functional according to the specific obligations and needs.

8 CHIEF FINANCIAL OFFICER

He is responsible for the organization, management and administration of the Company's activity from a financial-accounting point of view, under the supervision and coordination of the General Manager, including the following duties/competencies:

- (i) To prepare the financial-accounting statements;
- (ii) Financial-accounting reports to the company's shareholders, members of the Board of Directors, Financial Administration, Environmental Fund Administration, Bucharest Stock Exchange, ASF.

9 MEETINGS

- 9.1 The Board shall hold its first meeting as soon as possible after the beginning of the term of office of its members, and shall thereafter meet as provided in the Articles of Incorporation and applicable law to carry out its responsibilities properly.

- 9.2 The Board shall meet whenever necessary, but at least once every two months, in accordance with the provisions of the Articles of Incorporation.
- 9.3 The meetings of the Board of Directors will be convened by the Chairman, by the other members or at the request of the General Manager, in accordance with the law and the Articles of Association of the Company.
- 9.4 In the situation of the request for convening the Board of Directors by the directors, the agenda is established by the authors of the request, the Chairman being obliged to comply with such a request.
- 9.5 The Board members shall make reasonable efforts to attend all meetings of the Board and to be prepared for such meetings.
- 9.6 In order to ensure efficiency in the conduct of Board meetings, the following rules are established:
- (i) to observe the start time of the meeting;
 - (ii) the possibility to ask questions by the Board members to the persons who have elaborated the documents submitted for analysis in order to detail the unclear aspects;
 - (iii) the possibility of holding discussions, expressing opinions and proposing solutions to improve the activity in the analyzed field;
 - (iv) clear formulation of Board decisions;
 - (v) specifying the point of view of the directors who do not agree or refrain from being recorded in the minutes;
 - (vi) Participation in a meeting may take place by teleconference or video conference or other communication facilities, and by representation through a proxy;
 - (vii) the obligation of the absent directors to consult the minutes and the decisions adopted and to sign the acknowledgment, and if they have other points of view, to state their point of view in writing. Absent directors may empower another director by written document or e-mail sent to the Secretariat before the beginning of the Board meeting.
 - (viii) if directors have unresolved concerns about the operation of the Company or a proposed action, they must ensure that their concerns are recorded in the minutes of the Board;
 - (ix) The decisions of the Board will be adopted by mutual consent. In the event that no agreement is reached, the decisions of the Board shall be adopted by a simple majority of the directors present, each Director having the right to one vote, except in cases where the law provides for an absolute majority;
 - (x) A decision written or approved by letter, e-mail, telegram or fax by all directors will be valid and will produce effects such as a decision adopted at a meeting of the Board;
 - (xi) The quorum required for the validity of the meetings of the Board shall consist of a majority of the members of the Board;
 - (xii) The works and decisions of the Board shall be recorded in the minutes by the Secretary of the Board. The minutes must be clear, concise and clearly state the decisions taken. Divergent opinions will be recorded accordingly. The minutes will be made available to all members of the Board shortly after the meeting and approved at the next meeting;
 - (xiii) The Chairman may invite certain persons to participate, without the right to vote, in the Board meetings, as necessary. The Chairman may, at any time, allow a person who is not a member of the

Board not to attend the meeting;

- (xiv) The provisions of the present Regulation regarding the meetings of the Board of Directors will be supplemented accordingly with the relevant provisions of the Articles of Incorporation of Impact.

10 SECRETARIAT

10.1 The proceedings of the meetings of the Board shall be prepared by the Special Secretariat of the Company (the "**Secretariat**") appointed by the Board, representing employees of the Company, who shall have, inter alia, the provision of all necessary support for the conduct of Board meetings. Also, the activity of the Secretary may be outsourced to an external provider, if the Company considers that such an arrangement corresponds to its needs.

10.2 The Secretariat has the duty to:

- (i) keep the documents discussed, presented or otherwise deriving from the meeting of the Council;
- (ii) process all requests from directors for information and documents required to hold Board meetings;
- (iii) communicate the decisions of the Board to the relevant persons within the Company (including the directors);
- (iv) record correctly and completely the decisions of the Committee in the special register;
- (v) ensure that the Board's procedures are followed.

10.3 In addition to the above, the Secretariat will also:

- (i) assist the Board in the management, convening and conduct of the GMS in accordance with legal and statutory requirements;
- (ii) ensure that the Board always takes into account the views of shareholders;
- (iii) ensure that relevant types of information on governance or other types of information whose disclosure is required by law are provided and performed in accordance with the law.
- (iv) ensure that the necessary disclosures on corporate governance and the functioning of the Council and its committees are included in the annual report; and

10.4 The decisions of the Board must be implemented by the directors as soon as possible from the date on which the signed decision of the Board is communicated to the directors. If the Board has not appointed more than one director, the responsibilities set out in this paragraph shall be incumbent on the General Manager.

10.5 Under the guidance of the Chair of the Board, the Secretariat's responsibilities will also include ensuring a good flow of information within the Board and its committees, as well as between management and non-executive directors, and facilitating initial training and professional development assistance as needed.

11 BOARD COMMITTEES

11.1 The Board may set up Standing or Ad Hoc Committees to assist it in carrying out its work and shall be responsible for establishing the members of all its Committees;

- 11.2** In order to increase the efficiency of its work, the Board has set up the following committees:
- (i) Nomination-Remuneration Committee;
 - (ii) Risk Committee;
 - (iii) Audit Committee;
- 11.3** The nomination and remuneration policies, the internal management and control system policy, the regulations of the Nomination-Remuneration Committee, that of the Audit Committee and that of the Risk Committee, are annexed to this Regulation. The company has the obligation to include in its internal policies and regulations provisions regarding the recruitment and selection of management members and the renewal of the mandate of existing ones.
- 11.4** The committees will assist the Board in preparing matters falling within the Board's power.
- 11.5** The Board shall draw up written regulations to regulate the work of the Committees.
- 11.6** Each director wishing to be included in a committee shall submit his candidature before the meeting of the Board at which the composition of that committee is determined. The minutes of the meetings of the committees and the documents underlying them shall be made available to all Board members.
- 11.7** If the term of office of a director remains vacant for any reason, that director shall cease to be a member of any Committee or subcommittee of the Board. The Board shall immediately appoint one of the remaining directors to replace that member on the committees or subcommittees of the Board.
- 11.8** Each Committee will review and evaluate its performance and terms of reference annually, making recommendations for changes to the Board.

12 DIRECTORS' RIGHTS AND OBLIGATIONS

- 12.1** The rights and obligations of the directors, as well as their situations of incompatibility, are provided by the mandate/administration contracts, concluded with the Company, by the Articles of Association and by the applicable legal provisions.
- 12.2** The members of the Board of Directors are entitled to a net monthly allowance established by the General Meeting of Shareholders.
- 12.3** The directors will transmit to the Company, ex officio or at the request of the Company, all the identification, contact data and any other personal data necessary to ensure the conditions of execution of the Company's obligations, provided by law or by the Articles of Incorporation.
- 12.4** In case of modification of the transmitted data, according to paragraph above, the transmission of new data will be done by the director ex officio.
- 12.5** The directors cannot vote, based on the shares they own, neither personally nor through a proxy, the discharge of their management or a problem in which the person or their administration would be in discussion.
- 12.6** The directors will contribute to the constructive discussions during the Board meetings. In particular, the Directors will develop strategies, analyze and make constructive criticisms regarding the performance of the executive management and will ensure the fulfillment of the company's objectives.
- 12.7** Each Director must ensure the strict confidentiality of all information that he/she receives during the performance of his/her duties. Upon termination of the term of office of a member of the Board, each

Director shall maintain the strictest confidentiality of all such information, unless otherwise disclosed to the public.

- 12.8** The directors will exercise their duties in good faith, for the benefit of the Company, and will not promote their own interests or those of third parties.
- 12.9** The directors will apply and adhere to the highest standards of ethics and moral integrity. Any event that could adversely affect their reputation and credibility will be reported immediately to the Chairman.
- 12.10** Any director must submit to the Board information on any relationship with a shareholder who directly or indirectly holds shares representing more than 5% of all voting rights. This obligation shall include any relation that may affect the member's position on matters decided by the Board of Directors.
- 12.11** The participation of each Director in the meetings of the Board, in person or by teleconference, will be recorded in the minutes.
- 12.12** The directors may not be members of several Boards, except to the extent that it allows them to carry out their activity properly and to fulfill their obligations and duties towards the Company.
- 12.13** The directors will not become members of the Board of Directors or executive officers in any company that is in competition with the Company or in other institutions whose interests may be divergent or could be contrary to the interests of the Company.

13 CONFLICTS OF INTEREST

- 13.1** The directors have an obligation of loyalty to the Company and will strive to avoid conflicts of interest (those situations in which their personal or professional interests make it difficult to take objective measures in the interest of the Company and shareholders and fulfill their role as Director.)
- 13.2** The Directors will report annually to the Audit Committee their main professional functions and activities, including duties within non-profit organizations, as well as any relevant legal entities in which the Directors themselves or those they represent are significant shareholders. The Audit Committee will ensure that there have been no conflicts of interest.
- 13.3** The directors are required to declare any current or potential conflicts of interest at the beginning of all meetings of the Board and to refrain from participating in discussions (including by non-attendance, unless non-attendance would prevent the formation of a quorum) and from voting to adopt a decision on the operations in respect of which such conflict of interests exists.
- 13.4** If a transaction in respect of which a Director has a current or potential conflict of interest cannot be avoided, the transaction or business relationship with the Company will be approached with due caution and in a fully transparent manner.

14 RELATIONS WITH THE SHAREHOLDERS

- 14.1** The Company's spokespersons to investors will be the Chairman of the Board and the General Manager. However, they may delegate the authority to submit information on behalf of the Company to other Directors or members of senior management.
- 14.2** The Board will facilitate the participation of shareholders and will ensure the adoption of informed decisions by shareholders within the GMS.
- 14.3** The Board will decide the issues that will be included on the GMS agenda. The company will ensure that

the shareholders receive in due time all the relevant documentation and information regarding the items on the agenda;

- 14.4 The company is committed to providing consistent, accurate and timely information to shareholders. Shareholders will have access to essential information related to the Company's activity, with the approval of the Board.
- 14.5 A company will hold at least two meetings/teleconferences with analysts and investors each year. The information presented on these occasions will be published in the investor relations section of the Company's official website at the date of the meetings/teleconferences.

15 CORPORATE GOVERNANCE

- 15.1 As a company admitted to trading, the Company has undertaken to comply with the Corporate Governance Code issued by the Bucharest Stock Exchange.
- 15.2 The Board will ensure that there is an appropriate framework for verifying the information submitted to the A.S.F., at its request, regarding certain actions taken by the Company.
- 15.3 The company will include in the annual report a corporate governance statement, in a separate section, which will include a self-assessment of how the "provisions to be met" are met and the measures taken to comply with the provisions that are not fully met.
- 15.4 The corporate governance statement will inform whether an evaluation of the Board under the Chairman or the nomination committee has taken place and, if so, will summarize the key measures and changes resulting from it. The company must have a policy / guidance on the evaluation of the Board including the purpose, criteria and frequency of the evaluation process.
- 15.5 The corporate governance statement must contain information on the number of meetings of the Board and committees in the last year, the participation of directors (in person and in absentia) and a report by the Board and committees on their activities.
- 15.6 The corporate governance statement must include information on the exact number of independent members of the Board.
- 15.7 This Regulation shall enter into force after its approval by the Board of Directors and may be amended by its decision at any time. This Regulation is completed with the procedures and policies adopted by the Board of Directors according to the Corporate Governance Code.
- 15.8 Any question relating to the interpretation of the provisions of this Regulation shall be submitted to the Council.
- 15.9 In case of conflict between the provisions of the Regulation and/or the provisions of the Articles of Incorporation and/or any national laws or regulations, the latter shall prevail.