

Approved
in the meeting of the Board of Directors
on 18.06.2021
art. 2 of Decision no. 12 /18.06.2021

**Procedures regarding the organizational structure,
administrative and accounting requirements and control
and protection devices in the field of electronic data
processing , as well as appropriate internal control
mechanisms
(Internal rules)**

TITLE I. ORGANIZATIONAL STRUCTURE

Article 1. General Considerations

1.1. The company's name is: S.I.F. Oltenia S.A.

1.2. Legal status: The company is set up as a legal person of private law, of Romanian nationality, organized as a joint stock company.

1.3. Type of company: S.I.F. Oltenia S.A. is classified, according to the applicable legal provisions, as a closed-ended Alternative Investment Fund (AIF) for retail investors, diversified and self-managed. S.I.F. Oltenia S.A. is authorized by the Financial Supervisory Authority as an Alternative Investment Fund Manager (AIFM).

1.4. Operation of the company:

The company operates in accordance with:

- legal regulations on companies;
- the rules governing companies whose shares are admitted to trading on a regulated market;
- the legal provisions relating to companies having legal personality;
- the legislation governing the activity of the AIFM/AIF;
- the decisions of the ordinary and extraordinary general shareholder meetings of the company;
- the company's articles of association;
- internal rules;
- the decisions of the Board of Directors;
- the Collective Employment Contract.

S.I.F. Oltenia S.A., as an issuer listed in the PREMIUM category of B.V.B., is constantly concerned about compliance with the principles of corporate governance.

Article 2. The headquarters and duration of the company

2.1. The registered office of the company is located in Romania, Craiova, 1 Tufanele street, Dolj county.

2.2. The company may set up or abolish branches, representative offices, agencies, working points and other secondary establishments on the territory of Romania or abroad, on the basis of the decision of the Board of Directors, in compliance with the regulations and legal provisions.

2.3. The duration of the company is 25 years.

Art. 3. The company's field and scope of activity

3.1. The main field of activity of the company is NACE code 649 - other activities of financial intermediation, excluding insurance activities and pension funds, and its main activity is NACE code 6499 - other financial intermediation n.e.c.

3.2. The main activities that can be carried out by S.I.F. Oltenia S.A. are the following:

- a) portfolio management;
- b) risk management.

The company, as an A.I.F.M., can also carry out other activities such as:

- entity administration;
 - i) legal and fund accounting services;
 - ii) requests for information from customers;
 - iii) monitoring compliance with applicable legislation;
 - iv) income distribution;
 - v) equity issues and redemptions;
 - vi) record-keeping.
- activities relating to the assets of the AIF, namely services necessary for the performance of the A.I.F.M.'s management tasks, infrastructure management, real estate management, advice to entities on capital structure, industrial strategy and related matters, advice and services on mergers and acquisitions of entities, as well as other services related to the management of the AIF and other assets in which it has invested.

Art. 4. Organisational structure. Tasks and responsibilities

4.1. The activity of S.I.F. Oltenia S.A. is organized into directorates, services, offices according to **the organization chart** set out in **Annex I**.

The organization chart of the company was designed with a view to creating a formalized and flexible structure, based on hierarchically well-defined organizational units, the allocation of functions and responsibilities in order to achieve better results.

S.I.F. Oltenia S.A. establishes, applies and maintains appropriate internal policies and procedures to detect, monitor and manage any risk of breach of its legal obligations under the regulations governing its activity.

The company agrees to make use at all times of the appropriate human and technical resources required for the proper management of the company, with sound administrative and accounting procedures and controls and protection in the field of electronic data processing, as well as appropriate internal control mechanisms, including, in particular, rules relating to the personal transactions of its employees or the holding or administration of investments for the purpose of investing on its own account and ensuring, at least, that each transaction in which the company is involved can be reconstituted as regards its origin, its parties, its nature, as well as the time and place when it was made and that the assets administered by the company are invested in accordance with the rules or instruments of incorporation of S.I.F. Oltenia S.A. and the legal provisions in force.

4.2. The company may delegate to third parties, subject to prior approval by the F.S.A. And based on a written contract, activities relating to portfolio management and risk management. As regards the activities of management of the company, distribution and activities related to the assets of S.I.F. Oltenia S.A., they shall be delegated provided that the

F.S.A. is notified, based on a written contract and according to F.S.A. regulations issued for the enforcement of Law no. 74/2015.

S.I.F. Oltenia S.A. will provide on this occasion a detailed description, explanations and evidence of the objective reasons for the delegation. The delegation will be based on the following criteria:

- optimization of business functions and processes;
- making savings;
- the power of the delegate to manage specific markets or to invest;
- the delegate's access to global trading capabilities.

At the request of the competent authorities, S.I.F. Oltenia S.A. will provide further explanations and submit documents proving that the entire delegation structure is based on objective reasons.

4.3. In the event that the interests of the company or the applicable legal regulations so require, the organizational structure of S.I.F. Oltenia S.A. shall also be modified, by decision of the company's Board of Directors.

4.4. S.I.F. Oltenia S.A. will observe at all times, in the course of its business, the prudential rules, with reference to:

a) the creation and maintenance of a flexible organizational structure, based on well-defined operational units that clearly specify the degree of prioritization and reporting, the responsibilities of each structure and enable the achievement of performance;

b) hiring qualified personnel with the necessary skills, knowledge and experience to fulfil their assigned responsibilities and ensuring that the performance of multiple functions by the relevant persons does not, or will not, affect the proper, honest and professional performance of any of the functions performed;

c) establishing, implementing and maintaining an effective system of internal reporting and communication at all relevant hierarchical levels of society, as well as efficient information exchange with the third parties involved;

d) establishing, implementing and maintaining effective compliance policies;

e) establishing, implementing and maintaining an effective risk management system;

f) establishing, implementing and maintaining an appropriate investment strategy;

g) establishing appropriate administrative and accounting, control and safety rules and procedures for electronic data processing, as well as appropriate internal control mechanisms, including rules on the personal transactions of employees and the company;

h) establishing, implementing and maintaining accounting policies and procedures that enable the undertaking to provide, at the request of the regulatory authority, in a timely manner, financial reports reflecting a true and fair view of its financial position and complying with all applicable accounting standards and rules;

i) an obligation on the company to ensure a high level of security of electronic systems during electronic data processing and to preserve the integrity and confidentiality of the exchanged information, taking into account the nature of the information in question;

j) implementing appropriate rules and procedures to ensure that the operations carried out by the company can be reconstituted, including as regards their origin, nature, the involved parties, time and place;

k) establishing rules and procedures for the retention of records of transactions carried out to enable the regulator to supervise the compliance with prudential rules, conduct of business rules and other legislative and regulatory requirements;

l) establishing, implementing and maintaining a business continuity plan designed to ensure, in the event of disruption of its systems and mechanisms, the storage of data and essential functions, the maintenance of services and activities or, where this is not possible, timely recovery of these data and functions and immediate resumption of services and activities;

m) establishing, implementing and maintaining an effective conflict of interest policy, taking into account the size and organization of the company and the nature, scale and complexity of its business;

n) establishing, implementing and maintaining an appropriate and effective strategy for determining when and how to exercise voting rights in voting instruments held in managed portfolios;

o) establishing, implementing and maintaining rules and procedures to prevent fraudulent practices that could affect the stability and integrity of the capital market.

Article 5. The General Shareholder Meeting

5.1. The General Shareholder Meeting is the supreme management body of the company that will be set up and will function in accordance with the legal provisions in force.

5.2. General meetings shall be ordinary and extraordinary and may be convened whenever necessary.

5.3. The Ordinary General Meeting shall meet at least once a year within the time limit laid down by the regulations and legal provisions.

In addition to the discussion of other items on the agenda, the Ordinary General Meeting shall:

a) discuss, approve or amend the annual financial statements, based on reports submitted by the Board of Directors and the financial auditor, and establish the value of dividends;

b) elect and revoke members of the Board of Directors;

c) appoint or dismiss the financial auditor and establish the minimum duration of the financial audit agreement;

d) establish the remuneration of the members of the Board of Directors for the current year, if it has not been established according to the articles of association;

e) decide on the management of the Board of Directors;

f) establish the incomes and expenses budget and the activity schedule for the following financial exercise, as the case may be;

g) decide upon the pledge, lease or dismantling of one or several units of the company.

5.4. The Extraordinary General Meeting shall meet whenever required, in order to decide on:

a) changing the Company's legal status;

b) moving the Company's headquarters;

c) changing the Company's scope of activity;

d) increasing the registered capital;

e) reducing capital or restoring it by issuing new shares;

f) merging with other companies or dividing the company;

g) anticipated dissolution of the company;

h) conversion of shares from one category to another;

i) conversion of a category of bonds into another category or shares;

j) issuing bonds;

k) any other changes in the articles of association or any other decision that requires approval from the extraordinary general meeting.

5.5. The General Meetings will be convened and held in accordance with the regulations and legal provisions.

5.6. General meetings shall be convened on the basis of the decision of the Board of Directors in accordance with the regulations and legal provisions and the company's articles of association.

5.7. Shareholders registered on the reference date may participate and vote in general meetings directly or may also be represented by persons other than the shareholders on the basis of a special or general authorization in accordance with legal regulations.

Voting may also be done by correspondence including electronic means.

Art. 6. THE FINANCIAL AUDITOR

The financial statements as well as those relating to the company's operations will be audited by financial auditors appointed by the General Shareholder Meeting under the conditions laid down by the regulations and legal provisions, which will be carried out on a contractual basis approved by the Board of Directors.

Article 7. THE BOARD OF DIRECTORS

7.1. General principles

7.1.1. The company is administered in a unitary system.

7.1.2. The form of administration of the company can be decided by the general shareholder meeting in accordance with the relevant legal provisions.

7.1.3. The company shall be administered on a uniform basis by a Board of Directors including five members, natural persons, elected by the Ordinary General Meeting for a period of four years, with the possibility of re-election. The invalidation of one or more members of the Board of Directors by the competent authority shall lead, for those concerned, to the loss of the administrative capacity.

7.1.4. The date from which new members of the Board of Directors and directors shall exercise their duties shall be the date of authorization by the competent authority.

The Board of Directors shall retain the power of representation of the company in relation to the managers.

7.2. Requirements for applying for the position of administrator of S.I.F. Oltenia S.A.

Natural persons applying for a seat on the Board of Directors of S.I.F. Oltenia S.A. shall meet the minimum requirements relating to knowledge, skills and professional experience, good reputation, integrity and governance laid down by the regulations and legal provisions regarding the functioning of S.I.F. Oltenia S.A.

7.3. Appointment and composition

7.3.1. The Board of Directors shall consist of 5 (five) members, appointed by the Ordinary General Shareholder Meeting of the company, from among the candidates nominated by the shareholders or by the members of the Board of Directors in office.

7.3.2. The Board of Directors will include most of the non-executive members, of which no less than two members will be independent. The criteria of independence do not go beyond the applicable law and are laid down in the company's internal regulations.

Each independent member of the Board of Directors should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered independent.

7.3.3. Members of the Board of Directors elected to the General Shareholder Meeting shall exercise their duties and obligations only after approval by the Financial Supervisory Authority. The administrators will conclude a professional liability insurance policy in favour of the company.

7.3.4. The Board of Directors shall elect from among its members, by a simple majority of votes, a president and a Vicepresident of the Board of Directors.

7.4. Term of office

7.4.1. The term of office of the members of the Board of Directors shall be no more than four (4) years, with the possibility of re-election.

7.4.2. The members of the Board of Directors shall carry out their mandate in accordance with the applicable law, the articles of association and the internal regulations and the provisions of the Romanian Civil Code, while respecting at all times the requirements of competence, integrity and honourableness.

7.4.3. Any event or circumstance which would result in the failure to meet the requirements of competence, integrity and good repute shall be notified forthwith to the President of the Board of Directors.

7.4.4. The Board of Directors shall allow sufficient time for the performance of its duties.

7.4.5. The members of the Board of Directors shall participate in programmes organized for their continuous training.

7.5. Vacancies

7.5.1. If a post of administrator becomes vacant, the Board of Directors shall be entitled to elect an interim member, who will hold this position until the General Shareholder Meeting will convene, which will elect a permanent member for a term of office equal to the remainder of the term of office of his/her predecessor.

The interim administrator shall exercise his/her mandate from the date of authorization by the Financial Supervisory Authority.

7.5.2. The Board of Directors shall function until the next general shareholder meeting in the composition referred to in the preceding paragraph, i.e. with an interim member.

7.6 Impartiality. Avoiding conflicts of interest

7.6.1. The members of the Board of Directors shall ensure at all times that their personal interests, direct or indirect, do not conflict with the interests of the company.

7.6.2. The administrators have an obligation of loyalty to the company and must avoid any conflict of interest.

7.6.3. In the performance of their job duties, members of the Board of Directors who have, directly or indirectly, interests against the company or when matters in conflict of interest are discussed and approved on the agenda of Board, shall be required to notify the other members of the Board thereof and not to take part in any deliberations concerning the operation.

7.6.4. A conflict of interest may be referred to the President of the Board of Directors by any Member of the Board who has knowledge of such a case, stating the reasons on which such referral is based. In such a case, the Board of Directors shall, by a majority of its members, rule on the existence of a conflict of interest.

In case of conflict of interests of the President of the Board of Directors, the meeting will be chaired by the Vicepresident of the Board of Directors.

7.6.5. The identified conflict of interest situations will be mentioned in the minutes of the meeting of the Board of Directors during which such an operation is discussed.

7.6.6. The members of the company's senior management who are in a situation of conflict of interest in a particular operation shall immediately notify the members of the Management Board thereof.

7.6.7. In order to avoid conflicts of interest in the organization and conduct of the business of the company, the exchange of information between the relevant persons carrying out an activity involving the risk of a conflict of interest where the transmission of that information could be prejudicial to the interests of the company shall be avoided;

7.6.8. In the case of personal transactions, members of the Board of Directors shall be prohibited to:

a) use inside information related to the investment policy of the company when trading in financial instruments in its portfolio;

b) enter transactions in shares in S.I.F. Oltenia S.A. in closed periods that are not 30 days prior to an annual or intermediate report, in accordance with the legal regulations in force,

c) enter transactions in securities and/or financial instruments which would aim at concealing the identity of their owner;

d) disclose inside information to a person who could obtain benefits from trading on the basis of that information;

e) engage in transactions in securities/financial instruments in bad faith, through manipulation or fraudulent practices;

f) acquire in their own name securities issued by a company with which S.I.F. Oltenia S.A. initiated a public purchase offer prior to the public disclosure of the offer;

g) disseminate information about the transactions which S.I.F. Oltenia S.A. intends to carry out with the financial instruments in the portfolio.

In conducting transactions in securities and financial instruments, account shall be taken of the transparency and publicity obligations imposed by applicable legal regulations.

7.7. General Attributions of the Board of Directors

7.7.1. The Board of Directors shall have full powers within the period between the General Meetings as regards the administration of the company, except for those which the law or the articles of association provide exclusively for the General Meeting, and shall be responsible for carrying out all documents necessary and useful for the achievement of the company's scope of activity.

7.7.2. In accordance with the provisions of the Articles of Association, the Board of Administration has the following basic competences:

a) approving the company's main directions for activity and development, including the investment strategy;

b) establishing the accounting policies and the financial control system, as well as approving the financial planning;

c) the appointment and dismissal of managers in the sense of the Law no. 31/1990 and the determination of their remuneration within the limits established by the Ordinary General Meeting of Shareholders;

d) supervising the directors' activity;

e) preparing the annual report, organizing the general shareholder meeting and implementing its decisions;

f) filing the application for the opening of the insolvency proceedings of the Company, according to the applicable legal provisions;

g) the exact performance of all the duties assigned to the Board of Directors by the General Shareholder Meeting;

h) the establishment /dissolution of branches and other secondary establishments without legal personality, or the change of their headquarters;

i) the establishment and approval of voting procedures within the General Shareholder Meeting;

j) the decision to set up other companies or legal persons, including the participation in the share capital of other companies, under the conditions provided by the legal regulations;

k) acts of acquisition, transfer, exchange or guarantee of assets belonging to the category of the company's fixed assets, the amount of which exceeds, individually or in aggregate, during a financial year, 20% of the total of the fixed assets, excluding claims, are entered by the company's directors or administrators only after prior approval by the Extraordinary General Shareholder Meeting pursuant to Article 90 (1) of Law no. 24/2017, or any legal provisions in force at the time the documents were drawn up.

l) leases of tangible assets, for a period exceeding one year, the aggregate or individual value of which in relation to the same co-contractor or persons involved or acting in concert exceeds 20% of the value of the total fixed assets, less claims on the date of conclusion of the legal act, as well as associations for a period of more than one year, exceeding the same value, are approved in advance by the Extraordinary General Shareholder Meeting according to Article 90 (2) of Law no. 24/2017, or any legal provisions in force at the time of drawing up the documents.

m) the conclusion of contracts with the depositary, the financial auditor and the entity keeping the records of the shareholders;

n) the approval of the internal regulations of the Company, the organization chart, the internal regulations of the Board of Directors and the working policies/procedures;

o) the negotiation of the collective employment agreement;

p) the settlement of any other issues set by the General Shareholder Meeting or by legal regulations or provisions.

q) approve the conclusion of any acts of acquisition or disposal of property, including securities or other financial instruments, the value of which exceeds, individually or cumulatively, the amount of 5 million RON when linked.

The powers referred to in points (a) to (f) are basic powers which cannot be delegated.

7.8. General principles for the exercise of the mandate

By submitting the application to be elected as an administrator of S.I.F. Oltenia S.A. and by accepting the term of office as administrator, any person undertakes to exercise this term of office in full, unconditional and cumulative compliance with the following general principles:

a) the acceptance and exercise of the administrator's mandate shall be the option of the administrator;

b) the term of office of administrator shall be exercised with professionalism, good faith, honesty and loyalty to S.I.F. Oltenia S.A.;

c) in the performance of his or her duties, the administrator shall be obliged to serve the interests of S.I.F. Oltenia S.A. with all its professional knowledge to contribute to the development and efficiency of the company's activity;

d) the administrator shall be obliged to place the interests of S.I.F. Oltenia S.A. above its personal interest or the interests of other persons;

e) the administrator must exercise his/her obligations and rights with due regard for the legitimate rights, dignity and honour of other administrators;

f) in the performance of his/her duties, the administrator shall represent exclusively the interests of S.I.F. Oltenia S.A., independently from the shareholder and/or person who proposed him/her and/or who gave him/her the number of votes required to become an administrator;

g) the administrator recognizes and unconditionally accepts that the obligation of confidentiality with respect to data and information relating to the S.I.F. Oltenia S.A. and its activity, of which s/he becomes aware in the exercise of his/her mandate, is an essential obligation for s/he to be maintained as administrator of S.I.F. Oltenia S.A.

7.9. Responsibilities of the Board of Directors with regard to the application of the principles of corporate governance:

a) responsibilities for ensuring the strategic management of the company and meeting the objectives set by the General Shareholder Meeting;

b) the preparation of the company's business plan and the obligation to carry out an assessment of its financial position;

c) is responsible for ensuring that an appropriate framework is in place to verify the application of the specific legislation on reporting to the FSA and the information provided to the FSA, at its request, on certain actions taken by the company;

d) is required to establish relevant criteria for monitoring the performance of the senior management and the company as a whole and to assess annually how the criteria are applied;

e) analyse the adequacy, efficiency and updating of the risk management system with a view to the effective management of the assets held by the undertaking and how to manage the associated risks to which it is exposed;

f) analyse the internal control system to be set up at the company level and ensure that it is independent of the organizational and support structures it controls and monitors;

g) ensure that the requirements for outsourcing/delegation of operational activities or functions are met both before it is carried out and throughout the outsourcing/delegation;

h) analyse and determine the company's remuneration policy in such a way that it is consistent with the business strategy, long-term objectives and interests and includes measures to prevent conflicts of interest. The Board of Directors shall also ensure that all remuneration commitments are properly and responsibly structured and that remuneration policies permit and promote effective risk management without leading to risk taking beyond the company's risk tolerance level;

i) the Board and the Senior Management, as appropriate, are required to communicate with stakeholders on the basis of a communication strategy ensuring at least fair treatment of shareholders and stakeholders, timely disclosure of information and transparent communication framework;

j) approve the company's appetite and limits for risk tolerance, as well as the procedure for identifying, assessing, monitoring, managing and reporting material risks to which the company is or may be exposed;

k) develop clear action plans to ensure business continuity and for emergency situations to eliminate or minimize risks, which are evaluated on a six-monthly basis by the Board and the senior management.

l) has a responsibility to ensure that ethical and professional standards are developed and applied in order to determine professional and responsible behaviour at the company level in order to prevent conflicts of interest.

7.10. Incompatibilities

Persons holding membership of the Board of Directors of S.I.F. Oltenia S.A.

a) they must not be members of the Board of Directors/Supervisory Board or directors/members of the management of another AIFM/investment management company/investment company or of a credit institution acting as depository for one of the managed collective investment undertakings, they must not be members of the Board of Directors/Supervisory Board of a S.S.I.F. with which the AIFM/AIS has entered a financial intermediation contract and must not be employed or have any contractual relationship with another A.I.S. or an investment company, except for other entities belonging to the same group;

b) incompatibilities expressly provided for by the laws and regulations governing the operation of S.I.F. Oltenia S.A.

7.11. The structure of the Board of Directors

The composition of the Board of Directors shall represent a balance in terms of competence, experience, gender diversity, knowledge and independence of its members which enable them to carry out their duties and responsibilities effectively.

Most members of the Board of Directors are non- executive. A non-executive director shall be a Member of the board who shall not be involved in the day-to-day executive management of the company. Within the meaning of Law no. 31/1990 R, non-executive board members are those directors who have not been appointed directors. By virtue of their independence, they are objective and assess the performance and economic interests of society without being in conflict of interest and without being influenced by stakeholders. The Company's Board of Directors also includes independent administrators. The criteria of independence within the meaning of the provisions of art. 138² of Law no. 31/1990 R and the Corporate Governance Code of the Bucharest Stock Exchange are:

a) not being a director of the company or of a company controlled by it and not have been in such a position in the last five years;

b) not having been an employee of the company or of a company controlled by it or have had such an employment relationship in the last five years;

c) not receiving or having received from the company or from a company controlled by it any additional remuneration or benefit other than that corresponding to its non-executive status;

- d) not being a significant shareholder in the company;
- e) having or having had, during the last year, no business relations with the company, or with a company controlled by it, either personally or as an associate, shareholder, administrator, a director or employee of a company having such relations with the company if, by reason of their substantial nature, they are liable to affect his/her objectivity;
- f) not being or having been, for the last three years, a financial auditor or an employed associate of the current financial auditor of the company or of a company controlled by it;
- g) being a director of another company in which a director of the company is a non-executive director;
- h) not having been a non-executive director of the company for more than three terms;
- i) having no family relationship with a person in one of the situations referred to in points (a) and (d);
- j) all Board members should submit to the Council information on any relationship with a shareholder who holds directly or indirectly, shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board of Directors.

Only non-executive administrators can be considered independent. To this purpose, each of the independent administrators should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered to be independent.

The company's administrators must also submit to the President of the Board of Directors a statement of any relation they may have with persons who directly or indirectly hold shares representing at least 5 % of all the voting rights of the company.

Executive administrators are members of the Board who, in an executive capacity, are responsible for carrying out the day-to-day business and for the effective management of the company. They shall have the same duties as other members of the Board. When engaged in the activities of the Board, these duties shall extend to the whole of the activity, not only to the part which is covered by individual executive roles.

Management attributions were delegated within S.I.F. Oltenia S.A. to two directors, the General Manager and the Deputy General Manager, in accordance with the law.

7.12. The President of the Board of Directors. The Vicepresident of the Board of Directors.

7.12.1. The Board of Directors shall elect from among its members a President and a Vicepresident. The President will perform the function of General Manager of S.I.F. Oltenia S.A., and the Vicepresident will act as the Deputy General Manager.

7.12.2. The President and, in his absence, the Vicepresident shall represent the company in relations with third parties. The Vicepresident shall replace the President and assume his/her duties and responsibilities when s/he is absent.

7.12.3. The President of the Board of Directors and, in his/her absence, the Vicepresident shall have the following duties in particular:

- a) coordinating the work of the Board of Directors, ensuring the proper functioning of the bodies of the company;
- b) managing the works of the General Shareholder Meetings in accordance with the provisions of Law no. 31/1990 R and the Articles of Association;
- c) convening and directing the meetings of the Board of Directors;
- d) proposing the secretary of the Board of Directors;
- e) ensuring that the judgments of the A.G.A. and the Administrative Board are complied with;
- f) carrying out, in compliance with legal provisions, any other duties laid down by the General Shareholder Meeting or the Board of Directors.

7.13. The evaluation of the Board

The Board of Directors, with all the administrators present, will annually dedicate a meeting to carry out the review of the management structure (Board of Directors and senior management) drawn up by the Nomination and Remuneration Committee in accordance with the FSA Regulation no. 1/2019.

The assessment review drawn up by the Nomination and Remuneration Committee will be coordinated by the President of the Board, who will seek the opinion of each individual administrator.

The Board of Directors shall notify the regulatory authority of the assessment of the members of the management structure as required by the relevant provisions.

7.14. The obligation of confidentiality of the members of the Board of Directors

By accepting the mandate of the administrator of S.I.F. Oltenia S.A., each member of the Board of Directors firmly, unilaterally and unconditionally agrees to observe the obligations of fidelity and confidentiality with regard to any information, data, documents and/or facts concerning the activity of S.I.F. Oltenia S.A., of which s/he became acquainted during his/her duties as an administrator.

Following the commitment to confidentiality, administrators, in case of breach of the loyalty and confidentiality obligations assumed, will have civil, criminal and administrative liability to S.I.F. Oltenia S.A., its shareholders and its legal representatives for all material and moral damages caused by the breach of such commitment.

Therefore, the administrators must observe the confidentiality commitment for their entire term of office as administrators of S.I.F. Oltenia S.A., and for 3 (three) years after the end of any relationship with the company, irrespective of the cause which led to the termination of the terms of office/administration/cooperation with S.I.F. Oltenia S.A.

No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related entities.

Administrators shall be exempted from the obligation of confidentiality where the confidential information and inside information to which they have access becomes public by other legal means.

7.15. The remuneration of administrators for the business carried out shall be determined through the remuneration procedure subject to the approval of the shareholders at the general meeting and published on the company's website.

7.16. Meetings of the Board of Directors

7.16.1. Convocation formalities

The Board of Directors shall hold ordinary and extraordinary (special) meetings. Ordinary meetings will take place at least once every three (3) months and extraordinary (special) meetings whenever necessary.

The agenda shall be drawn up and the meetings of the Board of Directors shall be subject to the provisions of internal laws and regulations.

The call for the meeting of the Board of Directors shall be sent to the administrators, with enough anticipation prior to the date of the meeting, and the term may be set by decision of the Board of Directors.

The meeting shall be convened by the President (or Vicepresident, if the president is absent). The Board of Directors shall also be convened at the reasoned request of at least two of its members, the President being obliged to act on such request.

If the administrators so convene, they shall state the reason for the request, the proposed agenda together with the materials relating to the questions requested.

The persons requesting the meeting shall send to the President:

- the request to convene the meeting (signed), including the proposed agenda;
- materials and supporting documentation.

The President shall consider the request and shall arrange for the Board of Directors to be convened and may add to the agenda other issues, for making the required decisions to carry out the business of the company .

The agenda for meetings of the Board of Directors shall be drawn up by the President of the Board.

The President and, in his/her absence, the Vicepresident shall chair the meetings of the Board of Directors.

The caller will be accompanied by documents and materials in support of the issues included on the agenda of the meeting and will be signed by the President.

The caller and accompanying material will be sent to all members of the Board (and all guests at the meeting) at least 1 (one) day before the proposed meeting date by electronic means on the administrators' personal e-mail addresses. In exceptional circumstances, for extraordinary meetings, the caller and accompanying material may be sent to all members of the Board also on the date of the meeting.

The caller for the meeting will include:

- the date;
- the time;
- the place where the meeting will be held;
- the proposed agenda.

Once a year, the Board of Directors will devote a meeting to reviewing and discussing the company's business strategy. The President of the Board of Directors shall be responsible for convening such a meeting, for drawing up the agenda and for deciding on the guests.

7.16.2. The formalities of the meeting

7.16.2.1. The Board of Directors shall meet at the seat of the company or at another place to be determined in the caller. Meetings may also be held by means of distance communication and electronic means, in accordance with legal provisions.

Meetings shall be chaired by the President of the Board of Directors. If the President is absent, the meetings will be chaired by the Vicepresident.

The meetings of the Board of Directors will be held in Romanian.

The members of the Board of Directors may be represented in the meetings of the board by other members based on a power of attorney. A member of the Board may represent only one other member in a meeting. The power of attorney will be sent to the Secretariat before the meeting begins.

The President of the Board of Directors may decide that the meeting shall be held by electronic means, in which case the following shall be done: the caller , the materials attached to the agenda and a draft of the decisions to be adopted shall be transmitted, and the caller shall set out the date and time by which the administrators shall send to the secretary their vote on the items on the agenda. Once the votes have been centralized, the secretary will draw up the final form of the adopted decisions, to be signed by the President of the Board. The minutes drawn up will reflect the exact situation regarding the manner in which the meeting was held and the decisions were adopted.

7.16.2.2. The proceedings of the Board meeting shall be recorded in the minutes by the secretary of the Board. The minutes will be signed by all the administrators present at the meeting and will include:

- the names of the participants;
- the order of deliberations;
- the decisions taken;
- the number of cast votes;
- separate opinions;
- abstentions to vote in situations prescribed by law (if applicable).

The minutes are signed by the session chair and by at least another administrator.

In case an administrator was not present at the meeting, s/he will sign the minutes of acknowledgement of its content at the following meeting in person of the Board of Directors.

Decisions shall be approved by open vote. Depending on the matters in question, administrators may by majority opt for a decision to use a secret vote.

7.16.2.3. Special (extraordinary) meetings shall be convened by the President or Vicepresident of the Board of Directors, either on his/her own initiative or at the reasoned request of two (2) members of the Board of Directors, if the President or Vicepresident of the Board of Directors does not convene the meeting at their reasoned request.

The caller will mention the purpose of the special meeting and will follow the same convocation procedure as the ordinary meetings.

The Secretary of the Board shall transmit by electronic means to each administrator, the caller, the agenda and all supporting documents for the special meeting of the Board at least one day in advance. In exceptional circumstances, for extraordinary meetings, the caller and accompanying material may be sent to all members of the Board also on the date of the meeting.

7.16.3. The quorum of the meeting

The attendance of at least 3 administrator is required for the Board of Directors' decisions to be valid, and decisions shall be made with the vote of the majority of attending members.

The members of the Board of Directors may be represented in the meetings of the board by other members. An attending member may represent only one absent member.

In case of even votes and if the President does not have a decisive vote, also holding the position of General Manager, the submitted proposal shall be rejected.

7.17. The secretary of the Board of Directors

7.17.1. Objectives

In the performance of his duties, the President of the Board of Directors shall be assisted by a secretary of the Board, employed by the company with an individual contract of employment of indefinite duration, who shall have the necessary experience and training to carry out the duties laid down. Acting under the guidance of the President, the secretary of the Board shall be responsible for ensuring effective communication between the Board and the Advisory Committees, as well as between the Board and the senior management of the company.

The secretary of the Board of Directors shall contribute to ensuring that all regulatory requirements of the applicable law are complied with by the management bodies of the company. Thus, the secretary of the Board of Directors often acts as an advisor to the administrators and executive directors on regulatory requirements and legislation on corporate governance.

The secretary of the Board of Directors may also identify weaknesses in corporate governance and propose solutions to the Board to address them.

7.17.2. Responsibilities and tasks

7.17.2.1. The main responsibilities of the secretary of the Board are as follows:

a) contributing to the establishment and maintenance of communication between the management bodies of the company, in accordance with the applicable law in force, the articles of association or other internal rules of the company;

b) assisting the Board on matters relating to governance;

c) planning meetings, contributing to the preparation of the agenda, providing guidance on the content of documents drawn up by the Board, ensuring the timely delivery of documents, recording the Board's decisions in a clear and correct manner, performing follow-up and reporting on issues arising;

d) drawing up documents and minutes of meetings of the Board and committees;

e) facilitating the flow of information among Board members and creating the conditions for effective collaboration between executive directors and administrators;

- f) supporting the process of planning the identification of the Board's successors;
- g) assist the President in ensuring the integration and training of administrators;
- h) assisting the President of the Board of Directors in carrying out the evaluation of the performance and efficiency of the Board and its committees;
- i) ensuring compliance with all rules relating to the trading of shares on the market;
- j) ensure compliance with company law and regulations and with the company's articles of association;
- k) ensuring that the members of the Board are informed of the views of the shareholders;
- l) managing the process of convening and organizing the OGM in accordance with the requirements of law and regulations;
- m) coordinating the drafting, preparation, printing and distribution of the annual report of the company and ensuring that it includes all the information to be reported on corporate governance;
- n) keeping the registers provided for by law;
- o) being responsible for corporate governance, under subordination to the President;
- p) ensuring that the principles set out in the Corporate Governance Code are carefully considered and properly implemented. The company shall state whether or not it has applied these principles and, in so far as it has not applied them, explain the reasons.

7.17.2.2. The duties of the Secretary of the Board of Directors in connection with the conduct of the Board meeting shall be:

- a) organizing the holding of Board meetings. Drawing up the agenda in collaboration with the President of the Board and forwarding it for signature to the President;
- b) ensuring the transmission of the written callers to the members of the Board and disseminating agenda materials to them;
- c) preparing the documents required for the meetings of the Board of Directors according to the agenda (scanning, multiplying, preparation of folders for administrators, etc.);
- d) ensure that the meetings of the Board of Directors are recorded in the minutes and that the administrators sign them;
- e) drawing up the decisions of the Board of Directors, which s/he shall forward to the President for signature;
- f) sending the decisions of the Board of Directors to the relevant internal structures, as well as to persons responsible for carrying out the measures laid down in such decisions or having a legal right to be informed of the decisions of the board (compliance bureau, reporting office, etc.);
- g) carrying out any provision of the President of the Board relating to the proper conduct of meetings, communication with the administrators or information thereof;
- h) ensuring the keeping of the Board's documents - the minutes register, the file with the materials of each meeting, including the caller, votes, decisions taken, other documents relating to the Board's work.

Art. 8. THE AUDIT COMMITTEE

8.1. General Information

The Audit Committee shall have an advisory role and shall function to assist the Board of Directors in order to ensure that the company maintains appropriate and suitable systems for the purpose of financial reporting, internal audit, compliance and risk management.

8.2. General Provisions

8.2.1 The appointment and composition of Committee members

The Audit Committee shall exercise its duties under the supervision of the Board of Directors. The Audit Committee consists of 3 non-executive administrators, i.e. administrators who meet the conditions laid down in Law no. 31/1990.

When appointing the members of the Audit Committee, the following general principles shall be respected:

- a) the members of the Committee shall have recent and relevant practical experience in the capital and economic markets;
- b) the members of the Audit Committee should be independent;
- c) at least one member of the Audit Committee shall have competence in the field of accounting and statutory audit, supported by evidence of qualifications in the fields concerned.

The members of the Audit Committee shall be appointed by the Board of Directors.

The Audit Committee should be chaired by an independent non-executive member.

8.2.2. Mandate. Vacancies. Replacement rules

Each member shall be appointed for a period not exceeding the term of office for members of the Board of Directors. The term of office of a Member of the Audit Committee may be renewed at the same time as his/her term of office as a Member of the Board of Directors, subject to the limitations imposed by the applicable legislation in relation to the fulfilment of the requirement of independence.

The mandate of any member of the Audit Committee shall be terminated automatically and without any formalities being required in the following cases:

- a) on expiry of the term of office of the relevant member on the Board of Directors;
- b) when replaced as a member of the Audit Committee, or
- c) in the event of any other termination event, regardless of the cause of termination.

If at any time a position in the Audit Committee becomes vacant, the Board of Directors shall appoint a new member.

8.2.3. The meetings of the Audit Committee.

The frequency of meetings. The formalities for convening and holding meetings

The Audit Committee shall meet in meetings as often as necessary, but at least four times a year. The meetings of the Audit Committee shall be convened by its president.

The secretariat of the Audit Committee shall be provided by a Secretary, usually the Secretary of the Board of Directors, who shall ensure that all technical operations are carried out for the proper conduct of the meetings.

If a member of the Audit Committee is unable to attend the meeting, s/he shall, where appropriate, inform the president, via the secretary, of his/her absence, in any event prior to the meeting, and will be able to forward to the secretary, in writing, his/her opinion on specific issues or by giving a mandate to another member, provided that a member has only one power of attorney.

Any Member of the Board of Directors may attend the meetings of the Audit Committee without the right to vote but with the right to participate in the discussions. Depending on the items on the agenda of the meeting, other persons from S.I.F. Oltenia S.A. can attend the meeting without the right to vote. The president will decide whether to invite other people to the meeting.

The meetings of the Audit Committee are opened and chaired by its president.

8.2.4. Quorum and majority requirements

The Committee shall meet legally if at least two (2) of the members are present and recommendations to the Board of Directors (for approval/against/abstention) are adopted with the favourable position/recommendation of at least two (2) members of the Audit Committee.

8.2.5. Minutes of the meetings. Decisions of the Audit Committee

The minutes shall be drawn up by the Committee Secretary for each meeting of the Audit Committee and shall indicate:

- the members of the Audit Committee attending the meeting who expressed their position(s);
- the guests;
- the agenda;
- a summary of the deliberations;
- the decisions taken and/or recommendations addressed to the Board of Directors (for approval/against/abstention) with a reference to the position(s) for approval/against/abstention for each item on the agenda and, where appropriate
- the separate/opposing views for each item on the agenda;

The minutes shall be drawn up by the Secretary and signed by the members of the Audit Committee.

The Secretary of the Committee shall be responsible for keeping the register of meetings and decisions of the Audit Committee and for making any provision necessary for the proper conduct of the Committee's meeting (minutes, caller, agenda and original material).

8.3. Tasks and responsibilities of the Audit Committee

The Audit Committee shall have the following main tasks and responsibilities:

8.3.1 carrying out an annual assessment of the internal control system.

Internal control is defined as a process carried out by the Board of Directors, the executive management and other staff in order to provide reasonable assurance of the achievement of objectives falling within the following categories:

- the effectiveness and efficiency of operations;
- the accuracy of financial reporting;
- the compliance with applicable laws and regulations.

The senior management of the company is directly responsible for the development, implementation and monitoring of the internal control system. The Board, through the Audit Committee, shall ensure that the members of the senior management fulfil these obligations.

The evaluation shall consider:

- the effectiveness and scope of the internal audit function,
- the adequacy of the risk management and compliance reports submitted to the Audit Committee;
- the timeliness and effectiveness with which the senior management resolves deficiencies or weaknesses identified as a result of internal control;
- presentation of relevant reports to the Board.

8.3.2. assessing conflicts of interest in relation to the company's transactions;

8.3.3. being in charge with the selection of the financial auditor or audit firm and recommending to the General Shareholder Meeting/members of the Management Board the financial auditor or audit firm to be appointed to carry out the financial audit activity.

8.3.4. monitoring the statutory audit of the annual financial statements and consolidated financial statements, in particular its performance, taking into account the findings and conclusions of the competent authority, in accordance with Article 26(6) of Regulation (EU) no. 537/2014;

8.3.5. assessing and monitoring the independence and objectivity of the financial auditors or audit firms and possible conflicts of interest identified in the audit activity;

8.3.6. supporting the Board of Directors in the performance of its duties, in the efficient management of the company's financial reporting, compliance and risk management;

8.3.7. advising the Board of Directors on the assessment that the annual report and the annual financial statements taken as a whole are correct, balanced and provide all the information necessary for the shareholders' assessment of the company's performance, model and business strategy;

8.3.8. monitoring the financial reporting process and submit recommendations or proposals to ensure its integrity;

8.3.9. informing the members of the Board of Directors of the results of the statutory audit and explain how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee in this process;

8.3.10. monitoring all aspects of the effectiveness of compliance systems, risk management systems and, where appropriate, internal audit in relation to the financial reporting of the company, without infringing their independence;

8.3.11. carrying out an annual assessment of the compliance system and risk management system in the company. The evaluation shall take into account the effectiveness and coverage of the internal audit function, the adequacy of the compliance and risk management reports submitted to the audit committee, the timeliness and effectiveness of the implementation of the deficiencies identified as a result of the analyses carried out and the presentation of relevant reports to the Board of Directors;

8.3.12. monitoring the enforcement of legal standards and internal audit standards, receiving and evaluating the reports of the internal auditor;

8.3.13. approving the Internal Audit Charter, endorsing the Control Plan and the Internal auditor's Statement of independence;

8.3.14. receiving the internal audit reports, reviewing and endorsing the findings and recommendations of the internal audit and the action plan for their implementation;

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8.3.15. receiving reports from the Compliance Officer, analysing and endorsing the findings and recommendations made and the action plan for their implementation;

8.3.16. endorsing the Investigation Plan of the Compliance Office;

8.3.17. reviewing the annual report regarding the conditions under which compliance work is carried out;

8.3.18. reviewing the independence and efficiency of the risk management system and endorsing the risk monitoring plan of the Risk Management Office;

8.3.19. analysing the adequacy, efficiency and updating of the risk management system with a view to the effective management of the assets held by the undertaking and how to manage the associated risks to which it is exposed;

8.3.20. receiving reports from the Risk Management Office, analysing and endorsing the received findings and recommendations and the action plan for their implementation;

8.3.21. performing a compulsory assessment of the Annual Report on the internal auditor's work, the Annual Compliance Report and the annual report of the risk management system;

8.3.22. analysing and taking into account (at least once a year) the risk strategy;

8.3.23. considering whether the company is within the risk tolerance limits determined according to the overall risk appetite in accordance with the requirements specific to the applicable law.

8.3.24. monitoring the capital market reporting process of S.I.F. Oltenia S.A.;

8.3.25. The Audit Committee shall draw up an annual report on the work carried out according to its attributions, including the recommendations made and addressed to the Board of Directors regarding internal audit, compliance, risk management and financial audit.

8.3.26. the annual report of the Audit Committee shall be signed by its members. The Board of Directors takes note of this report and it will be sent to FSA within 6 months of the end of the financial year.

8.4. Access to consultancy

In order to fulfil its roles and responsibilities, the Audit Committee shall have unrestricted access to any information within the company and may request any data or information necessary for the performance of its role, as required to meet with the management of the company. At the beginning of each audit commitment, the Audit Committee shall inform the Board of Directors, through its President, on the audit programme

and its objectives and, throughout the course of and on completion of the audit engagement, on any conclusions reached so that the Board of Directors may take appropriate action.

The Board of Directors will be supported by senior management advisers, the Economic Directorate, the F.S.A. Reporting Office and B.V.B., risk management functions, internal audit, compliance and will have adequate access to any support it needs in the performance of its tasks.

Art. 9. THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall have an advisory role, being set up to assist the Board of Directors in carrying out its roles and duties with regard to the nomination and assessment of the suitability of members of the Board of Directors and of persons holding key functions in the company, as well as to ensure the Board that the remuneration of the executive directors is set at the right level and that the company uses a balanced combination of incentives to attract and retain the staff it needs for its operations.

9.1. General Provisions

9.1.1. Appointment and composition

The Nomination and Remuneration Committee shall carry out its duties under the supervision of the Board of Directors. The Board of Directors shall approve and revoke the members of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee *shall* consist of at least 2 (two) administrators and the following general principles shall be respected for their appointment:

a) the members of the Nomination and Remuneration Committee shall not hold executive management positions;

b) the members of the Nomination and Remuneration Committee should be independent;

c) the president of the Nomination and Remuneration Committee shall be an independent non-executive director.

The members of the Nomination and Remuneration Committee shall be appointed by the Board of Directors.

Members of the Committee shall not, during their term of office, hold office, capacity or conduct transactions which may be considered incompatible with the Committee's mission. Membership of the Nomination and Remuneration Committee shall not prevent members from participating in the work of other committees of the Board of Directors.

9.1.2. Mandate. Vacancies. Replacement rules

Each member shall be approved for a term not exceeding the term of office as a Member of the Board of Directors.

The mandate of any member of the Nomination and Remuneration Committee shall be terminated automatically and without any formalities being required in the following cases:

a) on expiry of the term of office of the relevant member on the Board of Directors;

b) when replaced as a member of the Nomination and Remuneration Committee, or

c) in the event of any other termination event, regardless of the cause of termination.

If at any time a position in the Nomination and Remuneration Committee becomes vacant, the Board of Directors shall appoint a new member.

9.1.3. The meetings of the Nomination and Remuneration Committee

9.1.3.1. The frequency of meetings. The formalities for convening and holding meetings

The Nomination and Remuneration Committee shall meet in meetings as often as necessary, but at least twice a year. The meetings of the Nomination and Remuneration Committee shall be convened by the Secretary of the Committee at the request of the President of the Committee

The secretariat of the Nomination and Remuneration Committee shall be provided by a Secretary, usually the Secretary of the Board of Directors, who shall ensure that all technical operations are carried out for the proper conduct of the meetings.

If one of the members of the Nomination and Remuneration Committee cannot be present at the meeting, s/he shall inform the President, or, where appropriate, through the secretary, of his/her absence, in all cases prior to the meeting, and shall be able to transmit the vote/opinion on the various issues to the secretariat in writing, or shall give a power of attorney to another member, taking into account that a member may represent only one other member. The power of attorney will be forwarded to the Secretary prior to the meeting of the Nomination and Remuneration Committee.

Any Member of the Board of Directors may attend the meetings of the Nomination and Remuneration Committee without the right to vote but with the right to participate in the discussions. Depending on the agenda of the meeting, other persons from S.I.F. Oltenia S.A. can attend the meeting without the right to vote. The President of the Committee will decide whether to invite other persons to the meeting.

The meetings of the Nomination and Remuneration Committee shall be open and chaired by the President of the Committee.

The President of the Committee shall specify the agenda and the duration of the meetings and shall ensure that the Committee's duties are effectively exercised.

The Committee will also meet if a Committee Member requests a meeting.

The meetings of the Committee will be held before the Board meeting scheduled for that month in order to allow the timely preparation of reports to the Board.

The convening of each meeting of the Committee, specifying the place, date and time of the meeting and the agenda, shall be forwarded to the members of the Committee and to any other person whose participation is necessary, at least one working day before the date of the meeting. Information material shall be provided within the same time limit to Committee members and other participants, as appropriate. Documents may be sent by email.

The Committee may meet by electronic means, if the Committee President so decides. The President may also request the Committee to take decisions on certain activities by means of an exchange of e-mails, faxes or letters.

The Committee may invite to meetings any administrator, director or other person (employee, associate, etc.) likely to contribute to the performance of its duties, as it deems appropriate. The internal auditor may attend all meetings without the right to vote, unless the President of the Committee considers that his/her participation is unnecessary.

9.1.3.2. Quorum and majority requirements

The Nomination and Remuneration Committee shall meet legally if at least two (2) of the members are present and recommendations to the Board of Directors (for approval/against/abstention) are adopted with the favourable position/recommendation of at least two (2) members of the Nomination and Remuneration Committee.

9.1.3.3. Minutes of the meetings. The decisions of the Nomination and Remuneration Committee

The minutes shall be drawn up by the Committee Secretary for each meeting of the Nomination and Remuneration Committee and shall indicate:

- a) the members of the Nomination and Remuneration Committee attending the meeting who expressed their position(s);
- b) the guests;
- c) the agenda;
- d) a summary of the deliberations;
- e) the decisions taken and/or recommendations addressed to the Board of Directors (for approval/against/abstention) with a reference to the position(s) for approval/against/abstention for each item on the agenda and, where appropriate
- f) the separate/opposing views for each item on the agenda;

g) the responsible entities of S.I.F. Oltenia S.A./persons responsible for compliance with the decisions/recommendations.

The minutes shall be drawn up by the Secretary and signed by the members of the Nomination and Remuneration Committee.

The Secretary of the Committee shall be responsible for keeping the register of meetings and decisions of the Nomination and Remuneration Committee and for making any provision necessary for the proper conduct of the Committee's meeting (minutes, caller, agenda and original material).

9.2. The roles and responsibilities of the Nomination and Remuneration Committee

9.2.1. General tasks and responsibilities

9.2.1.1. In terms of nomination:

a) assisting the Board of Directors with the identification of successors in the selection process for the appointment of new directors;

b) establishing the criteria for membership of the Board of Directors in accordance with the requirements of applicable legal and capital market regulations in relation to the work carried out by S.I.F. Oltenia S.A.;

c) evaluating and proposing to the Board of Directors the candidates for appointment, re-appointment or dismissal of the members of the Board of Directors on the basis of documentation drawn up in accordance with the policies and procedures for assessing the prior and continuing suitability of the members of the management structure and of the persons holding key functions, which are approved by the Board of Directors of S.I.F. Oltenia S.A. based on F.S.A. Regulation no. 1/2019.

The Nomination and Remuneration Committee shall have the power to present the list of nominations to the Board of Directors on its meeting, specifying those who meet the requirements for the position of administrator of S.I.F. Oltenia S.A., both in the case of addition to the membership of the Board of Directors for the vacant seats by adding provisional administrators, and if the list of applications for the selection of final administrators is presented to the shareholders for approval.

d) ensuring that persons applying as a Member of the Board of Directors have the necessary training and experience to carry out their duties. New members of the Board of Directors shall be given the information required to familiarize themselves with the business and operations of the company. The Committee shall, if necessary, take steps to ensure that they receive further training;

e) preparing and recommending criteria for the selection of members of the Board of Directors, including for the evaluation of their independence;

f) preparing the evaluation of the performance of the members of the Board of Directors using a self-assessment process, on an annual basis;

g) assessing, at least once a year, the independence of the members of the Board of Directors;

h) verifying, at least once a year, the number of mandates held by members of the Board of Directors in other companies;

i) carrying out other tasks in connection with the appointment or dismissal of members of the Board of Directors on his/her instructions.

9.2.1.2. In terms of remuneration:

a) making proposals to the attention of the Board regarding the remuneration of each executive administrator, including bonuses, incentives and share purchase options;

b) analysing and submitting proposals to the Board regarding the total annual variable remuneration package to be granted in the company;

c) analysing and submitting proposals to the Board (and, through the Board, to the General Shareholder Meeting, as appropriate) on programmes for the granting of options for the purchase of shares and/or shares;

d) proposing performance targets for the award of cash remuneration to be awarded in accordance with such targets or proposes targets for the award of shares or share purchase options;

e) proposing the periodic review of the remuneration of executive directors and other remuneration elements, including severance payments and pension plans;

f) making proposals to the Council for any policy review in relation to remuneration, without encouraging risk-taking that is not in line with the risk profile, including sustainability risks;

g) drawing up the annual report on remuneration.

9.3. Access to consultancy

For the purpose of carrying out its duties and responsibilities, the Nomination and Remuneration Committee may request from any company structure any necessary and/or advisable data or information relating to the work of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee shall inform the Board of Directors, through its President, on its programme and objectives and on any conclusions reached so that the Board of Directors may take appropriate action and decisions.

The Nomination and Remuneration Committee will be supported by senior management advisers, the Legal Directorate, the Human Resources and Administrative Service, the Risk Management Office, the Internal Audit Office and the Compliance Office and will have adequate access to any support it needs in the performance of its tasks.

Art. 20. THE INVESTMENT POLICIES - STRATEGIES COMMITTEE

10.1. General Information

The Investment Policies - Strategies Committee shall assist the Board of Directors in carrying out its responsibilities in the field of investment strategy-making and policy-making, in the follow-up to decisions on the enforcement of the investment policy, in the review of the performance of the portfolio of financial instruments and the management of the related risks, and proposes possible investments in accordance with the investment strategy of S.I.F. Oltenia S.A..

10.2. General Provisions

10.2.1. The appointment and composition of Committee members

The Investment Policies - Strategies Committee shall exercise its powers under the supervision of the Board of Directors, which shall approve and remove from among its members the members of the Investment Policies - Strategies Committee.

The Investment Policies - Strategies Committee shall consist of at least 2 (two) non-executive administrators.

When appointing the members of the Investment Policies - Strategies Committee, the following general principles shall be respected:

- the members of the Investment Policies - Strategies Committee shall have recent and relevant practical experience in the capital market;
- they must be familiar with the organizational and functional structure of the company.

The members of the Investment Policies - Strategies Committee shall be appointed by the Board of Directors.

Members of the Committee shall not, during their term of office, hold office, capacity or conduct transactions which may be considered incompatible with the Committee's mission. Membership of the Investment Policies - Strategies Committee shall not prevent members from participating in the work of other committees of the Board of Directors.

10.2.2. Mandate. Vacancies. Replacement rules

Each Member of the Investment Policies - Strategies Committee shall be approved for a term not exceeding his/her term of office as a Member of the Board of Directors.

The mandate of any member of the Investment Policies - Strategies Committee shall be terminated automatically and without any formalities being required in the following cases:

- a) on expiry of the term of office of the relevant member on the Board of Directors;
- b) when replaced as a member of the Investment Policies - Strategies Committee;
- c) in the event of any other termination event.

If at any time a position in the Investment Policies - Strategies Committee becomes vacant, the Board of Directors shall appoint a new member.

10.3. Meetings of the Investment Policy - Strategies Committee

10.3.1. The frequency of meetings. The formalities for convening and holding meetings

The Investment Policies - Strategies Committee shall meet whenever necessary, at least every three months, at the request of the Committee's President. The Investment Policies - Strategies Committee may also meet at the request of the Board of Directors or whenever the President of the Board considers it necessary.

The secretariat of the Investment Policies - Strategies Committee shall be provided by a Secretary, usually the Secretary of the Board of Directors, who shall ensure that all technical operations are carried out for the proper conduct of the meetings.

If one of the members of the Investment Policies - Strategies Committee cannot be present at the meeting, s/he shall inform the President, or, where appropriate, through the secretary, of his/her absence, in all cases prior to the meeting, and shall be able to transmit the vote/opinion on the various issues to the secretariat in writing, or shall give a power of attorney to another member, taking into account that a member may represent only one other member. The power of attorney will be forwarded to the Secretary prior to the meeting of the Investment Policies - Strategies Committee.

Any Member of the Board of Directors may attend the meetings of the Investment Policies - Strategies Committee without the right to vote but with the right to participate in the discussions. Depending on the agenda of the meeting, other persons from S.I.F. Oltenia S.A. can attend the meeting without the right to vote. The President of the Committee will decide whether to invite other persons to the meeting.

The meetings of the Investment Policies - Strategies Committee shall be open and chaired by the President of the Committee.

The President of the Committee shall specify the agenda, date and time of the meetings and shall ensure that the Committee's duties are effectively exercised.

The convening of each meeting of the Committee, specifying the place, date and time of the meeting and the agenda, shall be forwarded to the members of the Committee and to any other person whose participation is necessary. Informative materials shall be sent to the committee members and other participants, if applicable. Documents may be sent by email.

The Committee may meet by electronic means, if the Committee President so decides. The President may also request the Committee to take decisions on certain activities by means of an exchange of e-mails, faxes or letters.

10.3.2. Quorum and majority requirements

The Investment Policies - Strategies Committee shall meet legally if at least two members are present and recommendations to the Board of Directors (for approval/against/abstention) are adopted with the favourable position/recommendation of at least 2 of its members.

10.3.3. Minutes of the meetings. The decisions of the Investment Policy - Strategies Committee

The minutes shall be drawn up by the Committee Secretary for each meeting and shall indicate at least:

- a) the members of the Investment Policies - Strategies Committee attending the meeting who expressed their position(s);
- b) the guests;

- c) the agenda;
- d) a summary of the deliberations;
- e) the decisions taken and/or recommendations addressed to the Board of Directors (for approval/against/abstention) with a reference to the position(s) for approval/against/abstention for each item on the agenda, as appropriate;
- f) the separate/opposing views for each item on the agenda.

The minutes shall be drawn up by the Secretary and signed by the members of the Investment Policies - Strategies Committee.

The Secretary of the Committee shall be responsible for keeping the register of meetings and decisions of the Investment Policies - Strategies Committee and for making any provision necessary for the proper conduct of the Committee's meeting (minutes, caller, agenda and original material).

10.4. The tasks and responsibilities of the Investment Policy - Strategies Committee

General tasks and responsibilities

The Investment Policies - Strategies Committee shall have the following general tasks and responsibilities:

- issuing recommendations to the Board of Directors on the annual/multiannual investment strategy;
- issuing recommendations to the Board of Directors concerning new investment/disinvestment programmes/projects which are within the Board of Directors' approval competence;
- issuing recommendations to the Board of Directors on maximising the performance of the portfolio of financial instruments;
- analysing the investment/divestiture proposals submitted by the Investments Directorate to the Board of Directors, prior to their submission for analysis and decision to the Board of Directors;
- analyse the risk and secure the financial resources for the implementation of investment proposals;
- periodically analyse the investments made (investments), the composition of the company's portfolio and its classification in the company's risk strategy;
- analysing the compliance with the competence limits, with reference to trading operations (securities acquisition and sale) by senior management related to trading (acquisition and sale) on the capital market and acquisition and sale of shares held by S.I.F. Oltenia S.A. in closed companies, operations established by decisions of the General Shareholder Meeting or the Board of Directors;
- investigating the enforcement of the company's investment strategy approved by the General Shareholder Meeting or the Board of Directors;
- in order to draw up the recommendations addressed to the Board of Directors, it shall carry out documentation and investigations in the fields within its scope of competence.

The Investment Policies - Strategies Committee shall draw up and submit to the Board of Directors, on a six-monthly basis, a summary report on its work.

10.5. Access to consultancy

In order to fulfil its tasks and responsibilities, the Investment Policies - Strategies Committee shall have unrestricted access to any relevant information within the company and may request any data or information necessary for the performance of its role, as required to meet with the management of the company.

The Investment Policies - Strategies Committee shall inform the Board of Directors, through its President, on its programme and objectives and on any conclusions reached so that the Board of Directors may take appropriate action and decisions.

The Investment Policies - Strategies Committee will be supported in the work carried out by senior management advisers, the Economic Directorate, the Investment Directorate and

the Portfolio Directorate, and will have adequate access to any means it needs to carry out its tasks.

Art.11. THE COMPLIANCE OFFICE

11.1. S.I.F. Oltenia S.A. establishes and maintains an independent permanent and effective compliance function, subordinate to the Board of Directors, by setting up the “Compliance Office” within its organizational chart, specialized in supervising the compliance of the company and its staff with the laws in force regarding the capital market, as well as the issuers in the portfolio.

The work of the Office shall be coordinated by a head of office appointed by decision of the Board of Directors on a proposal from the General Manager.

The Board of Directors shall be responsible for appointing and revoking the Head of the Compliance Office upon proposal from the General Manager. In carrying out their duties, employees of the Compliance Office shall report directly to the Board of Directors and to the senior management, via the head of the office.

The person who is appointed head of the Compliance Office will only be able to exercise his/her attributions and responsibilities after s/he is authorized by the regulatory authority and entered in the FSA register. The other persons working in the Compliance Office shall not be required to be subject to authorization by the FSA.

In order to allow the compliance function to discharge its responsibilities properly and independently, S.I.F. Oltenia S.A. shall ensure that the person:

- has the necessary authority, resources and competence and has access to all relevant information within the company;

- is not involved in the provision of services or in the performance of activities which s/he monitors;

- his/her objectivity is not affected and is not likely to be affected by the method of determining the remuneration granted.

11.2. In order to be certified as a compliance officer, a natural person shall comply with the requirements of the applicable legal provisions, namely:

- a) being an employee of the company with an employment contract of indefinite duration;

- b) carrying out activities specific to the compliance function only within the S.I.F. Oltenia S.A.;

- c) having participated in/participating in training and have passed/passing within six months of the date of authorization the knowledge test of the legislation in force organized by the training organizations certified by the F.S.A.;

- d) signing a contract of confidentiality with the undertaking by which s/he undertakes to keep confidential any data and information to which s/he has access in the performance of his/her duties or of which s/he becomes aware by accident. Confidentiality shall be extended for the period following the termination of his/her employment with the company, i.e. up to two years;

- e) not being a significant shareholder in the company, not being a member of the Board of Directors/supervisory board or a director/member of the directorate, and not exercising any powers of a nature which they must control, nor being a member of the financial auditor of the company, of a S.S.I.F. with which S.I.F. Oltenia S.A. has entered a contract of intermediation, not being a person involved with another A.I.F.M./ S.A.I. or with a company depositary and not being employed by another A.I.F.M./other S.A.I. or by a depositary in the department/service carrying out operations related to the storage activity.

11.3. The withdrawal of approval by the competent authority may take place in the following cases:

- a) at the request of S.I.F. Oltenia S.A.;

- b) if the approval was obtained on the basis of false information or documents;

- c) the conditions from the date of approval are no longer fulfilled;
- d) as a sanction.

S.I.F. Oltenia S.A. is required to ask the F.S.A. to withdraw the authorization of the compliance officer at the latest on the date of termination or change of employment.

In the event that the compliance officer is unavailable and if no other employees authorized by the FSA according to the regulations in force are available in the Office, the General Manager and, in his/her absence, the Deputy General Manager, will provisionally exercise the powers of office, subject to the legal provisions relating to the period of exercise (3 months in a calendar year) and with prior notification to the FSA.

11.4. The head of the Compliance Office shall have the following duties:

- a) organizing, coordinating and supervising the work of the Office in accordance with the provisions of the Regulation;
- b) regularly monitoring and evaluating the adequacy and effectiveness of the established measures, policies and procedures and the actions taken to address deficiencies in the company's compliance with its obligations.
- c) carrying out regular control and continuous control activities aimed at activities within the undertaking in order to avoid situations of non-compliance;
- d) advising the relevant persons and assisting them in complying with the undertaking's obligations under the applicable legal provisions;
- e) acting, in accordance with the powers laid down, to prevent and propose measures to remedy any infringement of the laws, regulations in force regarding the capital market or the internal proceedings of the company, both by the company and its employees;
- f) ensuring that the company and its employees are informed of the legal status applicable to the capital market;
- g) endorsing the documents submitted by the company to the regulatory authority with a view to obtaining the permits set out by FSA regulations and ensure that the reports which the company is required to transmit to the FSA and to capital market entities are forwarded by the legal deadline stipulated by the regulations in force;
- h) analysing and endorsing the informative/publicity materials of the company;
- i) maintaining direct contact with the FSA;
- j) regularly monitoring and checking the enforcement of the relevant legal provisions regarding the company's activity and internal rules and procedures and keeping record of the discovered irregularities;
- k) verifying compliance with prudential rules;
- l) verifying the proper separation of assets along the managed entities;
- m) verifying the efficiency of the information system and internal procedures;
- n) verifying the effectiveness of the risk control system;
- o) drawing up, according to the investigation plan, verification notes related to aspects of the activity carried out at the level of the Company, which it submits to the senior management and, after its approval, submit them to the Audit Committee for the analysis and evaluation of the activity;
- p) drawing up the Annual Report and the Investigation Plan for the following year, which are submitted to the Audit Committee for analysis, assessment and endorsement of the activity. The said documents shall be submitted to the Board of Directors for approval after the opinion has been given.
- q) the compliance officer is not involved in the performance of any services or activities which s/he monitors;
- r) demonstrating objectivity in the carried-out analyses, which is not affected by the level of remuneration;
- s) the powers referred to in points q) and r) may not be required where it can be demonstrated that the compliance officer maintains objectivity and demonstrates efficiency in the conduct of his/her activities.

t) within 60 days of the end of the year, forwarding his/her activity report to the senior management;

u) being responsible for updating the policies and working procedures s/he manages.

The Annual Report and the Investigation Plan approved by the Board of Directors are forwarded to the Financial Supervisory Authority by March 15 of each year.

In the performance of his/her duties, the Head of the Compliance Office shall be responsible for keeping, at the company's premises, the following records:

- the single register of petitions, in a secure electronic format, per calendar year;
- the investigation register;
- the register of personal transactions by relevant persons in the Company;
- the register of conflicts of interest.

11.5. The person who is appointed as head of the Compliance Office at S.I.F. Oltenia S.A. will also exercise the functions of ML (Money Laundering)/TF (Terrorist Financing) Compliance Officer in the context of the specific regulations on money laundering and terrorist financing, for the application of the provisions of Law no. 129/2019 for the prevention and fight against money laundering and terrorist financing, as well as amending and supplementing normative acts, and F.S.A. Regulation no. 13/2019 on the establishment of measures to prevent and fight money laundering and terrorist financing by means of the financial sectors supervised by the F.S.A.

S.I.F. Oltenia S.A. provides continuous training on techniques to prevent and combat ML/TF to the ML/TF compliance officer and the ML/TF designated person.

The head of the Compliance Office shall be required to participate in training in both the supervision of the compliance of the company and its staff with the legislation in force regarding the capital market and in the field of legislation on the application of the provisions of the legislation in force and of ML/TF prevention and prevention techniques, delivered /organized/established by accredited/certified training and training bodies.

The Head of the Compliance Office shall inform all employees of the company on the policies, mechanisms and procedures to prevent and combat ML/TF, upon employment and whenever changes occur, and shall implement knowledge verification procedures.

As the ML/TF compliance officer, the person acting as head of the Company's Compliance Office shall have the following duties:

a) ensuring the coordination and implementation of internal policies and procedures for the application of legal provisions relating to the prevention of ML/TF;

b) having decision-making power to implement the company's internal policies and procedures in the field of prevention and control of ML/TF;

c) having direct and permanent access to all data and information held at company level necessary to fulfil the obligations laid down in the applicable legislation on ML/TF;

d) together with the ML/TF designated person, being responsible for carrying out the tasks set out in application of Law no. 129/2019 and Regulation A.S.F. No. 13/2019 in so far as S.I.F. Oltenia S.A. provided the internal operational and procedural framework necessary to fulfil the legal obligations regarding AML (Anti-money laundering)/CTF (counter-terrorism financing), including in terms of ensuring direct, permanent, full and unaltered access to the information and documents necessary in this context.

S.I.F. Oltenia S.A. grants the person exercising the attributions of ML/TF compliance officer and the ML/TF designated person the right to address himself/herself in order to inform the State authorities of any breaches of Law no. 129/2019 and F.S.A. Regulation no. 13/2019 in the company, in which case the identity of such persons is adequately protected.

The ML/TF Compliance Officer and the ML/TF designated person shall be notified to the F.S.A. at least 15 working days before the commencement of their duties, as provided for in Regulation A.S.F. No 1/2019.

S.I.F. Oltenia S.A. also communicates to the National Office for Preventing and Combating Money Laundering the identification details of the compliance officer and the

ML/TF designated person, in electronic format, through the channels made available for this purpose.

Art.12. THE INTERNAL AUDIT OFFICE

The internal audit is organized within S.I.F. Oltenia S.A. at the level of an office and operates under the direct authority of the company's Board of Directors.

The internal audit shall have a separate and independent function from the other activities of the company, which gives assurance to the company's managers that the income and expenditure are properly managed, while advising the management of the company to comply with the legal rules in force in the matter being audited.

The person acting as an internal auditor shall be appointed and dismissed by the Board of Directors upon proposal of the General Manager. The internal auditor shall be notified to the competent authority after the management body of the company has checked and has agreed that the person meets the requirements laid down in the regulations in force.

The internal auditor shall not be involved in any other activity or relationship affecting an objective assessment. The internal audit activity will not be influenced by the senior management, the person who will carry out the powers of this function will have to objectively present the matters subject to the audit.

The internal auditor shall have access to all company data and information, including those in electronic form.

12.1. Objectives of the Internal Audit

Internal audit aims at:

- a) checking the compliance of the entity's activities with its policies, programmes and management, in accordance with the legal provisions;
- b) the assessment of the adequacy and implementation of financial and non- financial controls arranged and conducted by the management of the Company in order to increase the efficiency of its business;
- c) the assessment of the suitability of financial and non-financial information for the management to know the reality of the Company;
- d) the protection of the balance sheet and off-balance sheet items and the identification of methods to prevent fraud and losses of any kind;
- e) checking the effectiveness of the company's internal control systems and procedures;
- f) reviewing the performance of the risk management function on a regular basis. The results of the examination shall be brought to the attention of the senior management and the Audit Committee.

12.2. The performance of the internal audit function shall entail the following responsibilities:

- a) establishing, implementing and maintaining an audit plan to assess and review the effectiveness and adequacy of the systems, internal control mechanisms and procedures of S.I.F. Oltenia S.A.;
- b) issuing recommendations based on the outcome of the work carried out;
- c) verifying compliance with the recommendations;
- d) notifying the senior management, following the audits carried out, any key findings on the adequacy and approach of the company in the implementation of the risk management framework so that these issues are adequately addressed. The findings will be presented in the form of a report, with the information also communicated to the Audit Committee.
- e) reporting on internal audit matters, i.e. submitting written reports on internal audit to the Board of Directors and senior management, whenever appropriate and at least annually, specifying in particular whether appropriate measures have been taken to remedy any deficiencies found;

f) drawing up the internal audit charter which s/he shall submit for consideration and approval to the Audit Committee and the Board of Directors.

12.3. In carrying out the duties appropriate to the internal audit function, the auditor shall:

a) draw up control reports regarding aspects of the activity developed by the company, according to the control plan; such reports shall be submitted to the senior management and, after being endorsed by the latter, shall be sent to the Audit Committee for analysis and assessment;

b) draw up the Annual Report and the Control Plan for the next year, which are forwarded to the Audit Committee for analysis and assessment; The said documents shall be submitted to the Board of Directors for approval after the opinion has been given.

The Internal Audit report will be designed to support the company as a whole and its structures through opinions and recommendations with a view to:

- better risk management;
- ensuring better management of the assets;
- ensuring better monitoring of compliance with existing rules and procedures;
- supervising of the accuracy and legality of accounting records;
- improving the management quality by the quality of the internal audit act;
- protecting of company funds against losses due to error, abuse or fraud;
- ensuring objectivity and advice, aimed at improving the company's systems and activities.

According to internal audit standards, the head of internal audit must set out the policies and procedures to direct internal audit work.

In the performance of his/her work, the internal audit office representative shall be required to keep, in accordance with legal provisions, a register of the deliberations and findings made during internal audit missions.

Art.13. THE RISK MANAGEMENT OFFICE

S.I.F. Oltenia SA set up within its organization chart the Risk Management Office, ensuring the permanent risk management function, which has hierarchical and functional independence from the other compartments.

13.1. For the hierarchical and functional separation of the risk management function from the business units, including the portfolio management function, the following rules were established within S.I.F. Oltenia S.A.:

a) the risk management function is not supervised by the persons responsible for the performance of the operating units (compartments), including the portfolio management function of S.I.F. Oltenia S.A.;

b) the risk management function is not engaged in other business activities within the business units or in the portfolio management function;

c) the risk management function is remunerated according to the achievement of the objectives of this function, independently of the performance of the business units, including the portfolio management function;

d) the performance of the risk-management function shall be reviewed periodically by the internal auditor.

13.2. The appointment of the employees in the Risk Management Office shall be carried out by the General Manager, with the approval of the company's Board of Directors, and the concerned persons shall exercise their duties only after authorization by the Financial Supervisory Authority, under the conditions required by the legal regulations in force.

13.3. In order to operate as a risk manager of S.I.F. Oltenia S.A., it is necessary to have the person concerned authorized to do so by the A.S.F.

In order to be authorized as a risk manager at S.I.F. Oltenia S.A., a person must meet the conditions laid down by the applicable legal regulations and these internal rules, namely:

a) being employed by S.I.F. Oltenia S.A. with an individual employment contract,
b) carrying out activities specific to the risk management function only within the S.I.F. Oltenia S.A.;

c) having completed a training organized by specialist institutions such as national or international vocational training bodies, attesting to the acquisition of knowledge of investment management or risk management and enabling them to discharge their responsibilities in respect of their duties;

d) signing a contract of confidentiality with the undertaking by which s/he undertakes to keep confidential any data and information to which s/he has access in the performance of his/her duties or of which s/he becomes aware by accident. Confidentiality shall be extended for the period following the termination of his/her employment with the company, i.e. up to two years;

e) not being a significant shareholder in the company, not being a member of the Board of Directors/supervisory board or a director/member of the directorate, and not exercising any powers of a nature which they must control, nor being a member of the financial auditor of the company, of a S.S.I.F. with which S.I.F. Oltenia S.A. has entered an intermediation contract, not being a person involved with another A.I.F.M./S.A.I. or with a company depository and not being employed by another A.I.F.M./other S.A.I. or by a depository in the department/service carrying out operations related to the storage activity.

f) having the capacity to carry out the activity effectively and to allocate the time necessary for the performance of their duties.

13.4. The withdrawal of approval by the competent authority may take place in the following cases:

- a) at the request of S.I.F. Oltenia S.A.;
- b) if the approval was obtained on the basis of false information or documents;
- c) the conditions from the date of approval are no longer fulfilled;
- d) as a sanction.

S.I.F. Oltenia S.A. is required to ask the F.S.A. to withdraw the authorization of the risk manager at the latest on the date of termination or change of employment.

13.5. In the event of temporary unavailability of the risk manager and if there are no other persons in the office authorized by the F.S.A. according to the regulations in force one of the directors or other employee with adequate knowledge and professional experience shall provisionally fulfil the function of risk manager for no more than 3 months in a calendar year. The director in charge with the coordination and supervision of the portfolio management function of the company may not temporarily take over the functions of the risk management function. The person provisionally performing this function shall be notified to the FSA.

13.6. The permanent risk management function shall have the necessary authority and access to all relevant information necessary to fulfil the following job duties:

a) implementing effective risk management policies and procedures in order to identify, measure, manage and continuously monitor all risks relevant to the investment strategy of S.I.F. Oltenia S.A. and to which the company is or may be exposed,

b) ensuring that the risk profile of S.I.F. Oltenia S.A. communicated to investors complies with the quantitative and/or qualitative risk limits set by the company's management body, taking into account all relevant risks;

c) monitoring compliance with the established risk limits and notify the senior management and Board of Directors in due time if they consider that the risk profile of S.I.F. Oltenia S.A. does not comply with these limits or if there is a significant risk that the risk profile will become non-compliant with these limits.

d) providing the members of the senior management and the Board of Directors at a frequency appropriate to the nature, scale and complexity of the business of the company with information on the following matters:

- the compliance by S.I.F. Oltenia S.A. with the risk profile communicated to investors, the established risk limits and the consistency between those limits;
- the adequacy and effectiveness of the risk management process, indicating in particular whether appropriate corrective measures have been or will be taken in the event of existing or anticipated deficiencies.

e) periodically providing the senior management with information on the current level of risks to which the undertaking is exposed and any existing or foreseeable excesses of the established risk limits, in order to ensure that appropriate and rapid action can be taken.

f) establishing and reviewing policies and working procedures specific to the work they manage.

13.7. The risk management policy of S.I.F. Oltenia S.A.

a) S.I.F. Oltenia S.A. establishes, implements and maintains an adequate and documented risk management policy that identifies all relevant risks to which the company may be exposed.

b) The risk management policy includes the procedures necessary for the company to assess the exposure to: market risk, liquidity risk, credit risk and the exposure of S.I.F. Oltenia S.A. to all other relevant risks that may be significant for the company, including operational and reputational risks.

13.8. The assessment, monitoring and review of risk management systems

13.8.1. The Board of Directors shall evaluate, monitor and, at least once a year, review the following:

a) the adequacy and effectiveness of the risk management policy and the measures, processes and techniques used to identify, measure, manage and monitor risks;

b) the extent to which S.I.F. Oltenia S.A. follows the risk management policy and the measures, processes and techniques used to identify, measure, manage and monitor risks;

c) the adequacy and effectiveness of the measures taken to address deficiencies in the conduct of the risk management process;

d) the performance of the risk management function;

e) the adequacy and effectiveness of measures to ensure the functional and hierarchical separation of the risk management function from the business units.

The frequency of the periodic review shall be determined by senior management, in accordance with the principle of proportionality, having regard to the nature, size and complexity of the business of S.I.F. Oltenia S.A..

13.8.2. In addition, besides the regular (annual) risk review, risk management systems shall be reviewed when:

a) the risk management policies and procedures and the measures, processes and techniques used are subject to significant, adequate and effective changes;

b) internal or external events indicate that a further review is necessary;

c) the investment strategy and objectives of S.I.F. Oltenia S.A. are subject to significant changes.

S.I.F. Oltenia S.A. shall update the risk management systems based on the results of the review under a) and b) and shall inform the competent authority of any significant changes in risk management policies and procedures.

13.9. The functional and hierarchical separation of the risk management function

a) the risk management function shall be functionally and hierarchically separated from the business units, including the portfolio management function.

b) the functional and hierarchical separation of the risk management function in accordance with point a) shall be ensured throughout the entire hierarchical structure of S.I.F. Oltenia S.A., up to the level of the Board of Directors and senior management. This separation is checked by the senior management.

13.10. Safeguards against conflicts of interest in risk management

S.I.F. Oltenia S.A. establishes, maintains and applies effective organizational and administrative arrangements with a view to adopting all reasonable measures designed to identify, prevent, manage and monitor conflicts of interest in order to prevent them from adversely affecting the interests of the company and its investors. To this purpose, S.I.F. Oltenia S.A. has separated, within the working environment, tasks and responsibilities which may be considered incompatible or potentially give rise to systemic conflicts of interest.

a) Safeguards against conflicts of interest in risk management ensure at least that:

- the decisions taken by the risk management function are based on reliable data subject to an appropriate degree of control by the risk management function;

- the remuneration of the persons involved in the exercise of the risk management function shall reflect the achievement of the objectives relating to that function;

- the risk management function shall be subject to appropriate independent review by the internal audit and the audit committee to ensure that decisions are the result of an independent process;

- any conflicting tasks are properly separated.

b) Within the limits of proportionality and taking into account the nature, scale and complexity of the undertaking, through the protection measures mentioned under a), it is also ensured that the performance of the risk management function shall be reviewed periodically by the internal audit function and the audit committee.

c) The Board of Directors of S.I.F. Oltenia S.A. establishes safeguards against conflicts of interest mentioned under a) and b), regularly reviews their effectiveness, and takes timely corrective measures to address any deficiencies.

d) To avoid conflicts of interest in the case of personal transactions in financial instruments of companies in the portfolio of S.I.F. Oltenia S.A., the provisions of “Procedures concerning the avoidance of conflict of interest including the carrying out of the personal transactions of the members of the Board of Directors, the members of the senior management and the employees of the company” shall be taken into account.

Art. 14. Persons with responsibilities in areas of activity covered by specific regulatory acts

14.1. The person designated for preventing and combating money laundering and terrorist financing as well as for putting in place measures to prevent and combat terrorist financing through the capital market

14.1.1. S.I.F. Oltenia S.A. designates a person for preventing and combating money laundering and terrorist financing as well as for putting in place measures to prevent and combat terrorist financing through the capital market, subordinated to the senior management. The “designated person” shall coordinate the implementation of internal law enforcement policies and procedures to prevent and sanction money laundering and to put in place measures to prevent and combat terrorist financing through the capital market.

The “designated person” shall be appointed by decision of the General Manager and notified to the Financial Supervisory Authority. In order to become a “designated person” for preventing and combating money laundering and terrorist financing as well as for putting in place measures to prevent and combat terrorist financing through the capital market in S.I.F. Oltenia S.A., a person must meet the following requirements:

- meet the legal requirements regarding the fitness of the assessed persons;

- be an employee of the company with an employment contract of indefinite duration;

- have at least three years seniority in the company;

- possess a good knowledge of the company's organizational, procedural and decision-making system and the legal provisions specific to that activity

14.1.2. Job duties.

The “designated person” for the prevention and fight against money laundering and terrorist financing and for the establishment of measures to prevent and combat terrorist

financing through the capital market has direct and timely access to the data and information necessary for the performance of the tasks established by the applicable legal provisions, and will focus on:

- a) maintaining contact with the O.N.P.C.S.B. on issues specific to the activity s/he coordinates;
- b) identifying and analysing any transactions or operations carried out that exceed the maximum threshold set out by the relevant legal provisions, if there are suspicions of money laundering or if there is information that the transactions are not carried out on the customer's own behalf;
- c) being familiar with the reporting requirements to the O.N.P.C.S.B., F.S.A. and A.N.A.F.;
- d) reporting to the O.P.C.S.B. and the F.S.A. on reasonable suspicions of carrying out cash operations and external transfers to/or from accounts for amounts exceeding the maximum limit laid down in the applicable legal provisions;
- e) carrying out the necessary checks on the operations covered by the law in order to obtain reasonable evidence to substantiate the identification of the money laundering activity;
- f) after thoroughly examining suspicious transactions, making proposals to the company's senior management regarding the decisions to make in the application of the specific legislation;
- g) participating in training programmes specific to the tasks they carry out whenever necessary, but no later than every two years;
- h) to ensure that employees of the company are informed of the legislation on prevention and money laundering and terrorist financing and of alerts published by the competent authorities;
- i) in order to ensure effective and sustainable training of the company's staff, training shall be at least half-yearly and whenever legislative changes occur in a formalized framework;
- j) establishing appropriate policies and procedures for customer knowledge, reporting, keeping secondary or operational records, internal control, risk assessment and management, compliance and communication management, in order to prevent and prevent suspicious money laundering or terrorist financing operations. Preparing analyses to identify and accept the company's clients prior to the commencement of the business relationship;
- k) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

14.2. The Data Protection Officer

S.I.F. Oltenia S.A. has established the permanent position of data protection officer, which is hierarchically and functionally independent from the other departments of the Company.

The Data Protection Officer shall be appointed by the company's General Manager.

S.I.F. Oltenia S.A. outsourced the function of data protection officer, in accordance with legal provisions, to a legal person providing this service on the basis of a contract.

S.I.F. Oltenia S.A. publishes on its website the contact details of the company's Data Protection Officer, which are also communicated to the supervisory authority (A.N.S.P.D.C.P.).

The position of the data protection officer

S.I.F. Oltenia S.A. shall ensure that the Data Protection Officer:

- a) is properly and timely involved in all matters relating to the protection of personal data within the company, and s/he will be provided with the resources required for the performance of his/her tasks as well as access to personal data and processing operations, and to maintain his/her specialized knowledge.
- b) receives no instructions as to the performance of the duties;

- c) possesses a good knowledge of the company's organizational, procedural and decision-making system;
- d) the contract shall not be terminated by the management of the company for having carried out the tasks specified in the contract;
- e) shall be responsible directly to the senior management in the performance of his/her duties.

Data subjects may contact the data protection officer with regard to all issues related to processing of their personal data and to the exercise of their rights under these procedures and the applicable legal provisions.

The data protection officer shall be bound by secrecy or confidentiality concerning the performance of his or her tasks, in accordance with the applicable legal provisions.

The attributions of the data protection officer

The Data Protection Officer shall act in order to carry out the duties stipulated in the service contract and in compliance with the provisions in force, by informing the company monthly by means of monthly information and monitoring.

In the recruitment process, s/he shall inform participants of the processing of personal data through the document *Data Processing Notice*.

In carrying out his/her duties, the Data Protection Officer enjoys a high degree of independence in carrying out his/her work, and such duties will not exceed explicit legal provisions.

Art. 15. The senior management

The Board of Directors will delegate the management of the company to two directors. The directors (senior management) will be appointed from among the administrators. The President of the Board of Directors shall also serve as General Manager, and the Vicepresident of the Board of Directors shall also serve as Deputy General Manager.

The General Manager and the Deputy General Manager shall be bound by the qualification, professional experience and integrity requirements laid down in the applicable legal regulations.

The General Manager and the Deputy General Manager shall perform their duties under the contract of office, and the power to terminate them with the persons concerned shall belong to the Board of Directors. The maximum remuneration limits for these functions will be set by the General Shareholder Meeting.

The President/General Manager and, in his/her absence, the Vicepresident shall represent the company in relations with third parties.

The Board of Directors shall retain the power of representation of the company in relation to the managers.

15.1. The General Manager

The General Manager shall be appointed by the Board of Directors in accordance with the company's Articles of Association.

The specific duties and competences, as declared by the company in its articles of association and internal rules, are:

- a) ensuring the direct and actual management of the company;
- b) undertaking legal acts and deeds for the achievement of the company's scope of activity, within the limits laid down in the normative acts, the Company's articles of association, the internal regulations and the contract of mandate;
- c) coordinating the work of the company's executive directors and the subordinated advisers;
- d) appointing and dismissing the staff of the company, while determining the remuneration of the staff employed of the company;
- e) engaging and representing the company in relations with third parties;
- f) approving the company's collection and payment operations;

- g) directly coordinating the daily work of the Economic Directorate, the Portfolio Directorate, the Investment Directorate and the Legal Directorate;
- h) negotiating the collective employment agreement of the company, within the limits set by the Board of Directors;
- i) establishing the representation of S.I.F. Oltenia S.A. in general meetings, boards of directors and committees of auditors in the portfolio companies,
- j) providing a special mandate to the company's representatives in general meetings of shareholders at the companies where S.I.F. Oltenia S.A. is a shareholder;
- k) endorsing the materials shown to the Board of Directors;
- l) monitoring and informing the Board of Directors on how the adopted decisions are complied with;
- m) arranging for and approving the internal and external travel of the company's staff required for the performance of the business of the company, professional training or participation in various events: conferences, symposia, economic missions, etc.;
- n) verifying and signing the accounts, financial and economic reports and those required by the BVB and/or the FSA;
- o) ordering administrative, disciplinary or other measures, within the limits of the law, to be enforced against the employees of the company;
- p) approving the granting of individual prizes to the employees of the company in accordance with the provisions of the applicable collective employment agreement;
- r) arranging for the inventory of the company's assets;
- s) ensure that the General Shareholder Meetings of S.I.F. Oltenia S.A. convened by the Board of Directors take place properly;
- t) fulfilling, under the conditions laid down by the law, any other powers laid down by the general meetings of shareholders, the Board of Directors of the company or/or any applicable legal provisions.

In the event of temporary unavailability, effective management will be provided by the Deputy General Manager. If the Deputy General Manager is also absent, effective management will be provided by the replacements of the General Manager and/or Deputy General Manager and will be notified to the F.S.A.

15.2. The Deputy General Manager

The Deputy General Manager also is the Vicepresident of the Board of Directors, according to the company's Articles of Association and, alone, in the absence of the General Manager or together with the General Manager, shall represent the company in dealings with third parties.

The specific duties and competences, as declared by the company in its articles of association and these internal rules, are:

- a) ensuring the effective management of the company jointly with the General Manager;
- b) undertaking legal acts and deeds for the achievement of the company's scope of activity, within the limits laid down in the normative acts, the Company's articles of association, the internal regulations and this contract;
- c) coordinating the day-to-day work of the company's Directorates with or in the absence of the General Manager;
- d) appointing and releasing from office the staff of the company, determining their remuneration, jointly with the General Manager or in his/her absence;
- e) employing and representing the company in dealings with third parties, with or without the General Manager, in accordance with the applicable legal provisions;
- f) approving the company's collection and payment operations with or without the General Manager;

g) establishing and ensuring the representation of S.I.F. Oltenia S.A. in general meetings, boards of directors and committees of auditors in the portfolio companies, with or without the General Manager;

h) endorse the materials presented to the Board of Directors, with or without the General Manager;

i) monitoring and informing the Board of Directors on how the adopted decisions are complied with;

j) arranging for and approving the internal and external travel of the company's staff required for the performance of the business of the company, professional training or participation in various events: conferences, symposia, economic missions, etc., with or without the General Manager;

k) verifying and signing the accounts, financial and economic reports and those required by the BVB and/or the FSA, with or without the General Manager;

l) arranging for and pursuing the establishment of powers for the employees of the company's directorates with or without the General Manager;

m) proposing to the General Manager and, in his/her absence, ordering administrative, disciplinary or other measures, within the limits of the law, to be enforced against the employees of the company;

n) approving the granting of individual prizes to the employees of the company jointly with the General Manager;

o) fulfilling, under the conditions laid down by the law, any other powers laid down by the General Meeting of shareholders, the Board of Directors of the company or/or any applicable legal provisions.

p) arranging for an inventory of the assets of the company, with or without the General Manager;

r) ensuring, with or without the General Manager, that the general meetings of S.I.F. Oltenia S.A. convened by the Board of Directors take place properly;

s) fulfilling, under the conditions laid down by the law, any other powers laid down by the general meetings of shareholders, the Board of Directors of the company or/or any applicable legal provisions.

In the event of temporary unavailability, effective management will be provided by the General Manager. If the General Manager is also absent, effective management will be provided by the replacements of the General Manager and/or Deputy General Manager and will be notified to the F.S.A.

Art. 16. REPRESENTATIONS

S.I.F. Oltenia S.A. may set up or abolish branches, representative offices, agencies, working points and other secondary establishments without legal personality on the territory of Romania or abroad, on the basis of the decision of the Board of Directors, in compliance with the regulations and legal provisions.

The Bucharest representation is set up as an entity without legal personality, in compliance with Romanian legal provisions, to carry out legal acts and acts in the name and on behalf of S.I.F. Oltenia S.A. and performs intermediation functions between the company and its partners in the territory.

The representation is not a separate legal entity, is economically supported and carries out only those activities at the request and subject to approval by the management structure of S.I.F. Oltenia S.A.

The seat of the representation shall be decided by the Board of Directors of S.I.F. Oltenia S.A. and is communicated to investors in accordance with legal provisions.

The purpose of the representation is the same as that of S.I.F. Oltenia S.A.

The service life of the representation may not exceed the service life of the company.

The staff of the representation shall be appointed by decision of the General Manager.

The company, based on the decision of the Board of Directors and the documents stipulated by the legislation, will register the Bucharest representation at the Trade Register Office.

Art. 17. SENIOR MANAGEMENT ADVISERS

The Board of Directors shall decide the number and composition of this structure under the authority of the senior management in order to supervise the company's current activity.

The daily activity of the company's directorates is based on individual decisions specific to the work performed.

Senior management advisers are the structure that supports the senior management/Board of Directors in the exercise of specific duties and prerogatives.

The limits of the competence of the advisers do not exceed the legal provisions regarding the operation of the company.

In the performance of their duties, led and coordinated by the General Manager and the Deputy General Manager., the advisers shall adopt decisions for:

- the implementation of the investment strategy established by the Board of Directors;
- the fulfilment of the decisions of the Board of Directors, decisions delegated to that body;
- supporting the advisory committees of the Board of Directors;
- supporting the daily activity of the senior management.

The specific tasks of senior management advisers shall be:

1. considering and making relevant comments and proposals on documents/notes drawn up by the other organizational structures, subject to approval/endorsement by the management;

2. collaborating with other relevant structures within S.I.F. Oltenia S.A. in order to find the best solutions with regard to the issues, documents and materials submitted to the approval/endorsement of the company's management,

3. identifying, from the analysis of topics subject to approval/endorsement by the management, issues that are not properly regulated and making proposals to improve the regulatory framework;

4. Senior management advisers shall attend working meetings established by senior management with the company's directors in order to inform on the program of activities requiring decision-making;

5. fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

Senior management advisers shall have access to all information within the company's Directorates in order to fully understand the specific aspects of the activity for which the senior management is to issue decisions.

On a quarterly basis, this structure will inform the Board of Directors/senior management of the work carried out.

Art. 18. THE ECONOMIC DIRECTORATE

The Economic Directorate is composed of:

- the Financial and Accounting Service;
- the IT System Service;
- the Human Resources and Administrative Service.

The work of the Economic Directorate shall be coordinated by an Executive Director. The Director of the Economic Directorate shall organize, coordinate and supervise the work of the Directorate and the departments concerned. In order to be appointed as Director a person must have at least 5 years' experience in the financial and accounting field.

18.1. The Financial and Accounting Service

The Service shall be coordinated by a Head of Service. In order to be appointed as head of service at the Financial and Accounting Service, a person must have a financial-accounting experience for more than 5 years.

The Financial and Accounting Service shall mainly have the following duties:

a) organizing, coordinating and managing the company's accounts in accordance with the provisions laid down by law;

b) ensuring that the accounting records, financial statements and accounting reports are drawn up in good time and in accordance with legal provisions;

c) organizing and being responsible for preparing work on financial planning;

d) being responsible for the keeping the accounts of the company's assets in accordance with legal provisions;

e) being responsible for the correct entry in company accounts of all data relating to the acquisition of intangible, tangible, financial assets, material items, customers, liabilities, charges, income, provisions, financial result;

f) organizing and managing the inventory of the company's assets in accordance with the laws and regulations in force, and establishing and recording the inventory results in accordance with the legal provisions;

g) being responsible for the correct recording of the payment of dividends to the shareholders of the company;

h) ensuring the fulfilment of the company's obligations to the state budget, the social security budget, etc.

i) carrying out regular analyses of the evolution of the company's cash accumulation, the structure of expenditure and other economic and financial indicators;

j) being responsible for registering in the records of S.I.F. Oltenia S.A. the rights regarding the collection of dividends/interest/other amounts due from portfolio companies;

k) correctly, fully and timely ensuring and providing to the Portfolio Directorate and to the Office for portfolio assessment, transactions and net asset calculation all data required to calculate the monthly net asset value of the company;

l) reviewing and managing the internal policies and procedures under which the service is operated;

m) ensuring the records, selection and transfer to the archives of the company of the documents created in the course of the activity, in accordance with the legal provisions and provisions of the management of the company;

n) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

The company may outsource certain activities within the Financial and Accounting Service by notifying the F.S.A. to this purpose.

18.2. The IT System Service

The Service shall be coordinated by a Head of Service.

The IT System Service shall mainly have the following duties:

a) designing, implementing and managing the company's IT system based on the internal requirements of S.I.F. Oltenia S.A. and taking into account the applicable legal provisions and good practice in the field;

b) managing the website www.sifolt.ro which provides information to shareholders, the internet domain sifolt.ro and the company's e-mail server;

c) keeping back-up copies of information stored in the IT system;

d) ensuring the electronic recording of all transactions carried out by S.I.F. Oltenia S.A.;

e) proposing the purchase of equipment, software and communication systems necessary for the operation of the business;

- f) providing staff training and specialist support for the use of the company's IT technology;
- g) ensuring the protection and security of data in the company's information system;
- h) together with the Investment Directorate, the Portfolio Directorate, the Financial and Accounting Service and the Shareholders and Shareholder Relations Service, drawing up reports to the N.B.R.;
- i) assisting the Financial and Accounting Service in the preparation of quarterly, half-yearly and annual financial statements;
- j) ensures the compliance of the IT system of S.I.F. Oltenia S.A. with the IT audit requirements specified in the applicable legal regulations;
- k) reviewing and managing the internal policies and procedures under which the service is operated;
- l) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

18.3 The Human Resources and Administrative Service

The Human Resources and Administrative Service shall have the following tasks:

- a) making proposals for the company's staff policy (staff recruitment and selection);
- b) drawing up and managing the HR files of the company's employees;
- c) participating, together with other employees of the company, in the committees for the employment and promotion of staff of S.I.F. Oltenia S.A., as the Secretary of the commission;
- d) participating in the negotiation of the collective employment agreement;
- e) following up and keeping records of the acts of senior management (decisions) and executive directors (service requirements) and being responsible for their distribution to the nominated compartments or persons;
- f) pursuing the conclusion of professional indemnity insurance contracts by members of the Board of Directors and senior management of S.I.F. Oltenia S.A. in accordance with the judgments of the A.G.A. and the mandate contracts;
- g) drawing up periodic staff training programmes having regard to the strategy adopted by the company's Board of Directors and senior management;
- h) participating, together with the heads of compartments, in the assessment of the professional performance of the company's staff, while managing the annual professional evaluation reports;
- i) being responsible for providing the technical and material basis of the company for carrying on the business in good condition;
- j) being responsible for organizing the safeguarding of the company's assets;
- k) being responsible for the proper functioning of the communication and transport systems of the company;
- l) participating and being responsible, together with other directors of the company, for the convening, organization and conduct on an optimum basis of general meetings of the shareholders of the company and meetings of the Board of Directors;
- m) ensuring and being responsible for the optimum functioning of the company's business in terms of electricity, thermal power and water supply, cleaning and maintenance, sound management of the company's car fleet;
- n) ensuring that the archival fund of the company is established and kept in accordance with the law;
- o) being responsible for training all employees of the company in the field of safety and health at work and fire prevention and fire-fighting;
- p) participating, together with other compartments, in the preparation of internal regulations, the collective employment agreement and its annexes;

- q) reviewing and managing the internal policies and procedures under which the service is operated;
- r) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

Article 19. The Legal Directorate

The Legal Directorate shall be subordinated to the General Manager and the Deputy General Manager and shall be responsible to them for the work carried out.

The work of the Directorate shall be coordinated by a Director. In order to be able to hold the position of Director of the Legal Directorate, the person must have a minimum of 5 years seniority in the legal field.

The Legal Directorate includes two services: The Court Litigation and Advisory Service and the Shareholders and Shareholder Relations Service.

The Legal Directorate shall mainly have the following duties:

- a) ensuring that the interests of the company are protected before the courts or before any government or public administration bodies, under a delegation signed by the company's management;
- b) ensuring, at the request of the departments concerned, with the prior approval of the management of the company, the promotion of any requests for legal action for the protection of the interests of S.I.F. Oltenia S.A. in compliance with the legal provisions in force;
- c) ensuring the promotion in court of actions for the recovery of debts owed by third parties on the basis of the reports submitted by the relevant compartments and approved in advance by the company's management;
- d) liaising with lawyers, notarial offices and law enforcement officers;
- e) managing the files of S.I.F. Oltenia S.A. as regards the registration of the company and the registration with the Trade Register Office of the Dolj Court in accordance with the legal and regulatory provisions;
- f) providing legal advice to all divisions of S.I.F. Oltenia S.A., upon request;
- g) participating in any kind of negotiations to which S.I.F. Oltenia S.A. is a party, at the request of the company's management;
- h) referring to matters which are prejudicial to the interests of the company in connection with the way in which S.I.F. Oltenia S.A. is represented at the general meetings, resulting from the material submitted for analysis to the Legal Directorate.

In the performance of the duties referred to in the preceding paragraph, the Legal Directorate shall draw up notices or points of view in which, on the basis of the information contained in the submitted material, it shall identify the aspects in which the representation in the OGMs did not fulfil the mandate and the legal regulations in force or develops the legal framework applicable to the issues raised by the meeting in order to be taken into account by the representatives of S.I.F. Oltenia S.A. in future general meetings.

- i) endorsing the legality of the mandates for the representation of S.I.F. Oltenia S.A. in general shareholder meetings of the companies in the portfolio, as submitted by the Portfolio Directorate;
- j) drawing up points of view or observations, at the request of the management of the company, on the draft laws, judgments, regulations and instructions submitted to S.I.F. Oltenia S.A. by various authorities, or any other material or documentation prepared by the other departments of the company;
- k) endorsing requests for the seizure of sums of money as dividends due to shareholders submitted by the Shareholder and Shareholder Relations Service;
- l) endorsing the legality of the contracts to which S.I.F. Oltenia S.A. is a party, submitted by the company's departments;

m) endorsing the legality of any other documentation drawn up by the company's departments in accordance with legal provisions or endorsing any document at the request of the senior management;

n) contributing, according to the specific nature of the legal activity, to the drawing up of policies, procedures, regulations, articles of association, etc., by countersigning or by endorsing the said documents, as appropriate;

o) performing any other job duties, according to the nature of the legal activity, received from the senior management or the Board of Directors.

19.1. The Court Litigation and Advisory Service

The Court Litigation and Advisory Service operates within the Legal Directorate and:

a) provides for the legal representation of S.I.F. Oltenia S.A. in disputes in which it is a party, the formulation of any legal defence, the exercise of appeal and the enforcement of judgments given;

b) is responsible together with the Economic Directorate, the Portfolio Directorate and the Investment Directorate for the transposition into the accounts and portfolio of S.I.F. Oltenia S.A. of the effects of the judgments of the courts;

c) is responsible for keeping records of any disputed situation brought before it and/or for which it promoted legal action;

d) is responsible for archiving documents received and drawn up within the service, in accordance with the legal provisions specific to the archiving activity;

e) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

19.2. The Shareholders and Shareholder Relations Service

The activity of the Shareholders and Shareholder Relations Service implies the following duties:

a) maintaining and updating the interface for communication and processing of specific register information and other activity-specific information of S.I.F. Oltenia S.A. in relation to the shareholders corresponding to the date of registration and the reference date set for each general meeting;

b) ensuring the implementation, integration and implementation of the specific application for the development of OGSM/EGSM (suspension of voting rights when appropriate, publishing the voting bulletin, quorum, processing of voting ballots, centralization of votes sent by committees and voting results, etc.);

c) performing all the tasks assigned to the company by the Regulations and instructions given by the F.S.A. in relation to the shareholders of S.I.F. Oltenia S.A.;

d) ensuring the implementation, integration and implementation of the specific application of the Register of shareholders within the IT system of S.I.F. Oltenia S.A. for establishing and highlighting the payment of dividends to shareholders for each financial year;

e) creating, maintaining, updating, storing and being responsible for the applications of S.I.F. Oltenia S.A. on the rights and payment of dividends to the shareholders of the company;

f) being responsible for safekeeping in a specially established database for which there will be backup copies of the information on the rights and the payment of dividends to the shareholders of the company;

g) registering, making and monitoring payments to the A.N.A.F., the Executor's Office or other competent state institutions that have established a seizure on the cash income from dividends of the shareholders of S.I.F. Oltenia S.A. and the amount of the gross dividend/share established by the O.G.S.M. by withholding the tax calculated according to the legislation in force,

- h) recording and responding to requests submitted by the shareholders of S.I.F. Oltenia S.A., with the consent of senior management;
- i) drawing up the tax statements for dividends and reporting them to the A.N.A.F., in accordance with the laws in force;
- j) monthly downloading the specific application of the Shareholder Register of S.I.F. Oltenia S.A. for monthly reporting to N.B.R. relating to the balance of dividends, the shares-units and the monthly evolution of the shares per institutional sector;
- k) making dividend payments by means of payment orders, postal money orders and the company's cashier office.
- l) reviewing and managing the internal policies and procedures under which the service is operated;
- m) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

Art. 20. The Portfolio Directorate

The work of the Directorate shall be coordinated by a Director. In order to be able to hold the position of Director of the Portfolio Directorate, the person must have a minimum of 5 years seniority in the capital market, legal or economic field.

The person occupying the position of Director of the Portfolio Directorate will be notified to the F.S.A. as a substitute for the Deputy General Manager, Head of the company, under the applicable legal regulations.

The director of the Portfolio Directorate shall mainly have the following duties:

- a) organizing, coordinating and supervising the work of the Portfolio Directorate;
- b) being responsible for the organization of the quantitative records of the holdings held by S.I.F. Oltenia S.A. in portfolio companies, structured according to various criteria;
- c) being responsible for preparing the representation of S.I.F. Oltenia S.A. in general meetings with portfolio companies, and, hence, analysing the documents covered by the agenda and any other information obtained and drawing up the "NOTE" on the strategy for representing the interests of S.I.F. Oltenia S.A., with a proposal for a mandate to exercise the vote;
- d) carrying out diagnostic analyses and evaluation of the activities of the portfolio companies on the basis of all documents and information held and forwarding them to the senior management of S.I.F. Oltenia S.A.;
- e) making proposals to the senior management of S.I.F. Oltenia S.A. with a view to making decisions on the restructuring of the portfolio;
- f) informing the senior management of S.I.F. Oltenia S.A. on any issue that would prefigure the economic-financial decline in the portfolio companies and proposing strategies concerning the holdings of S.I.F. Oltenia S.A.;
- g) cooperating with the other organizational structures within the company with a view to organizing and carrying out in good conditions the general meetings of the shareholders of S.I.F. Oltenia S.A. (ordinary and extraordinary);
- h) endorsing the notices drawn up by the subordinated employees and forwarding them to the Legal Directorate with a proposal for opening court proceedings concerning disputes arising out of the exercise of S.I.F. Oltenia S.A. as shareholder in portfolio companies;
- i) centralizing the reports containing the financial statements of the portfolio undertakings necessary for the calculation of the net book value of the assets of S.I.F. Oltenia S.A. which s/he submits to the subordinated Office for portfolio assessment, transactions and net asset calculation;
- j) drawing up, reviewing and managing the internal policies and procedures under which the directorate's activity is carried out;
- k) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

The Portfolio Directorate is composed of the Portfolio Management Service and the Office for portfolio assessment, transactions and net asset calculation.

20.1. The Portfolio Management Service

The Portfolio Management Service shall mainly have the following duties:

- a) organizing and being responsible for the quantitative accounts – current and historical – of the portfolio of SIIF Oltenia S.A.;
- b) recording and being responsible for the accurate reflection in the accounts of S.I.F. Oltenia S.A. of its shares in portfolio companies;
- c) being responsible for reviewing the financial statements of portfolio undertakings and presenting analyses to the directorate's director;
- d) coordinating, supervising and being responsible for the practical exercise of the shareholder rights and obligations of S.I.F. Oltenia S.A. with the holdings in its portfolio;
- e) continuously monitoring and analysing the economic and financial indicators of portfolio companies;
- f) drawing up notes and mandates for representation at general shareholder meetings in portfolio companies;
- g) following and being responsible for the implementation of decisions of the Board of Directors and senior management of S.I.F. Oltenia S.A. on participation in the share capital increase in portfolio companies;
- h) analysing and monitoring the fulfilment by portfolio companies of the minimum performance criteria set out in revenue and expenditure budgets and the annual strategy or programme of operations;
- i) following the elaboration of statements on the economic and financial indicators of the companies in the portfolio;
- j) submit to the directorate's director analyses of the results of the management of companies in the portfolio of S.I.F. Oltenia S.A.;
- k) making available to the management any information relating to legal acts and facts of companies in the portfolio of S.I.F. Oltenia S.A. so as to take urgent measures to prevent harmful effects;
- l) following up and being responsible for collecting dividends and any claims due to S.I.F. Oltenia S.A. as an investor (shareholder, bond holder, etc.) from the debtor companies,
- m) reviewing and managing the internal policies and procedures under which the service is operated;
- n) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

20.2. The Office for portfolio assessment, transactions and net asset calculation

The office's employees must have appropriate training and expertise in the valuation of the assets of issuers traded on the capital market and:

- a) ensure that the assets of S.I.F. Oltenia S.A. are properly assessed. The assessment is carried out with impartiality, competence, prudence and professional diligence;
- b) calculate the net asset value taking into account all financial instruments in the portfolio of S.I.F. Oltenia SA and transmit all related information and documents to the Depository;
- c) are responsible for the periodic transmission of the net asset value to the F.S.A., B.V.B. and other entities as appropriate;
- d) provide a link between S.I.F. Oltenia S.A. and the depository of the company's assets;
- e) notify the Depository of the assets of any change in the valuation methodology approved by the company's management and ensure that the terms of the contract are complied with;

- f) calculate fees, charges and commissions due by the company to the Depository, the F.S.A., the B.V.B. and other entities as appropriate;
- g) ensure the records, selection and transfer to the archives of the company of the documents created in the course of the activity, in accordance with the legal provisions and provisions of the management of the company;
- h) establish and review the office's internal working procedures, in accordance with the legal provisions in force;
- i) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

Art. 21. The Investment Directorate

The work of the Directorate shall be coordinated by a Director. In order to be appointed as Director of the Investment Directorate, a person must have over 5 years' experience in the capital market, financial-banking or legal field.

The person holding the position of Director of the Investment Directorate will be notified to the F.S.A. as replacement of the General Director under the applicable legal regulations, for all matters concerning the activity of S.I.F. Oltenia S.A.

The Director of the Investment Directorate shall organize, coordinate and supervise the work of the subordinated offices: The Office for the review of the timeliness, execution and capitalization of investments and the Market Operations Office.

The employees of the Investment Directorate must have knowledge of the analysis and evaluation of issuers traded on the capital market and must show a good knowledge of the specific legal provisions.

The tasks of the Director of the Investment Directorate shall be:

- a) organizing, coordinating and supervising the work of the Directorate;
- b) making proposals to the senior management of S.I.F. Oltenia S.A. with a view to making decisions on the company's investments;
- c) drawing up, reviewing and managing the internal policies and procedures under which the service is operated;
- d) following and being responsible for the implementation of decisions of the OGM/Board of Directors/senior management of S.I.F. Oltenia SA on investments;
- e) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

21.1. The Office for the review of the timeliness, execution and capitalization of investments

The work carried out within the office shall include the following tasks:

- a) developing studies and analysing investment and cash placement opportunities in accordance with internal rules and legal regulations as well as the strategy established by the Board of Directors and approved by the OGM;
- b) drawing up and obtaining the appropriate approvals on the required documents for carrying out or making use of the financial investments of S.I.F. Oltenia S.A., according to its internal rules and legal regulations;
- c) cooperating with the Portfolio Directorate for the implementation of the decisions of the Board of Directors concerning the participation of S.I.F. Oltenia S.A. in the share capital increase in portfolio companies;
- d) in conjunction with the Risk Management Office, ensuring that the investment limits laid down in the F.S.A. Regulations are calculated and verified;

- e) ensuring the records, selection and transfer to the archives of the company of the documents created in the course of the activity, in accordance with the legal provisions and provisions of the management of the company;
- f) managing risks of non-compliance in the office's work;
- g) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

21.2. The Market Operations Office

The employees of the office shall work in accordance with the working procedures and shall seek to fulfil their responsibilities in respect of:

- a) implementation of investment/divestiture programs;
- b) management of holdings of issuers in the portfolio;
- c) follow-up and recording corporate events occurring at the level of the issuers in the portfolio;
- d) analysis and follow-up of the development of the economic environment to identify the elements favourable to investment;
- e) drawing up notes on capital operations, sales/purchase notes;
- f) carrying out the sale/purchase of financial instruments by taking advantage of market opportunities, in accordance with the applicable internal rules and regulations;
- g) negotiating the trading conditions for the company's holdings in non-market issuers and determining how to best execute those transactions;
- h) execution of subscriptions/redemptions of units, bonds;
- i) making subscriptions in the event of the company's participation in capital increases;
- j) managing operational risks in the trading activities;
- k) negotiating contractual terms with a view to entering contracts with securities intermediaries, including monitoring compliance with those clauses;
- l) analysis and forecasting of future investment availabilities;
- m) drawing up and reviewing working procedures relating to the organization and conduct of their business in the company;
- n) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

Art. 22. The F.S.A. and B.V.B. Reporting Office

The office shall report to the senior management and shall carry out the following tasks:

- a) providing, on behalf of S.I.F Oltenia S.A., a link with the regulatory authority, for which purpose:
 - it provides, on the basis of the data communicated by the relevant organizational structures, information on monthly, quarterly, half-yearly and annual reporting and any other reporting required by the F.S.A.;
 - it provides, on the basis of data communicated by the relevant organizational structures, on an ongoing basis, any information relating to material events in the company's business which could have an influence on the market;
- b) - it provides, on behalf of S.I.F. Oltenia S.A., a link to the Bucharest Stock Exchange (B.V.B.), in which case:
 - it provides regularly, on the basis of the data communicated by the relevant organizational structures, the information on quarterly, half-yearly and annual reporting and any other reports requested by the BVB in accordance with the procedures for maintaining securities at the exchange rate;

- it provides, on the basis of data communicated by the relevant organizational structures, on an ongoing basis, any information relating to material events in the company's business which could have an influence on the market;

c) ensuring, together with the IT System Service, the updating of reporting platforms to the supervisory authority and the Stock Exchange;

d) ensuring the records, selection and transfer to the archives of the company of the documents created in the course of the activity, in accordance with the legal provisions and provisions of the management of the company;

e) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

Art. 23. The Public Relations Office

The Public Relations Office shall be under the direct authority of the senior management and shall ensure the following:

a) implementing and being responsible for carrying out in an optimal manner the communication policies of S.I.F. Oltenia S.A.;

b) ensuring and being responsible for communication between S.I.F. Oltenia S.A. and external parties (press, public institutions, F.S.A., B.V.B. and other bodies) with the prior approval of the Compliance Office and approval of the management of the company,

c) together with the Human Resources and Administrative Service, providing the logistics for carrying out press conferences of the company's management, briefings, etc.;

d) meeting, with the management of the company or by themselves, with various persons who visit the company and being in charge of providing hosting;

e) providing information of public interest concerning the activity of S.I.F. Oltenia S.A. (press releases, articles, etc.) outside the company, with the prior approval of the management, the Legal Directorate and the Compliance Office;

f) arranging for and being responsible for organizing interviews granted by the company's management to various publications, radio or television channels;

g) designing and submitting to the approval of senior management the communications to be transmitted to the media;

h) accrediting journalists to various events organized by S.I.F. Oltenia S.A.;

i) together with other structures within the company, participating in the preparation of reports, summaries, situations, etc.;

j) being responsible for keeping the senior management and executive directors informed in good time about all the news that appears in the Romanian media and is of interest to S.I.F. Oltenia S.A.;

k) participating and being responsible with other divisions of the company for the organization and holding of general meetings of shareholders of S.I.F. Oltenia S.A.;

l) being in charge with the conclusion of advertising or sponsorship contracts for the promotion of the image of S.I.F. Oltenia S.A.;

m) being in charge with the conclusion of contracts with the media for the publication of reports, communications or any other information of public interest;

n) developing and updating the website of S.I.F. Oltenia S.A. with information of interest to the company's shareholders, partners, collaborators, etc., as well as information required to be published under the applicable legislation, together with the IT System Service.

o) ensuring the records, selection and transfer to the archives of the company of the documents created in the course of the activity, in accordance with the legal provisions and provisions of the management of the company;

p) fulfilling any other specific attributions for the scope of activity, as stipulated by the regulations in force or by the hierarchical management.

In full compliance with the principles of corporate governance by S.I.F. Oltenia S.A., this structure helps monitor and implement measures ensuring and respecting the legal

framework for the exercise of shareholder rights and their involvement in the company's business.

TITLE II. THE HIERARCHICAL AND FUNCTIONAL SEPARATION OF THE RISK MANAGEMENT FUNCTION FROM THE BUSINESS UNITS, INCLUDING THE PORTFOLIO MANAGEMENT FUNCTIONS

Article 1. Introductory points

1.1. S.I.F. Oltenia S.A. establishes, implements and applies rules and procedures for the functional and hierarchical separation of risk management functions from operational units, including portfolio management functions as specific safeguards against conflicts of interest and for the independent performance of risk management and portfolio management activities.

1.2. The hierarchical and functional separation of the risk management function from the business units, including the portfolio management function, is drawn up in accordance with the relevant legal provisions.

Article 2. Performance of the process

2.1. The activity of S.I.F. Oltenia S.A. is organized by directorates, services and offices, according to the company's organization chart, approved by the Board of Directors.

2.2. Where the interests of the company or the legal regulations so require, the organizational structure of S.I.F. Oltenia S.A. may at any time be amended by decision of the Board of Directors to meet the new requirements.

2.3. As an expression of full knowledge and understanding of the operating structure of S.I.F. Oltenia S.A. and the risks involved in the complexity of the company's organizational structure, the Board of Directors and senior management ensure that it is in line with the size of the company, with the approved business strategy and risk profile and that the structure is adequate and does not entail excessive or inappropriate complexity.

2.4. To this purpose, S.I.F. Oltenia S.A. has taken the necessary measures to ensure that, within the company's organization chart, the risk management function is functionally and hierarchically separated from the operational compartments of the company, including that of portfolio management. The responsibilities of each individual position are laid down in a post sheet, an Annex to the individual employment contract for each individual employee, where there are clearly and precisely determined, *inter alia*, aspects relating to the function performed, relationships of subordination, relationships of collaboration, duties and responsibilities, the holder of the position, job substitute.

2.5 In support of the above, measures have been adopted to:

a) the risk management function is performed as functionally independent from the portfolio management function and organizational measures are adopted to prevent conflicts of interest as laid down in the company's internal rules;

b) the independence of the risk management function is not affected by the fact that risk management is closely associated with the investment process;

c) persons involved in the exercise of the risk management function are not supervised by the persons responsible for the performance of the operational structures, including those responsible for the management of the portfolio of S.I.F. Oltenia S.A.;

d) persons involved in the exercise of the risk management function are not engaged in activities within operational units or in the portfolio management function of S.I.F. Oltenia S.A.;

e) persons involved in the exercise of the risk management function are remunerated according to the achievement of the objectives of this function, independently of the

performance of the other operational units, including the portfolio management function of S.I.F. Oltenia S.A.

2.6 The functional and hierarchical separation of the risk management function is ensured throughout the company's organizational structure to the management body. This functional separation shall be periodically checked, at least once a year, by the management body of the company (Board of Directors).

Art. 3. Whenever the situation so requires, the management body of the company shall, as part of its function of supervision of the business of the company, adopt and revise general principles concerning the functional and hierarchical separation of risk management functions from business units, including portfolio management features.

TITLE III. RULES OF ETHICS FOR THE EMPLOYEES OF S.I.F. OLTENIA S.A.

Article 1. The employees of S.I.F. Oltenia S.A. shall not:

a) make statements which are likely to be misleading or omit material facts, given the circumstances in which they were made, likely to influence the capital market or to have detrimental effects for S.I.F. Oltenia S.A.;

b) disseminate information about the intentions of S.I.F. Oltenia S.A. of making any kind of transactions in securities and/or financial instruments;

c) provide information on the content of the mandates for the representation of S.I.F. Oltenia S.A. at general meetings with companies in the portfolio outside the normal exercise of activity;

d) provide information on the sale/purchase of assets by S.I.F. Oltenia S.A. or portfolio companies that are detrimental to S.I.F. Oltenia S.A. or the concerned companies;

e) make false or incorrect entries in relation to holdings of securities and/or financial instruments which distort the value of the net assets as a result of disinformation to investors;

f) use inside information of which they become aware in the course of their business with the company when entering transactions with shares on the capital market in order to obtain personal benefits or for the account of others;

g) guarantee in any way the performance of the securities held by S.I.F. Oltenia S.A., for the purpose of determining the acquisition of such values or instruments by third parties;

h) claim or accept from a portfolio undertaking or a third party, a natural or legal person, in connection with his duties, for their own benefit or in the interests of another person, a reward, commission, loan, redemption of a debt, any favour or advantage;

i) carry out, outside the company, other paid-for activities which are prejudicial to S.I.F. Oltenia S.A.;

j) publish material relating to the work done or give interviews relating to the activity of the company without prior approval from the management of the company.

Article 2. The employees of S.I.F. Oltenia S.A. must:

a) act with integrity and moral and professional probity in the performance of duties appropriate to their functions;

b) be familiar with and comply with the law applicable to the specific activity carried out within S.I.F. Oltenia S.A., the Financial Supervisory Authority's regulations, the articles of association and the internal rules of the company;

c) continuously improve their professional knowledge by taking part in the training courses organized by the company and on their own;

d) be familiar with and comply with the provisions of the Internal Rules (Appendix to the collective employment agreement);

e) comply with the obligation of confidentiality of information relating to the work carried out and in general to the business of S.I.F. Oltenia S.A., in accordance with the provisions of the applicable collective employment agreement;

f) act to protect the interests of S.I.F. Oltenia S.A. in any event, under the conditions laid down by the laws in force;

g) inform the management of S.I.F. Oltenia S.A. and the persons in the Compliance Office regarding any claims relating to the company's activity;

h) have decent clothes, both within the company and outside in the performance of their duties, appropriate to the business environment;

i) avoid conflicts of interest with the company in the activity carried out;

j) be responsible for the management of fixed assets and inventory items received.

Art. 3. All prohibitions imposed on employees concerning the use of inside information relating to the company's investment policy for the purpose of trading in financial instruments in its portfolio shall also apply to the members of the company's Board of Directors and senior management.

Furthermore, the members of the company's senior management and the members of the Board of Directors and any persons with whom the company has a contract of employment are prohibited from disseminating information about the transactions the company intends to carry out with financial instruments in the company's portfolio.

The compliance with these rules from the point of view of capital market laws shall be the responsibility of the Compliance Office, which shall inform:

- the members of senior management in the event of an employee's breach of rules;

- the members of the Board of Directors in the event of infringements by members of the senior management;

- F.S.A., in the event of failure by the administrators to comply with the provisions, in accordance with the relevant provisions in force.

Depending on the facts reported, the management of the company will take measures in accordance with the applicable legal provisions and the internal regulations of the company.

TITLE IV. Settlement of the petitions concerning the work carried out by S.I.F. Oltenia S.A.

Art. 1 The Compliance Office shall manage the receipt and settlement of petitions submitted by the shareholders.

In compliance with the principles of good corporate governance, S.I.F. Oltenia S.A. has created the necessary framework to ensure fair treatment of all its shareholders, through transparency of information, publication of documents concerning the company's activity by means of periodic or continuous information, according to legal provisions.

Art. 2 Responsibilities of the Compliance Office in terms of petitions settlement:

- the proper organization and conduct of the work of reception, registration and settlement of petitions;

- documenting and requesting the views of SIF Oltenia SA Directorates, which can be useful for clarifying the activities claimed by the shareholders;

- drawing up proposals for responses to the received petitions, in accordance with the legal provisions;

- cooperating with the Legal Directorate to ensure the legality of the solutions proposed for adoption to the management of the company;

- communicating, after obtaining the approval of the management of the company, the solutions adopted in legal time to the persons who have complained of a situation or a fact, and to the F.S.A where there is a request from that authority;

- sending the F.S.A., with an electronic signature and time stamp, the Single Petition Register, within the prescribed deadlines and according to the envisaged forms.

Art. 3 The compliance officer shall provide the applicant, upon request, in the event of receipt of a complaint, with written information on the internal petitions process or an indication of the section of the company website where such information is published.

Art. 4. The compliance officer shall hold and maintain at the company's premises a single petition register, in a secure electronic format, per calendar year, restarting the numbering from 01 as every new year begins, in which s/he shall record chronologically, in the order of receipt, all petitions, irrespective of how they are received: by registry, electronic mail, on-line system or any other communication channel that may be recorded on a physical or optical medium (e.g. telephone). The single petition register in an electronic format will be secured by implementing a mechanism to ensure that the documents are not waived, and shall contain at least the following information:

1. the entry number and date of the petition;
2. the identity of the applicant, including the address, telephone number, e-mail and the service/activity to which it relates;
3. the surname, forename and position of persons within S.I.F. Oltenia S.A. against which the petition was formulated or to whom the applicant addressed for the provision of the relevant service/activity;
4. the scope of the petition;
5. the status of the petition;
6. the date and manner of settlement of the petition;
7. the reason why the petition was not solved positively (if applicable);
8. the loss claimed by the applicant;
9. observations.

Art. 5 The reply to each petition received from the shareholders shall be drafted in a simple and understandable language within no more than 30 days from the date of its registration, regardless of whether the solution is favourable or unfavourable. If the issues raised in the petition require further investigation, the compliance officer shall inform the applicant of the reasons for the delay and specify the time within which the petition will be settled, which may not exceed by more than 15 days the period of 30 days from the registration of the petition.

Art. 6 All entries made in the Single Petition Register in a calendar year shall be kept for a period of 5 years from the time the original petition was lodged.

Art. 7 The Single Petition Register in a secure electronic format and the communication of the adopted solutions shall be made available to the F.S.A. at its request.

Art. 8 Information on the procedure for the settlement of petitions, including those relating to the progress of the process, is available on the company's own website under *Investors info – Petitions*.

TITLE V. ELECTRONIC DATA PROCESSING

Art. 1. Procedures for control and protection devices in the field of electronic data processing

S.I.F. Oltenia S.A. shall establish and implement control and protection devices in the field of electronic data processing, as well as appropriate internal control mechanisms, to ensure, at least, that each transaction in which it is involved can be reconstituted in terms of its origin, its parts, nature, time, and the place where it was effected and the managed assets are invested in accordance with the articles of association and the laws in force.

Control and protection devices in the field of electronic data processing apply in all structures using the company's IT system.

The responsibilities for the application of control and protection arrangements in the field of electronic data processing shall lie with all employees of the company using the information system as follows:

a) the employees of the IT system service are responsible for monitoring the information system on a daily basis, implementing validations when entering data into the information system, implementing security controls on access to the information system, documenting and versioning changes to software;

b) the employees within the structures using the company's IT system are responsible for complying with the company's IT security policy and for bringing to the attention of the employees of the IT system service and of the leaders of the structure to which they belong, any anomaly or malfunction encountered during the use of the company's information system.

Control and protection devices are imposed by means of policies developed to comply with the F.S.A. Standard no. 4/2018 such as the "Change Management Policy" and the "General IT System Controls Policy".

The general security requirements as set out in the F.S.A. Regulation no. 4/2018 are also implemented. The internal operational risk assessment shall be carried out for risk monitoring purposes and the risk register shall be established.

In order to ensure that every transaction in which S.I.F. Oltenia S.A. can be retraced, the "Procedure for keeping records of transactions" was created.

The degree of implementation and application of control and protection devices in the field of electronic data processing shall be validated on a regular basis through IT audits carried out in accordance with the F.S.A. Standard no. 4/2018.

Art. 2. Keeping records of transactions

The registration of transactions in financial instruments shall aim at:

- safekeeping the registration of transactions in financial instruments for a minimum period of five years;

- allowing the regulatory authority (F.S.A.) to access stored records so that it monitors compliance with prudential rules, conduct of business rules and other legislative and regulatory requirements.

Paper-based trading orders shall be archived and kept for a minimum period of 5 years so that they can be checked and compared with electronic records. Electronic records shall be kept for a minimum period of 10 years and access to them shall be granted only to the person who enters them and to the administrators of the databases of the IT System Service.

The information system used to record orders and transactions allows for the reconstruction of each key stage of the processing of each portfolio transaction, the easy establishment of corrections or other modifications, and the content of the records before those corrections and changes are made, and that no other manipulation or modification is possible.

After the order has been entered, executed transactions shall be entered during the execution of the order (in instalments or in full). An order can be executed from several transactions, on the same or on different days (open order). The order may also be cancelled before it is executed or after partial execution of the order for the non-executed quantity. The responsibility for following the execution of the order and for recording the transactions lies with the employee appointed to enter the corresponding orders and transactions into the company's IT system.

Art. 3. Ensuring the confidentiality of data and information

The management of S.I.F. Oltenia S.A. attaches great importance to ensuring the security, integrity and confidentiality of the data and information circulated within the company.

Data and information security shall be carried out according to the environment where the circuit is developed and where they are converted.

Two systems with responsibilities in the field of security, integrity and confidentiality of data and information exchanged within the company are highlighted: the information system and the IT system.

The first includes all the information that is used, processed and organized according to the scope of activity of the company.

The other system, the IT system, is nothing more than the information system carried out by means of technical means. In fact, the IT system constitutes a part of the information system and as such can be interpreted as a sub-system of the former.

The methods and means of ensuring the security, integrity and confidentiality of data in the information system are manual, limited to the properties of a single type of support – the document. For this reason, they are essentially physical and organizational. As a rule, the completed documents are organized in packages according to the terms of their formation (days, months, quarter, semester, year) and by type of activity, managed by a specific organizational structure defined in the company's organization chart. The protection of the information content of the documentation drawn up shall be ensured by the signatures of the persons responsible for the fulfilment and authenticity of the recorded data. Access to information is protected through various regulatory documents, i.e. internal regulations and the collective employment agreement of the company.

From the point of view of the security of the IT system, the information shall be protected by technical means (servers shall be placed in specially designed premises where only authorized persons are allowed access and where measures have been taken for protection against fire, dust, excess humidity and temperature, as well as other causes that may affect the kept data), and through a range of organizational measures to exclude access by unauthorized persons.

The IT system is connected to the Internet and therefore particular emphasis is placed on protecting it from unauthorized access from outside the company. The main component of the IT system is the intranet (internal network), which is protected by a central firewall, so that Internet access is only allowed from the inside to the outside and not the other way around. Individual computers that are components of the computer system are also protected by antivirus software. Software is installed on these computers only by authorized persons within the IT System Service.

In addition to Intranet, the IT system also includes a web server of its own, which brings to the attention of shareholders and other interested persons, news, current reporting, events and other useful information. This publicly accessible Internet server is technically organized in a so-called "demilitarized area - DMZ" so that its compromise will not affect the internal network. As regards access to the IT system within the internal network, security shall be ensured by the use of user names and password, each user having access only to certain parts of the IT system, depending on his/her role and job duties.

Of particular importance is the date of keeping all data on the IT system for the time limits set by applicable laws and backing up them (backup).

According to the legal provisions, it is prohibited for all employees, members of executive and senior management and members of the board of directors of the company to disclose to third parties' confidential information pertaining to S.I.F. Oltenia S.A., of which they have become aware in the exercise of their duties of office or incidentally, or to carry out, they or their relatives and apes up to grade IV, transactions on the basis of such information.

In order to avoid the dissemination of confidential information and to protect the interests of the company, each employee has entered a confidentiality contract with S.I.F. Oltenia S.A., which includes obligations regarding the confidentiality of the information circulated in the course of their current activity.

In the event of any leakage of information which may cause damage to the company's image or material damage, the management of the company and the representative of the

Compliance Office, who shall act in accordance with the relevant legal provisions, shall be informed forthwith.

The representative of the Compliance Office shall carry out the legal inquiry and report the situation to the company's Board of Directors.

The persons responsible for breaches of provisions regarding the security, integrity and confidentiality of data and information circulated within the company shall face disciplinary (including disciplinary termination of the individual employment contract), administrative, non-criminal, criminal penalties as appropriate, in accordance with the provisions of the applicable collective employment agreement and the relevant legal provisions.

TITLE VI. MARKET ABUSE

Art. 1. Publication or postponement of publication of information of a privileged nature

S.I.F. Oltenia S.A. will post and keep on its own website, for a period of at least 5 years, all inside information that must be made public, subject to the following requirements:

- they allow users to access inside information posted on the website in a non-discriminatory manner and free of charge;
- they allow users to find inside information in an easily identifiable section of the website;
- they ensure that the published inside information clearly indicates the date and time of publication and the organization of the information in chronological order.

S.I.F. Oltenia S.A. makes public the inside information by drawing up current reports, within 24 hours of the event being produced or becoming aware of it.

The following shall be classified as inside information, in accordance with the statutory provisions:

- the Board of Directors' decision whether to convene a general meeting or to hold a meeting of the Board of Directors to deliberate in the performance of the tasks delegated by the EGSM;
- the request by the entitled shareholders to supplement the caller of the general meeting;
- convening the General Shareholder Meeting;
- failure to adopt a decision on grounds of non-existence of a quorum or failure to comply with majority requirements;
- decisions of the general meeting or of the Board of Directors taken in the exercise of the powers delegated by OGM;
- changes in the management of the company, i.e. registration with the National Trade Register Office or the entry into force of such change;
- the change of the financial auditor of the company, the reasons for the change and the entry of the change in question with the Trade Register Office;
- contracts entered by the company with the same partner which, individually or in a combined manner, exceed 10 % of the net turnover or total income of the last annual financial statement;
- a reduction or termination before maturity of contractual relations with the same partner that have generated or would generate, individually or together, at least 10 % of the net turnover or total income of the last annual financial statement;
- litigations in which the company is involved;
- decisions relating to redemption programmes or transactions in other financial instruments listed and issued by the company;
- changes in the obligations of the company which are likely to significantly

affect the economic situation;

- substantial acquisitions or disposals of assets (“acquisition” includes leasing or other methods by which assets can be acquired, while “disposal” does not refer solely to sale but can be a lease, exchange, disposal, destruction). Acquisitions or disposals of assets are considered to be substantial if they represent at least 10 % of the total value of the issuer’s assets either before or after that transaction;

- significant changes in the investment policy of the company;
- significant changes in the value of the issuer’s assets;
- the insolvency of significant shareholders and significant debtors of the S.I.F.

Oltenia S.A.;

- other on-balance sheet/off-balance sheet items that have a significant effect on the financial results of S.I.F. Oltenia S.A.

The information contained in the quarterly, half-yearly and annual reports, in additional reports drawn up by the financial auditor on operations claimed by shareholders representing at least 5 % of the total voting rights, shall have, until the date of publication of the reports, the legal status applicable to inside information.

The company may defer the disclosure of inside information on its own responsibility only if all of the following conditions are met:

- a) immediate publication could harm its legitimate interests;
- b) deferment of publication is not liable to mislead the public;
- c) the undertaking can ensure the confidentiality of such information.

In the case of a long process (share buy-back) which takes place in stages and which is intended to produce or results in a particular circumstance or event, the company may under its own responsibility defer the disclosure of inside information associated with that process, subject to the conditions set out above.

To delay the disclosure of inside information, technical means shall be used to ensure the accessibility, readability and durable preservation of the following information:

a) the date and time on which:

- the inside information first appeared in the company;
- the decision to delay the publication of inside information has been taken;
- the company is likely to publish inside information;

b) the identity of the persons within the company who are responsible for:

- the decision to delay the publication of inside information and for making a decision on the start date of the deferral and the likely date of its conclusion;

- ensuring the continuous monitoring of the conditions under which postponement takes place;

- making the decision to publish inside information;

- sending to the competent authority the requested information on the postponement and the written explanation;

c) evidence of the initial fulfilment of the conditions relating to the deferral of the disclosure of inside information and of any change in the fulfilment of the conditions during the deferral, including:

- information barriers which have been established internally and with regard to third parties to prevent access to inside information by persons other than those who need it for the normal exercise of their business, profession or duties in the company;

- the measures in place to publish the relevant inside information as soon as possible when confidentiality is no longer ensured.

The company shall inform the competent authority, by means of a written notification, of the delay in the publication of inside information and shall provide any written explanation of such delay through the designated contact point of or designated by the competent authority, using the electronic means specified by the competent authority.

The decision to delay disclosure of inside information will be taken by the management of the company.

Where the disclosure of inside information is deferred and subsequently the disclosure of inside information no longer fulfils the criterion of significant influence on the market price, such information shall cease to be regarded as preferential and shall therefore no longer be required to publish it or to inform the competent authority.

If privileged information has been made public in the press, or in the online environment, but not on the initiative of the company in the context of its reporting obligations, or there are rumours in the market that explicitly refer to privileged information within the company, then the incidental legal provisions shall apply (*including provision of publication of information to indicate that its confidentiality is no longer ensured*).

The duties to post and maintain inside information on the website of S.I.F. Oltenia S.A. lie with the IT System Service and the Public Relations Office.

Art. 2. Drawing up and updating the list of persons who have access to inside information

S.I.F. Oltenia S.A. forbids persons in the management structure and all the employees of S.I.F. Oltenia S.A. to:

- take part or try to take part in practices of abusive use of privileged information;
- recommend that another person engage in insider dealing or induce another person to engage in insider dealing;
- disclose inside information without authorization;
- take part or try to take part in market manipulation practices.

The Compliance Office shall ensure that the provisions of this title are implemented at the level of S.I.F. Oltenia S.A., for which purpose:

a) it draws up a list of persons having access to inside information and working under a contract of employment or other cooperation, performing duties through which they have access to inside information (insider list);

b) it updates the insider list promptly, including the date of the update, in the following situations:

- in the event of a change in the reason for which a person has been entered on the insider list;
- where a new person with access to inside information appears and should therefore be included in the insider list;
- where a person ceases to have access to inside information.

At each update, the date and time of the change that caused the update shall be specified.

c) it communicates the list of persons having access to inside information (insider list) as soon as possible to the competent authorities upon their request.

The company shall ensure that any person on the insider list acknowledges in writing the related legal and regulatory tasks and knowledge of the penalties applicable to the misuse and unauthorized disclosure of inside information.

The insider list shall include at least:

- a) the identity of all persons having access to inside information;
- b) the grounds for listing the concerned person on the insider list;
- c) the date and time when the person was given access to the inside information;
- d) the date on which the insider list was drawn up.

The insider list shall be kept for a period of at least five years after the listing or update.

The policy to prevent market abuse of the company's employees is to organize meetings aimed at informing employees of the appearances and changes of the laws in force regarding the possession of inside information concerning the activity of S.I.F. Oltenia S.A.

and rules of conduct to be observed as regards the manipulation of the capital market and thus market abuse.

S.I.F. Oltenia S.A. establishes, applies and maintains appropriate information and control provisions in order to prevent the relevant persons from conducting personal transactions which meet at least one of the following criteria:

- a) the concerned persons shall be prohibited from carrying out the transaction in question, as it is considered to constitute an abuse or manipulation of the market;
- b) the transaction involves the misuse or disclosure of inside information;
- c) the transaction conflicts with, or may conflict with, the company's obligations.

Art. 3. Transactions by management staff

3.1. Persons holding managerial responsibilities within the S.I.F. Oltenia S.A., as well as persons closely connected with them, shall notify the company and the competent authority of each transaction carried out in respect of the shares or debt instruments issued by the company.

Notifications shall be made promptly and no later than three business days after the trade date.

The above provisions shall apply to any subsequent transactions once the amount of EUR 5,000 has been reached during a calendar year. The threshold of EUR 5,000 shall be calculated by summing all transactions during the year without netting.

In order to determine the threshold of EUR 5,000 triggering the notification obligation, the transactions of the person holding managerial responsibilities and persons closely associated with him/her shall not be aggregated.

The exchange rate used to determine the attainment of the threshold of EUR 5,000 shall be the reference rate communicated by the N.B.R. on the date on which the transaction in question was carried out.

S.I.F. Oltenia S.A. shall notify in writing the person holding managerial responsibilities of the obligations arising from this procedure and shall draw up a list of all persons with managerial responsibilities and persons closely associated with them.

A notification of transactions by persons discharging managerial responsibilities shall contain the following information:

- a) the name of the person discharging managerial responsibilities/of the person closely associated with it;
- b) the reason for the notification;
- c) the issuer's name;
- d) the description and identity of the financial instrument;
- e) the nature of the transaction(s) (acquisition or disposal);
- f) the date and place of the transaction(s);
- g) the price and volume of the transaction(s).

The transactions to be disclosed shall also include **the** guarantee or loan of financial instruments by or on behalf of a person holding managerial responsibilities or with whom the latter has close links.

Where a person holding managerial responsibilities has the right to receive shares under a contract relating to a pay package, s/he shall be required to notify only after the actual execution of the transaction.

A person holding managerial responsibilities within the company does not carry out any transactions in his/her own name or on behalf of a third party, directly or indirectly, in connection with its shares or debt instruments, for a closed period of 30 calendar days before the announcement of an interim financial report or an end-of-year financial report which the undertaking is required to publish.

The end date of a closed 30-day period shall be the date on which the announcement including information from an intermediate or year-end financial report is made.

The change after the publication of key information in relation to the financial data expected to be included in the annual report to investors does not lead to another closed period, and S.I.F. Oltenia S.A. will comply with the legal provisions on publication/postponement of the publication of inside information

S.I.F. Oltenia S.A. calculates and reports the Net asset on a monthly basis, and therefore it shall not trade in shares issued by the company between 10 of each calendar month and the date of publication of the net asset.

Persons holding managerial responsibilities will be required to comply with the trading rules relating to closed periods and to notify them also for transactions in issuers' shares where S.I.F. Oltenia S.A. is a significant shareholder (holds at least 10 % of the voting rights).

The undertaking may allow a person holding managerial responsibilities to trade in his/her own name or on behalf of a third party for a specified period, on a case-by-case basis, given the existence of exceptional circumstances, such as serious financial problems, requiring the immediate sale of shares or in the light of the characteristics of the transaction involved in transactions carried out within or in connection with an employee share allocation system. When allowed to trade in the closed period, it shall also meet the trading conditions, time and volume restrictions, disclosure and reporting obligations and price conditions.

3.2. Within S.I.F. Oltenia S.A., the persons with managerial responsibilities are: the members of the Board of Directors, the senior management, executive directors and their substitutes, persons holding key positions.

The persons holding managerial responsibilities within the company as well as persons closely associated with them shall notify their transactions for their own account to the issuer of S.I.F. Oltenia S.A., i.e. the issuer in which the holding is significant.

Persons closely associated with persons holding managerial responsibilities mean:

- a) the spouse or equivalent partner of the spouse in accordance with national law;
- b) a dependent child in accordance with national law;
- c) a relative who, at the date of the transaction in question, had been living in the same dwelling for at least one year;
- d) a legal person, trust or partnership whose management responsibilities are exercised by a person holding managerial responsibilities or by a person referred to in the preceding points, which is directly or indirectly controlled by that person who has been formed for the benefit of that person whose economic interests are substantially equivalent to those of that person.

Notifications shall be made promptly and no later than three business days after the trade date.

3.3. The notified transactions shall include the following:

1. acquisition, disposal, short selling, subscription or exchange;
2. acceptance or exercise of a share option, including a share option granted to the management or employees as part of their salary package;
3. subscription to a capital increase or issue of debt securities;
4. transactions subject to the occurrence of certain circumstances and the actual execution of the transactions;
5. gifts and donations given or received, and inheritance received in the form of shares in the company;
6. Borrowing or lending shares or debt securities of the company.

Persons holding managerial responsibilities within the company, as well as persons closely associated with them, shall forward notifications via the company registry to the Public Relations Office, so that they may be posted and kept on the company's website for a period of 5 years.

Art. 4. Prohibition of trading in closed periods

Persons holding managerial responsibilities within S.I.F. Oltenia S.A. and persons closely connected with them do not carry out any transactions on their own behalf or on behalf of a third party, directly or indirectly, relating to the shares or debt instruments of S.I.F. Oltenia S.A. for a closed period of 30 calendar days before the announcement of an interim financial report or an end-of-year financial report that they must publish in accordance with:

- a) the rules of the competent authority and the BVB;
- b) national law.

Transactions shall also be prohibited during the period of calculation and reporting of the net asset, which shall run from 10 of each calendar month until the date of publication of the Annex on the calculation of the monthly net asset.

The representative of the Compliance Office shall inform the members of the Board of Directors and, implicitly, the senior management, of the closed trading periods in accordance with the financial communication calendar of the current year.

As from the date of receipt of the notice from the Head of the Office pursuant to Article 3(25) and (26) of Regulation (EU) no. 596/2014, the persons holding management functions shall inform the persons with whom they are in close contact (persons as defined in Article 3(25) and (26) of Regulation (EU) No 514/2014) of the period prohibited for trading.

Article 5. Implementation of buy-back programmes and stabilization measures

No abuse unauthorized disclosure of inside information and market manipulation in the case of own shares transactions in repurchase programs shall exist where the provisions of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council are complied with, with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilization measures. Mainly, S.I.F. Oltenia S.A. complies with the following obligations:

- a) the full details of the programme are disclosed before trading begins;
- b) the transactions are reported to the F.S.A. as part of the buy-back programme and subsequently communicated to the public;
- c) the corresponding price and volume limits are complied with;
- d) they are carried out in accordance with the volume and price objectives laid down in the judgment of the EGSM;
- e) they do not conduct any transactions where inside information has not been disclosed to the public.

S.I.F. Oltenia S.A. shall report to the F.S.A. every transaction in a repurchase programme, including information on all orders and transactions in financial instruments that they have entered into as soon as possible and at the latest by the end of the following business day.

Under repurchase programme transactions, the shares must be acquired by the company on B.V.B., the trading venue of the shares of S.I.F. Oltenia S.A..

In addition, S.I.F. Oltenia S.A. cannot acquire:

- shares at a price higher than the highest of the price of the last independent transaction and the current highest price of the independent purchase offer at the BVB at which the purchase is made;
- on a trading day, more than 25 % of the average daily volume of shares traded on the BVB in which the acquisition is made.

The average daily volume shall be calculated on the basis of the average daily volume traded over one of the following periods:

- a) the month preceding the month in which transactions are made on B.V.B. in shares in S.I.F. Oltenia S.A. This fixed volume is mentioned in the buy-back programme and applies during the duration of that programme;
- b) the 20 trading days preceding the acquisition, where no reference is made to the average daily volume in the buy-back programme.

During the period of the buy-back programme, S.I.F. Oltenia S.A. shall not carry out the following activities:

- a) the sale of its own shares;
- b) trading during the closed period;
- c) trading where the company has decided to delay the public disclosure of inside information.

The above provisions — letters a), b) and c) shall not apply where:

- a) the company has initiated a planned buy-back programme;
- b) the buy-back programme is managed by an investment company that makes trading decisions about when the acquisitions of the company's shares are carried out, independently of S.I.F. Oltenia S.A.

The conduct of public tenders shall also be carried out in accordance with the relevant legal provisions in the field of public tenders.

The head of the Compliance Office will provide information to company staff on legislative changes to personal transactions and conflicts of interest whenever they are published.

The employees of the company will have the opportunity to raise problems and questions regarding the company's activity, i.e. The failure to comply with specific laws, procedures and internal regulations, problems of abuse, corruption, money laundering, any problems that would damage the company's reputation and any attempt to conceal irregularities committed within the company, using the email address cci@sifolt.ro, thus being assured of the confidentiality of these actions.

Personal dissatisfaction that relates to individual terms of employment or disciplinary matters will not be taken into account.

If a problem is revealed by an anonymous person, it will be considered depending on severity, credibility and the possibility to investigate the case.

The head of the Compliance Office will analyse and investigate the reported cases and will submit to the management the cases that have proved to be true. Together with the senior management and the Board of Directors, they will decide on the measures to be implemented.

In the event of proven false or malicious charges, legal action may be taken against the person who deliberately brings these facts to the attention of the public.

Matters referred to by employees shall not be disclosed outside the company; this is only possible after prior agreement has been obtained from the senior management and the Board of Directors.

It is a duty of every employee to exercise discretion as to the information which they become aware of when performing their duties, even if it is not confidential.

The only persons entitled to make public statements or to provide information on the company's business are the President of the Board of Directors and the General Manager of S.I.F. Oltenia S.A. and, in his/her absence, the Vicepresident of the Board of Directors and the Deputy General Manager.

TITLE VII. INVESTMENT DECISION-MAKING AND MANAGEMENT OF TRADING ORDERS

Art. 1. General Considerations

The Board of Directors of the company is responsible for defining the investment strategies of the company. The strategies, after the approval in the O.G.M., will be observed

and carried out by the company's managers, the Investment Directorate and the Portfolio Directorate.

The decision-making process is complex, must take into account the investment policy and comply with the standards and regulations imposed by the F.S.A.

Certain elements will be taken into account in the decision-making process, such as:

- analyses provided by the internal analysis structure following the selection and continuous monitoring of investment opportunities;
- analyses provided by external sources;
- market liquidity (where applicable);
- the contribution of the investments to the structure (diversification), yield and risk profile of the managed portfolio.

The limits of competence granted to the senior management in respect of investment business shall be determined by the Board of Directors.

Investment decisions shall be taken either by senior management within the limits of the competence laid down in the Articles of Association or by the Board of Directors, on the basis of the opportunity reports presented by the competent directorates during the meetings of the Board of Directors or by implementing EGSM decisions for the operations referred to in Article 90(1) and (2) of Law no. 24/2017 concerning issuers.

Art. 2. Management of the trading orders

Trading orders shall be sent by the senior management, within the limits of their respective competences, and their substitutes.

Trading orders shall be registered without delay in the database to allow for their retracing at any time.

The orders have the following characteristics:

- the details necessary to identify the instrument concerned;
- the quantity;
- the type of the order;
- the price;
- the exact date and time of transmission of the order;
- the name of the person transmitting the order;
- the grounds for revoking an order (where applicable).

The quality of the execution of trading orders shall be monitored through the Investment Directorate and shall cover issues such as the speed of execution of the order, the certainty of execution, the price and quantity at which the transaction was executed, the flow of the transmission and execution of orders.

The registration of trading orders shall be carried out by the staff of the Investment Directorate through the IT application provided by the IT System Service.

The IT system service must ensure that records are kept for a minimum period of five years.

The records shall be kept in a medium that allows the information to be stored in such a way that it is accessible at all times and it cannot be manipulated or modified.

In order to ensure that investment decisions on behalf of S.I.F. Oltenia S.A. are taken in compliance with the company's objectives, investment strategy and risk limits, adequate and effective strategies have been developed both in the selection and continuous monitoring of investments in the interest of S.I.F. Oltenia S.A. and the integrity of the market as well as to determine when and how to exercise the voting rights attached to the instruments held in the managed portfolio for the sole benefit of S.I.F. Oltenia SA and its shareholders.

They aim at:

- a) establishing professional due diligence policies and procedures and implementing effective measures to ensure that investment decisions on behalf of S.I.F. Oltenia S.A. are taken in compliance with the company's objectives, investment strategy and risk limits;

- b) monitoring major events occurring in companies in the portfolio of S.I.F. Oltenia S.A.;
- c) ensuring that voting rights are exercised in accordance with the objectives and investment policy of S.I.F. Oltenia S.A.;
- d) preventing or managing any conflicts of interest arising from the exercise of voting rights.

Art. 3 Final Provisions

S.I.F. Oltenia S.A. has defined and implemented appropriate procedures for the adoption of investment decisions and portfolio monitoring in order to comply with the company's objectives, investment strategy and risk limits, which are properly applied.

TITLE VIII. THE TRANSMISSION OF TRADING ORDERS FOR THE PROMPT AND FAIR EXECUTION OF TRANSACTIONS IN FINANCIAL INSTRUMENTS

The company shall endeavour to ensure that the transactions carried out on the account of the portfolio of assets under management are carried out at the most advantageous conditions in terms of price, costs, speed, likelihood of execution, volume, the nature of the order or any other characteristics relevant to the execution of the order.

The company will place orders to capital and money market intermediaries acting honestly, fairly, professionally and in good faith, in accordance with the principles of professional ethics established by the legal regulations in force and by established practices in the field.

In selecting intermediaries that will be placed for execution, the company will take into account the following criteria:

- their authorization by the competent authorities;
- good experience and reputation in the field,
- the ability to execute orders in the best price and execution conditions;
- the trade fees charged.

The placement of orders is carried out within the Investment Directorate (The Market Operations Office).

In placing trading orders, employees will act in good faith and will follow the rules and procedures in place to always act in the best interests of the company.

The employees or the company shall not obtain any benefit from the use of confidential information of which they become aware.

To this end, the employees of the company involved in the conduct of transactions shall communicate information about them only to persons who by reason of their duties are entitled to know it and, in no case, to persons who are not employees of the company, except at the request of the competent bodies.

Orders will be placed in writing, by telephone, fax or e-mail. After the execution of orders, the receipt of orders within the legal deadline will be monitored. These shall be verified by the employees of the Market Operations Office in accordance with the placed orders.

Trading orders will be collected by the end of each month, for the previous month, from all entities through which they were traded.

The original trading orders will be sent to the Economic Directorate.

A copy of these orders shall be kept at the Investment Directorate for archiving purposes.

The company is required to keep all records relating to placed orders for a period of at least 5 years.

TITLE IX. THE BUSINESS CONTINUITY PLAN OF S.I.F. OLTENIA S.A.

The purpose of this plan is to prepare the company for disruptions caused by uncontrollable factors (natural disasters, unforeseen attacks, serious accidents, etc. which, through their emergence, affect the operational continuity of society and have a negative impact on its financial situation, human resources and reputation) so as to recover, as soon as possible, without loss or with minimum loss, the normal course of the business of the company.

The business continuity plan identifies vulnerabilities and recommends measures to prevent the termination of the company's activity

The main objectives of the Business Continuity Plan are to:

- assess the impact of the disaster on the termination of the company's activity;
- ensure that the maximum possible services are maintained or restored with the guarantee of the reality and integrity of the databases and of the entire accounting system of the company;
- reduce the probability and risk of a long interruption of the company's activities;
- recover from business disruption as soon as possible;
- ensure detailed priority and time to respond to an emergency situation;
- understand the critical functions and activities of the society;
- identify key roles, responsibilities and contacts to respond to an emergency;
- ensure the nomination of key persons and available teams;
- be a guide for operational teams.

Conducting these activities requires the establishment of specialized working teams with established tasks, namely the Emergency Management team, the Emergency Operational team and the IT Technical team.

Having regard to the complex activity of the company, the management ensures the conditions and the required technical and economic means to prevent the effects of the risks and safety hazards and the conditions for the return of the company's activity to normal parameters as soon as possible and with minimal losses.

The specific details that S.I.F. Oltenia S.A. has implemented in order to ensure the continuity of its own business are set out in the Business Continuity Plan of S.I.F. Oltenia S.A., whose provisions refer to this area of interest.

The business continuity plan shall at least ensure the security of human resources, the security of the information system, the security of data and information, the security of communications and operations, and the physical security of the working environment.

Human Resources Security

Human resource is the highest priority in rescue actions in the event of risk and dangerous situations, because without this resource, the company cannot continue to work. One of the priorities of company is to identify those employees, who are trained and whose jobs allow them to carry out their work from another location (backup or alternative location) or even from their home.

IT System Security

The objective of the security policy is to provide the company management with the support needed to ensure the security of information within the organization.

In the most general sense, the security of information systems shall ensure the protection of information stored in such systems, prevent its loss, accidental or deliberate modification and unauthorized reading/access.

Depending on the severity of the emergency situation, the IT Technical team will work with the Emergency Operational team under the direct coordination of senior management members, and will assess and remove any damage to the IT system, after

removing the danger to employees and without jeopardizing the safety of IT technical team members.

The information system of S.I.F. Oltenia S.A. is designed to deal with possible interruptions to its hardware systems and enable its services to be resumed as soon as possible.

Data and information security

Documents of particular importance to the business of the company are available at the company's premises, meaning that the measures taken by senior management to store and keep these documents in protected, well-ventilated areas where there is a minimum risk of fire and/or flooding are included in the Business Continuity Plan.

In case of major events, members of the emergency and IT technical operational teams shall have the primary obligation to attempt to recover, as far as possible, documents and information of major importance in the conduct of the business or, where that is not possible, to recover those parts of documents and information by means of which the basic information can be reconstructed.

Security of communications and operations

In order to eliminate the risk of disruption between the members of each team nominated in this document and between the teams involved in the business continuity process, both communication and coordination need to be effective. This requires that all communications systems at the company's disposal are available at all times, i.e. to ensure communication by fixed and mobile telephone, as well as by e-mail or fax.

All such communication systems shall be in working order and checked on a daily basis so that in the event of risks and/or hazards, prompt action can be taken to resume the business.

Physical security of the working environment

The physical security of the premises shall be ensured by means and systems appropriate to a financial entity (personal and car access control system, video surveillance system, etc.) for the proper functioning of S.I.F. Oltenia S.A.

The working environment in the workspaces (offices, conference rooms, protocol rooms, etc.) is provided by maintaining an appropriate microclimate.

The protection of the working environment as far as possible by taking measures to prevent risks from arising, and the actions of intervention teams carried out after the disaster shall be such as to enable the company's activities to resume in a short period of time with minimal financial effort.

TITLE X. THE EXERCISE OF VOTING RIGHTS IN GENERAL MEETINGS OF SHAREHOLDERS IN COMPANIES IN THE PORTFOLIO OF S.I.F. OLTENIA S.A.

The exercise of voting rights in general meetings of shareholders in companies in the portfolio of S.I.F. Oltenia S.A. is governed by the provisions of Law no. 74/2015 on Alternative Investment Fund Managers, the FSA Regulation no. 10/2015 on Alternative Investment Funds, Law no. 243/2019, on alternative investment funds, Regulation no. 7/2020 on the management of alternative investment funds and the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as well as legal provisions regulating conflicts of interest.

In order to ensure that investment decisions on behalf of S.I.F. Oltenia S.A. are taken in compliance with the company's objectives, investment strategy and risk limits, adequate and effective strategies have been developed both in the selection and continuous monitoring

of investments in the interest of S.I.F. Oltenia S.A. and the integrity of the market as well as to determine how to exercise the voting rights attached to the instruments held in the managed portfolio for the sole S.I.F. Oltenia S.A. and its shareholders.

a) establishing professional due diligence policies and procedures and implementing effective measures to ensure that investment decisions on behalf of S.I.F. Oltenia S.A. are taken in compliance with the company's objectives, investment strategy and risk limits;

b) monitoring major events occurring in companies in the portfolio of S.I.F. Oltenia S.A.;

c) ensuring that voting rights are exercised in accordance with the objectives and investment policy of S.I.F. Oltenia S.A.;

d) preventing or managing any conflicts of interest arising from the exercise of voting rights.

By this procedure, the mechanisms used by S.I.F. Oltenia S.A. for the exercise of voting rights in general meetings of shareholders in companies in its portfolio were established and detailed, Oltenia S.A. and taking into account the applicable legal provisions and the related rights.

The responsibility to comply with the legal provisions regarding the exercise of voting rights in general meetings of shareholders in companies in the portfolio of S.I.F. Oltenia S.A. belongs to the Director of the Portfolio Directorate and to the employees in charge of monitoring the companies in the portfolio of S.I.F. Oltenia S.A., the Director of the Legal Directorate, as well as the employees with legal competence in case the situation requires legal support.

A high level of confidentiality should be ensured in the present procedure, until the special representation mandate is submitted or the vote is expressed at the meeting of the OGM.

Confidentiality shall be ensured by:

- the confidentiality clause provided for in the individual employment contracts of employees;

- the working IT system shall be protected from unauthorized persons;

- paper recording of the document circuit;

- processing and informing staff, whenever necessary, on the emergence of new regulations relating to the capital market in general and conflict of interest in particular;

- sending to the issuer the special authorization/voting ballot by mail, in a sealed envelope bearing an inscription as specified by the issuer or, failing this, bearing the following inscription: "For the OGSM/EGSM of".

Whenever deemed necessary and when situations arise which could give rise to a conflict of interest the Director of the Portfolio Directorate shall redistribute the duties and responsibilities of the involved employees.

The Director of the Portfolio Directorate will follow and ensure compliance with the conflict of interest avoidance procedure and will immediately inform the compliance officer if s/he has established a potential conflict.

Throughout the process of establishing the position of S.I.F. Oltenia S.A. in relation to the operation submitted for approval by the O.G.M., the persons involved are obliged to notify the Director of the Portfolio Directorate if they have an asset or non-asset-related interest in the operation, the issuer or its shareholders. The concerned persons will be removed from the decision-making process if their opinion is found to affect the interests of S.I.F. Oltenia S.A.

TITLE XI. FINAL PROVISIONS

In the event of conflicts between the provisions contained herein and the provisions

resulting from the amendment of the relevant legislation or regulations issued by the F.S.A., the explicit provision contained in the provisions in force shall apply.

Any subsequent changes and additions to and/or incidents arising from regulations issued by the F.S.A. shall amend and supplement this document accordingly, as from the date specifically mentioned in those regulations.

These *Procedures concerning the organizational structure and administrative, accounting and control and safeguard requirements in the field of electronic data processing, as well as appropriate internal control mechanisms (internal rules)* and related rules and procedures, approved by the Board of Directors and notified to the F.S.A. are binding on the members of the management structure and all the employees of the company.

In addition, compliance with these rules and procedures is compulsory for all natural or legal persons, whether Romanian or foreign, who will enter cooperation contracts with S.I.F. Oltenia S.A. under which they will have access to information relating to the company's activity.

It is to be mentioned that the present internal regulations, as well as the working rules and procedures, will be constantly reviewed and updated in the light of the legislative changes and regulations of the F.S.A. that may have arisen or depending on the changes in the organization and functioning of the company.

The internal regulations together with the annexes approved by the Board of Directors are published on the company's website www.sifolt.ro.

**BOARD OF DIRECTORS
PRESIDENT,**