

## **The Structure and Method of Operation for Administrative, Management and Supervisory Bodies and Committees – EVERGENT Investments SA**

### **1.1. General Meeting of Shareholders**

the supreme governing body of EVERGENT Investments is the General Meeting of Shareholders (GMS). The ordinary and extraordinary general meetings are convened by the Board of Directors in compliance with the legal and statutory provisions. The session papers are recorded by the secretariat elected by the GMS; the minutes are drawn up in the special register.

The General Meeting of Shareholders adopts resolutions based on proposals made by the Board of Directors and/or shareholders. GMS resolutions, signed by the meeting president, are reported to FSA, BSE and made public through publication in a national newspaper, Official Journal, Part IV, posted on the official website and at the headquarters. GMS resolutions are enforceable (applied immediately) from the moment they are adopted, if their contents or legal provisions do not foresee another time for their becoming enforceable.

### **1.2. Board of Directors**

The company is managed by a Board of Directors comprised of 5 members, individuals, elected by the general meeting for a period of 4 years, with the possibility of being re-elected. The members of the Board of Directors are endorsed by FSA.

In its activity, the Board of Directors adopts resolutions. The resolutions of the Board of Directors are valid if more than half its members were present, and resolutions are adopted with the majority of present members' vote. The President of the Board of Directors shall have decisive vote in case of vote parity. The president of the Board of Directors who is at the same time CEO of the company may not have decisive vote. Legally adopted resolutions are mandatory for directors and other managers, and enforceable once notified in writing or following general notification through the secretariat of the Board of Directors if there is no other deadline foreseen for them to come into force, subsequent to the time of notification.

The Board of Director may elect from amounts its members a president and a vice-president. The President of the Board of Directors may also be the CEO of the company and the vice-president may also be the deputy-CEO. The President chairs the meetings. In case the president is not present, sessions are chaired by the vice-president.

**The President of the Board of Directors** has the following basic responsibilities:

- (a) Coordinates the activity of the Board of Directors;
- (b) Convenes the Board of Directors;
- (c) Sets the agenda of the Board of Directors;
- (d) Watches over the adequate information of Board members concerning the items on the agenda;
- (e) Presides the sessions of the Board of Directors;
- (f) Ensures the Board of Directors' representation in relationship with Directors by signing Director and Management Agreements;
- (g) Follows-up the execution of Board of Directors' resolutions;
- (h) Signs the protocol of the Board of Directors' meeting along with another manager; if he has chaired the meeting;
- (i) Conducts GMS works and submits the items on the agenda for GMS discussion and approval;
- (j) Watches over the good functioning of company bodies.

The President may also have other attributions set by the Board of Directors of the Company through resolutions or expressly foreseen by legal provisions.

**The vice-president of the Board** fulfills the President's obligations, in the latter's absence.

The vice-president may have other attributions as well, set by the Company's Board of Directors through resolution or expressly foreseen by legal provisions.

The members of the Board of Directors may be represented at the Board's meetings only by other members. A present member may only represent an absent member.

Statutory provisions regulate situations regarding:

- a) The management of the Company in the transition period following the expiry of former managers' mandates and the validation date of new managers by the competent authority;
- b) The procedure to complete the Board, in case of position vacancies;
- c) The organization and conduction of Board of Directors' meetings.

The Board of Directors has the following basic competencies that cannot be delegated:

- (a) setting the Company's main activity and development goals;
- (b) setting the accounting policies and the financial supervisory system, as well as approving the financial planning;
- (c) appointing and dismissing managers and setting their rights and duties;
- (d) supervising the managers' activity;
- (e) preparing the annual report, organizing the general meeting of shareholders and implementing its resolutions;
- (f) submitting the request for opening the company insolvency procedure;
- (g) completely meeting all the duties set for the board of directors by the general meeting of shareholders;
- (h) setting up/cancelling local offices and other secondary offices, without legal personality or changing their office;
- (i) setting and approving the voting procedures for the general meeting of shareholders;
- (j) deciding to setup other companies or legal entities, including the participation to the share capital of other companies, under the conditions foreseen by legal regulations;
- (k) pledging, renting, constituting tradable real guaranties and mortgaging the company's goods:
  - sales and purchase agreements, exchange or setup of guarantee of assets in the issuer's fixed assets category whose individual or cumulated value exceeds over 20% of fixed assets value during a financial year, less receivables, are concluded by the Board of Directors or the directors of the company, only after the prior approval of the extraordinary general meeting of shareholders.
  - Leases of tangible assets for a period over one year whose individual or cumulated value in relation to the same contractor or interested party, or parties acted in a concentrate method exceeds 20% of the total fixed assets, less receivables on the completion of the legal year, as well as associations over one year, exceeding the above-mentioned value are previously approved by the extraordinary general meeting of shareholders.
- (l) Approval of the exceeding of the limit set by Law no. 31/1990, with the approval of the competent authority and in accordance with regulations issued by it, to redeem treasury shares issued in accordance with art. 4 Law no. 133/1996, in possession of their initial owners. Redeemed shares may be used based on the resolution of the Board of Directors, with the approval of the competent authority, for the purpose of lowering the share capital or regulate the course of treasury shares on the capital market.
- (m) setting the relevant criteria for the monitoring of the results of executive management/ higher management and the company as a whole, as well as the annual evaluation of how these criteria are applied;
- (n) analysis of the adequacy, efficiency and update of the risk management system for the efficient management of assets held, as well as of the way in which the risks the company is exposed to are managed;

- (o) insurance of the abidance by the requirements concerning the outsourcing/assignment of certain operational activities or positions, both before these are made, and over the entire outsourcing/assignment period;
- (p) analysis and setting the remuneration policy so that it corresponds to the business strategy, long-term objectives and interests of the company and includes measures for the prevention and occurrence of conflicts of interest;
- (q) insuring the development and application of ethical and professional standards to insure a professional and responsible conduct on the level of the company so as to prevent the occurrence of conflicts of interest;
- (r) approval of the risk appetite and tolerance limits of the company as well as of the procedure for the identification, evaluation, monitoring, management and reporting of significant risks to which the company is or could be exposed to;
- (s) drafting the plans to insure the continuity of the activity and for emergency situations and their quarterly evaluation.”

Other attributions of the Board of Directors:

- (a) preparation of the general investment policy;
- (b) contracting bank loans;
- (c) conclusion of contracts with the depositary, auditor and entity keeping the shareholders’ records;
- (d) assignment of the company representation rights to other managers, setting the limitations of the mandate as well;
- (e) approval of the company’s internal regulations, internal regulation and procedures for compliance, internal audit, risk management, legal assistance for employees, directors and board of director members;
- (f) negotiation of the collective employment contract;
- (g) approval of the setup/dissolution of the Management Committee, with the resolution adoption quorum foreseen in the Memorandum of Association;
- (h) approval of the company’s organization, organizational chart, establishment plan and wage limits;
- (i) appointing the individual(s) for the director replacement position;
- (j) approval of the level of the benefit share plan of managers and directly, paid including through the assignment of shares or option to purchase company shares, abiding by statutory provisions;
- (k) making sure that the company has an IT systems that allows the safekeeping of market price records for each asset in the portfolio, net asset value, unitary net asset value for the regulated reporting periods, record of the calculation method for all commissions and taxes due; and that the history of these operations are kept for at least 5 years;
- (l) approval of the activity reports of the internal audit, compliance and risk management departments;
- (m) approval of the investigations plan of the compliance department;
- (n) The order of measures to remedy any case of law infringement, infringement of regulations in force applicable to capital market or internal procedures by EVERGENT Investments or any of its employees following the analysis of suggestions submitted in writing by the compliance officer;
- (o) Notification of FSA and capital market institutions involved about the situations ascertained by the compliance officer regarding the infringement of legal regimen applicable to the capital market institutions and adopted measures;
- (p) Approval of the multiannual and annual internal audit plan and necessary resources;
- (q) Approval of internal audit reports and measure plans for the implementation of recommendations;
- (r) Approval of the crisis simulation results;
- (s) Approval of the quarterly risk reports of the risk management department;
- (t) Approval of the abiding by the information in the *inside and confidential information* categories and of the measures taken to manage them;
- (u) Approval of the assets evaluation methods in accordance with the International Assessment standards that include mainly:
  - a. Market approach methods;
  - b. Revenue approach methods;
  - c. Cost approach methods.

- (v) Approval and examination of any modification of the assets evaluation policies and procedures;
- (w) Solving any other issues set by the General Meeting of Shareholders or by legal regulations and provisions.

The main objective of the Board of Directors, on the average and long term, defined and determined by the particularities of EVERGENT Investments and the macroeconomic context it operates in, is to ensure a balance between the continuation of the activity under optimum conditions and the satisfaction of shareholders' expectations.

The obligations and liabilities of directors are regulated by provisions regarding the mandate and the ones especially foreseen by Companies' Law no. 31/1990, Law no. 297/2004 on capital market, Law no. 24/2017 on issuers and market operations; applicable FSA regulations and statutory provisions.

The members of the Board of Directors hold the adequate knowledge, competence and experience to understand the activities of the Company, in particular the main risks associated to these activities as well as the assets in which EVERGENT Investments invests.

### **Consultative Committees of the Board of Directors**

The Board of Directors may create consultative committees comprised of member of the board, tasked with the carrying out of investigations and preparation of recommendations for the Board in fields such as audit, remuneration of directors, managers and employees or appointing of candidates for various management positions, a.o. The Board of Directors sets the internal rules of the setup committees.

In the application of "EVERGENT Investments' Corporate Governance Code" principles, consultative committees are usually comprised of non-executive and independent members who watch over the specific activity of actual management and executive. A clear division of the supervisory and control responsibilities is ensured in relation to the attributions of executive management.

The activities of the committees are coordinated by a president, elected from among their members. The Board of Directors shall be immediately informed regarding the election of the President. The Board of Directors may set additional responsibilities for Committee Presidents, setting at the same time their proper remuneration.

The consultative committees of the Board of Directors should be comprised of at least 2 members, according to legal and statutory provisions.

EVERGENT Investments abides by legal requirements and BVB recommendations regarding:

- At least one member of each committee should be a non-executive, independent director;
- The Audit Committee and Remuneration Committee are comprised solely of non-executive directors;
- At least one member of the Audit Committee should have experience in the application of bookkeeping principles or financial audit;
- The Appointing-Remuneration Committee is comprised of non-executive members and most members should be independent – BVB recommendation for the Premium category;
- The Audit Committee should be comprised of at least three members and most members of the Audit Committee should be independent” – BVB recommendation for the Premium category;

### **Audit Committee**

The Audit Committee is a permanent committee of the Board of Directors, independent from EVERGENT Investments' executive management. The Audit Committee assists the Board of Directors in the fulfillment of its obligations in the field of financial reporting, internal control, internal and external audit and risk management. The committee issues recommendations regarding various topics that are object of the decision-making process.

The members of the Audit Committee are set by the Board of Directors.

The Audit Committee is comprised of 3 members elected from among non-executive managers.

Most members of the Committee shall be independent non-executive managers (in the meaning of the provisions of Law no. 31/1990). The president of the Committee shall be an independent non-executive manager.

The Audit Committee should have the qualifications foreseen by the law in the field in which the Company operates. At least one member of the Audit Committee should have competence in the field of accounting and statutory audit, proven by qualification documents for those particular fields.

*Attributions, responsibilities:*

- (a) It informs the Board of Directors about the results of statutory audit and explains to what extent it contributed to the integrity of financial reporting and the role of the Audit Committee in this process;
- (b) It monitors the financial reporting process and submits recommendation or suggestions to insure its integrity;
- (c) It endorses the Accounting Policies Handbook of EVERGENT Investments;
- (d) It monitors the efficiency of the internal control systems and risk management system, and of the internal audit regarding EVERGENT Investments' financial reporting, without infringing on its independence.
- (e) It monitors the audit of the annual financial statements and consolidated annual financial statements, especially their preparation, taking into consideration the ascertainments and conclusions of the competent authority, in accordance with applicable regulations in force.
- (f) It analyses the audit report and/or opinion of the financial auditor concerning essential aspects resulting from financial audit, as well as the financial reporting process and recommends measures required;
- (g) It analyses the ascertainments and recommendations of the financial auditor regarding significant internal control deficiencies related to the financial reporting process;
- (h) It answers to the selection process for the financial auditor or audit company and makes recommendations to the Board of Directors regarding its selection, appointing and replacement, subjected to GMS approval, as well as the terms and conditions of its remuneration, in accordance with applicable regulations in force;
- (i) It assesses and monitors the independence of the financial auditor or audit company, and in particular the need of the delivery of service that are not audit, in accordance with applicable regulations in force;
- (j) It evaluates conflicts of interest related to the company's transactions, those of its subsidiaries, directors, managers and employees with associated parties;
- (k) Any transaction of the company with any of the companies it has close relations to, whose value is equal or higher than 5% of the company's net assets ( in accordance with the latest financial report) is approved by the Board following the mandatory opinion of the Audit Committee;
- (l) It endorses the Internal Audit Charter and internal audit and internal control procedures;
- (m) It analyses and endorses the multiannual and annual internal audit plan, significant interim modifications and the resource need for these activities;
- (n) It analyses and endorses the annual investigations plan of the Compliance Department and its modifications;
- (o) It makes sure that the internal audit, internal control analysis and reports prepared are in accordance with the audit and control plans approved by the Board of Directors;
- (p) It monitors the application of legal standards and generally accepted internal audit standards. The Audit Committee receives and assesses the reports of the internal audit team, analyses and endorses the ascertainments and recommendations of internal audit and the measure plan for their implementation.
- (q) It receives the report of the compliance officer, analyses and endorses the ascertainments and recommendations suggested and the measure plan for their implementation;
- (r) It analyses and endorses the annual report concerning the internal audit activity;
- (s) It analyses and endorses the annual report for the compliance activity;

- (t) It analyses and endorses the annual report concerning the risk management activity;
- (u) It analyses and endorses the risk policy, risk procedures and risk management methods;
- (v) It analyses and endorses risk reports of the risk management department.

### **Appointing – Remuneration Committee**

The Appointing-Remuneration committee is a permanent committee, with consultative function, independent from EVERGENT Investments' executive management, subordinate to the Board of Directors.

The Committee assists the Board of Directors in its fulfillment of responsibilities related to the appointing and remuneration of members for management functions, as well as their remuneration.

The Committee is comprised of at least 2 non-executive members, of which at least one is an independent member, meaning that it abides by the independence principle foreseen by art. 18 FSA Regulation no. 1/2019 on the evaluation and approval of members of the management structure and individual holding key positions in entities regulated by the Financial Supervision Authority.

#### *Attributions, responsibilities:*

- (a) It prepares recommendations regarding the appointing policy applicable to managers and directors of the company to be presented for the approval of the Board of Directors.
- (b) It endorses, before the approval of the Board of Directors, and monitors the abidance by the remuneration policy for managers, directors and employees of the company, prepared and applied by the executive management of the Company. In case deficiencies are identified in the drafting or application of remuneration policy, the members of the committee immediately inform executive management in writing about the situations ascertained and follow-up their correction, informing the members of the Board of Directors consequently. Executive management is bound to provide a reply in writing to the committee within 3 work days from the time the notification is received, and the committee will inform the Board of Directors. In case executive management refuses or unjustifiably delays the application of the modifications requested by the committee, the Board of Directors is bound to send FSA an ascertaining report regarding the irregularities identified in EVERGENT Investments SA.'s remuneration policy. The report is submitted within 10 work days from the date the Appointing-Remuneration Committee has submitted the written notification.
- (c) It may prepare recommendation regarding the remuneration policy on the level of EVERGENT Investments' group;
- (d) It submits the Board of Directors the annual report on remunerations and other benefits offered to directors and managers during the tax year;
- (e) It acknowledges the documentation that is provided to the financial auditor for the analysis of transactions reported in accordance with art. 82 Law no. 24/2017 on legal documents concluded with managers and directors and, following the audit report, it recommends measures to be taken, if any;
- (f) It prepares recommendation regarding the covering of vacant positions in the Board of Directors, abiding by GMS resolutions and applicable law;
- (g) It makes recommendation regarding the adoption of the Board of Directors'/ or executive management's decision for the appointing, discharge, or firing of department directors and staff with key and control positions, as well as for the setting of their remuneration level, rights and liabilities;
- (h) periodically evaluates the level of acquirement and application of specialized knowledge and makes recommendation regarding the continuous update process of the professional knowledge of managers and directors;
- (i) it makes recommendations for the improvement of knowledge regarding the company's activity for the purpose of applying best corporate governance practices;
- (j) it monitors the abidance by the transparency, information and reporting requirements and obligations, concerning information in this activity area.

## Investment Committee

The Investment Committee is a permanent committee, with consultative function, independent from EVERGENT Investments SA's executive management, subordinate to the Board of Directors.

The Investment Committee assists and supports the Board of Directors in the fulfillment of its obligations in the field of drafting investment strategies and policies, abidance by the decisions concerning the application of investment policy, the analysis of the securities portfolio and management of related risks.

The committee is comprised of at least 2 non-executive members, of which at least one is an independent member, meaning that the independence principle foreseen by art. 18 FSA Regulation no. 1/2019 on the evaluation and approval of the members of management structure and individuals holding key positions in entities regulated by the Financial Supervision Authority is abided by.

### *Attributions, responsibilities:*

- (a) it issues recommendations to the Board of Directors concerning the investment strategy and policy
- (b) It issues recommendations to the Board of Directors regarding the main activity and development directors of the Company;
- (c) It issues recommendations regarding the annual fundamental investment objectives within the annual activity programs;
- (d) It issues recommendations to the Board of Directors concerning new investment/disinvestment programs/projects that require the approval of the Board of Directors;
- (e) It issues recommendations to the Board of Directors regarding:
  - Maximization of securities portfolio performance;
  - Assignment of assets to increase performance, linked to the activity program approved by GMS, (AIFM) Investment Policy and Strategy and economic forecasts;
- (f) It analyses any investment proposal it is presented and suggests new investment opportunities and methods to improve the efficient assets management activity to the Board of Directors;
- (g) It analyses and issues recommendations regarding capital operations, capital increase/ decrease, as well as share redemption programs for the purpose of lowering the share capital and running Stock Optional Plan programs;
- (h) Investment proposals that shall be analyzed by the Investment Committee shall mainly be:
  - Investment in companies in which EVERGENT Investments holds control, in accordance with statutory provisions and BD resolutions:
  - “ art.7 line (18) letter j) decides the setup of other companies or legal entities, including the participation to the share capital of other companies, under the conditions foreseen by legal regulations”
  - Securities or shareholdings already included in the portfolio and not included in the annual activity report, of at least 20 mil. lei;
  - Investment in new projects, transactions with newly issued securities not included in the portfolio, development of new strategic lines;
- (i) It issues recommendation regarding the restructure strategy for the assets portfolio;
- (j) It issues recommendations regarding portfolio optimization strategies;
- (k) It makes investigations in its area of competence.

### **1.3. EVERGENT Investments' Executive Management**

The executive management of the Company is ensured, in compliance with the Memorandum of Association, the resolutions of the Board of Directors and applicable regulations, by the CEO and Deputy CEO, who act as managers of the company as per Law 31/1990 regarding companies. The managers meet the legal requirements for their position; have a good reputation and experience in compliance with FSA regulations, including experience regarding the AIF strategies managed by AIFM.

Executive management is appointed by the Board of Directors in accordance with statutory provisions, the identity of the individuals being immediately submitted to FSA.

Executive management:

- is authorized to coordinate the daily activity of the company, according to the activities coordinated by each director;
- is responsible for the application of general investment policy, abidance by internal regulations and work procedures;
- informs the Board of Directors regarding the activity carried out during its regular meetings.

In the field of risk management, executive management is responsible for:

- (a) ensuring the implementation of the Risk Management Policy, procedures and methodologies for the identification, evaluation, monitoring, management and reporting of significant risks that the company is or could be exposed to, as approved by the Board of Directors;
- (b) adopting measures, processes and techniques that are adequate and efficient for the monitoring and control of all relevant risks in accordance with the risk management policy;
- (c) providing the resources necessary for the implementation of the risk management system;
- (d) setting the competencies and responsibilities related to risk management on the level of each activity line;
- (e) adequate and efficient application risk limits taken on, including in case of crisis situations, as well as their abidance by the risk profile approved by the Board of Directors;
- (f) making sure the crisis simulations are carried out;
- (g) setting and maintain an adequate system for risk exposure reporting;
- (h) half-yearly evaluation of the plan to ensure activity continuity in cases of emergency in order to eliminate or minimalize risks;
- (i) development of an integrated risk culture on the level of EVERGENT Investments, based on a full understanding of the risks that the company faces and the way these are managed, taking into consideration its risk tolerance/appetite.

In the field of compliance insurance, directors are responsible for:

- (a) the approval of the compliance polity (may be an integrated document or a collection of distinct internal regulations);
- (b) analysis, at least on an annual basis, of the compliance policy and the way it is implemented in EVERGENT Investments ;
- (c) insurance of resources necessary for the compliance policy;
- (d) ordering measures for compliance risk control.

## **CEO**

The CEO enforces the resolutions of the Board of Directors, for which purpose it issues written resolutions and orders. His resolutions and orders are immediately enforceable and produce effects once notified to the individuals who are authorized to fulfill them.

The CEO has the following attributions:

- (a) direct and actual management of the company's activity, in compliance with the general objectives set by GMS;
- (b) implementation of the company's general investment policy;
- (c) management of the company's patrimony within the limitations set by the law, the Memorandum of Association or Board of Directors;
- (d) patrimonial engagement of the company in its legal relationships with third parties, through own signature;
- (e) conclusion of contracts, with the exception of those that are the exclusive competence of the Board of Directors;
- (f) approval of measures regarding the protection of the integrity of tangible and intangible assets in the company's patrimony;



- (g) third parties trading and/or negotiation attributions regarding the goods or rights of the company within the limitations set by the law, the Memorandum of Association, GMS resolutions or resolutions of the Board of Directors;
- (h) representation of the company in its relationship with third parties and in court;
- (i) collaboration with the company's auditors, the depositary of the company and the entity holding the shareholders' records, as well as with other control or supervision bodies of the company;
- (j) approval of the contents of the information reports for the market and the shareholders regarding any action or deed that is object of a legal reporting obligation;
- (k) internal (functional) organization of the company, taking into consideration the legal provisions, company's Memorandum of Association, internal regulation, organizational chart and position status of the company, as well as the resolutions of the Board of Directors;
- (l) employment, promotion and dismissal of company's employees with the exception of department managers and staff holding key positions that are appointed by the Board of Directors, as well as the application of disciplinary measures on employees, according to legal provisions and internal regulations;
- (m) regular notification of employees as well as negotiations with them regarding the individual employment contracts and work conditions;
- (n) remuneration of employees within the limits set in the individual employment contracts and/or by the Board of Directors;
- (o) verification and control attributions of the way the employees of the company carry out their tasks or of other individuals with contracts entered with the company;
- (p) notification of the Board of Directors regarding the activity carried out according to applicable law;
- (q) other attributions set by the company's Board of Directors through resolution or expressly foreseen by legal provisions.

The CEO coordinates the entire activity of the company, according to the attributions of executive staff and organizational chart. He coordinates the daily activity of the following departments: Internal Audit, Compliance, Risk Management, Financial Department, Legal Department, Corporate Governance and Relationship with Investors Department, IT Service, Assets Evaluation Service, Human Resources-Logistics Service, the activity regarding labor safety and health and the activity regarding fire prevention and extinction.

The CEO directs and coordinates the Management Committee.

In case of absence, the attributions assigned by the Board of Directors will be the competence of the Deputy CEO and the actual management of the company will be insured by the deputy CEO and one of the individuals appointed as replacement, FSA notified

## **Deputy CEO**

The deputy-CEO has the following attributions:

- (a) implementation of the Board of Directors resolutions;
- (b) direct and actual management of the company's activity in compliance of the general objectives set by GMS;
- (c) management of the company's patrimony within the limitations set by the law, Memorandum of Association, resolution of the general meetings of shareholders or Board of Directors;
- (d) patrimonial engagement of the company in its legal relationship with third parties through his own signature in agreement with the provisions of internal regulations and within the set competence limitations;
- (e) conclusion of contracts, with the exception of those that are the competence of the Board of Directors and/or CEO;
- (f) approves the measures regarding the protection of the integrity of movable and immovable assets in the patrimony of the company;
- (g) trading and/or negotiating attributions in the relationship with third parties regarding the goods or

- rights of the company within the limitations set by the law, the Memorandum of Association, GMS resolutions or resolutions of the Board of Directors;
- (h) company's representation in its relationship with third parties and in court;
  - (i) collaboration with the company's auditors, the company's depositary and central depositary, as well as with the other control and supervision bodies of the company;
  - (j) approval of the content of market and shareholders informational reports regarding any action that is subjected to a reporting obligation ;
  - (k) internal (functional) organization of the company, taking into consideration the legal provisions, Memorandum of Association of the company, internal regulation, organizational chart as well as the resolutions of the Board of Directors;
  - (l) control and promotion of company employees according to legal and internal regulations;
  - (m) remuneration of employees within the limitations set by the individual employment contracts and/or the Board of Directors ;
  - (n) verification and control attributions regarding the way the company's employees or other individuals in a contractual relationship with the company fulfill their tasks;
  - (o) notification of the Board of Directors of the company regarding the activity carried out, according to applicable law;
  - (p) other attributions set by the Board of Directors of the company through resolutions or expressly foreseen by legal provisions

The deputy-CEO coordinates the daily activity of the following departments: "ENERGY- INDUSTRIAL" Portfolio, "FINANCIAL-BANKING" Portfolio, "SELL" Portfolio, "PRIVATE – EQUITY" Portfolio, "Transactions" Department. The components of the financial instruments portfolios are set by BD resolution

In case of absence, the attributions assigned by the Board of Directors shall be the competence of the CEO and the actual management of the company will be insured by the CEO or one of the individuals appointed as replacement and notified to FSA. -

#### **1.4. Management Committee**

The members of the Management Committee are decided through a resolution of the Board of Directors.

The Management Committee insures the supervision of the company's activity between the Board of Directors' meetings within the limitations of its assigned competencies.

Each director of the company coordinates the daily activity of certain departments, according to the organizational chart, and adopted individual decisions on specific activity areas, and together they adopt resolutions within the actual collective work body, the Management Committee, applying the legal requirement that directors insure the actual management of the company.

For this purpose, the Committee adopts resolutions regarding:

- the implementation of the investment strategy set by the Board of Directors
- implementation of Board of Directors' resolutions targeting assigned competencies
- issues that fall under the competence area of the Board of Directors and that are to be presented for its debate and approval, concerning assigned attributions
- issues that through their nature might impact all activity lines (business, support, compliance)
- issues that require full understanding and harmonization of business and compliance aspects, in order to adopt a decision.

The meetings of the Management Committee represent at the same time the internal framework for the full and reciprocal information of directors on issues specific for the coordinated areas.

The competence limits of the Management Committee, CEO and deputy CEO are set taking into account

the basic responsibilities of the Board of Directors that cannot be assigned (provisions of art. 7 line 19 letters a-k of the Memorandum of).

#### *Organization and conduct of the Management Committee's activity*

Between the meetings of the Board of Directors, the Management Committee carries out its activity within the set competence limits.

The decisions of the Management Committee will be reported on a monthly basis to the Board of Directors and presented for the validation by the Board of Directors in the first meeting.

The legally adopted decisions are binding for the directors and employees and enforceable from the time they are communicated in writing, if there is no other later deadline for their becoming enforceable mentioned in their content.

The decisions of the Management Committee are adopted with unanimity of its members' votes. In case there is no unanimity and if the Committee ascertains it is necessary, the subject is presented for the analysis and/or approval of BD. Otherwise, it is considered that the decision has not been adopted.

The CEO directs and coordinates the Management Committee and in this quality he:

- a) convenes the Management Committee whenever necessary to present issues that fall under its competence for debate and approval;
- b) follows up the fulfillment of the Management Committee's resolutions;
- c) informs on adopted decisions, in each meeting of the Management Committee.