

Annex no. 4

**Statement on the compliance with the provisions of
the B.S.E. Corporate Governance Code (BSE CGC),
as at 31.12.2024**

	Provisions to comply with	Compliance Yes/No/Partial	Explanations
SECTION A - Responsibilities			
A.1.	All companies should have internal regulations of the Board which include terms of reference/responsibilities for Board and key management functions of the company, applying, among others, the General Principles of Section A.	YES	
A.2.	Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise, and refrain from taking part in the debates (including by not attending, except for when failure to attend would render the meeting non-quorate) and from voting on the adoption of a resolution on the issue that generates such conflict of interest.	YES	
A.3.	The Supervisory Board should have at least five members.	YES	
A.4.	The majority of the members of the Supervisory Board should be non-executive. Not less than two non-executive members of the Supervisory Board should be independent in the case of Premium Tier Companies. Each independent member of the Supervisory Board should submit a statement at the moment of their nomination for election or re-election as well as in case of any changes in their status, by indicating the grounds on which they deem themselves to be independent in terms of character and judgement.	YES	
A.5.	A Board member's other relatively permanent professional commitments and engagements, including executive and non-executive Board positions in companies and not-for-profit institutions, should be disclosed to shareholders and potential investors before appointment and during his/her mandate.	YES	
A.6.	Any member of the Board should submit to the Board, 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 that may affect the member's position on issues decided upon by the Board.	YES	
A.7.	The company should appoint a Board secretary responsible with supporting the work of the Board.	YES	
A.8.	The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the President or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guide regarding the Board's evaluation, with the purpose, criteria and frequency of the evaluation process included.	YES	
A.9.	The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year; attendance by directors (in	YES	

	person and in absentia), and a report of the Board and committees on their activities.		
A.10.	The corporate governance statement should contain information on the precise number of the independent members on the Supervisory Board.	YES	
A.11.	The Board of Premium Tier companies should set up a nomination committee formed of non-executives, which will lead the process of appointing new members to the Board, and make recommendations to the Board. The majority of the members of the Nomination Committee should be independent.	YES	
SECTION B- Risk management and internal control system			
B.1.	The Board should set up an audit committee, and at least one of its members should be an independent non-executive. The majority of members, including the president, should have provided proof of adequate qualification, relevant to the functions and responsibilities of the committee. At least one member of the audit committee should show proven, adequate auditing or accounting experience. In the case of Premium Tier companies, the audit committee should be composed of at least three members, and the majority of the audit committee membership should be independent.	YES	
B.2.	The Audit Committee should be chaired by an independent non-executive member.	YES	
B.3.	Among its responsibilities, the audit committee should undertake an annual assessment of the internal control system.	YES	
B.4.	The assessment should look at the effectiveness and scope of the internal audit function; the adequacy of the risk management and internal control reports submitted to the audit committee of the Board; executive management's responsiveness and effectiveness in dealing with the deficiencies or weaknesses identified by internal control and submitting relevant reports to the Board.	YES	
B.5.	The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with the affiliated parties.	YES	
B.6.	The Audit Committee should evaluate the efficiency of the internal control system and risk management system.	YES	
B.7.	The Audit Committee should monitor the application of statutory and generally accepted standards of internal auditing. The Audit Committee should receive and evaluate the reports of the internal audit team.	YES	
B.8.	Whenever the Code mentions reports or analysis initiated by the Audit Committee, these should be followed by periodical (at least annual) or ad-hoc reports, further on to be submitted to the Board.	YES	
B.9.	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 parties.	YES	
B.10.	The Board should adopt a policy ensuring that any transaction of the company with any of the companies it has close relations with, of a value equal to or higher than 5% of the net assets of the company (as stated in the latest financial report), is approved by the Board following an	YES	

	obligatory opinion of the Board's audit committee, and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.		
B.11.	The internal audits should be carried out by a separate structure (the internal audit department) within the company, or by retaining an independent third-party entity.	YES	
B.12.	To ensure that the core functions of the internal audit department are carried out, the department should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report directly to the chief executive officer.	YES	
SECTION C – Fair rewards and motivation			
C.1.	The company should publish its remuneration policy on its website and include in its annual report a statement on the implementation of the remuneration policy during the annual period under review. The remuneration policy should be formulated in such a way, as to allow the shareholders to understand the principles and arguments on which remuneration of the Board members and of the CEO, as well as remuneration of the Executive Board members in the dual tier system relies. It should describe how the process is managed and how decisions regarding remuneration are made; provide details on the components of the executive management's remuneration (such as salaries; annual premiums; long-term incentives related to the value of shares; in kind benefits; pensions, etc.), and describe the purpose, principle and assumptions on which each component relies (including the general performance criteria pertaining to each form of variable remuneration). Furthermore, the remuneration policy should specifically mention the duration of the executive manager's contract and the prior notice term stipulated in the contract, as well as any compensation for revocation of no just cause. [...] Any essential change in the remuneration policy has to be published in due time on the company's website.	YES	
SECTION D – Building value through investor relations			
D.1.	The company should set up an Investor Relations service, indicated to the general public through the person/persons in charge or as an organisational unit per se. Besides the information required by the law, the company must include on its website a dedicated Investor Relations section, in Romanian and English language, with all relevant information of interest for investors, including:	YES	
D.1.1.	The main corporate regulations: the articles of incorporation; the procedures regarding the general meetings of shareholders;	YES	
D.1.2.	Professional résumés of the members of its governing bodies; other professional commitments of the Board members, including executive and non-executive positions on Boards of companies or not-for-profit institutions;	YES	
D.1.3.	Current reports and periodic reports (quarterly, semi-annual and annual reports) – at least as provided at item D.8 –	YES	

	including current reports with detailed information related to non-compliance with the present Code;		
D.1.4.	Information related to general meetings of shareholders: the agenda and supporting materials; the procedure for electing Board members; the rationale for the candidates proposed for election on the Board, together with their professional résumés; shareholders' questions related to the agenda and the company's answers, including the decisions passed;	YES	
D.1.5.	Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including deadlines and principles applied for such operations. Such information should be published within a timeframe that would enable investors to make investment decisions;	YES	
D.1.6.	The name and contact data of a person who should be able to provide knowledgeable information on request;	YES	
D.1.7.	Corporate presentations (e.g. presentations for investors; presentations on quarterly results, etc.), financial statements (quarterly, semi-annual, annual), audit reports and annual reports.	YES	
D.2.	A company should have an annual policy regarding its annual distribution of dividends or other benefits to its shareholders, proposed by the CEO or the Executive Board and endorsed by the Board, in the form of a set of guidelines that the company intends to follow with regard to distributing its net profits. The principles of the annual policy regarding distribution to shareholders shall be published on the company's website.	YES	
D.3.	The company should have adopted a policy with respect to forecasts, whether they are published or not. Forecasts are quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so-called assumptions): by its nature, such a task relies on a high level of uncertainty, with the actual results sometimes significantly different from the forecasts presented initially. The policy regarding forecasts should provide for the periodicity, the period envisaged, and the content of the forecasts. If published, the forecasts can be included only in the annual, half-yearly or quarterly reports. The policy on forecasts shall be published on the company's website.	YES	
D.4.	The rules regarding the general meetings of shareholders should not restrict the shareholders' participation in the general meetings and the exercising of their rights. The amendments of the rules should come into force starting on the next shareholders meeting, at the earliest.	YES	
D.5.	The external auditors should attend the shareholders' meetings when their reports are presented at these meetings.	YES	
D.6.	The Board shall submit to the annual general meeting of shareholders a brief assessment on the internal control and significant risk management systems, as well as opinions on aspects that the general meeting should decide on.	YES	
D.7.	Any professional, consultant, expert or financial analyst may attend the shareholders' meeting upon prior invitation from the Board. Accredited journalists may attend the general	YES	



	meeting of shareholders too, unless the President of the Board decides otherwise.		
D.8.	The quarterly and semi-annual financial reports shall include information in both Romanian and English language, regarding the key drivers influencing change in the level of sales, operating profit, net profit and other relevant financial indicators, both on quarter-to-quarter and on year-to-year basis.	YES	
D.9.	A company shall organise at least two meetings / conference calls with the analysts and investors every year. The information presented on such occasions shall be published in the Investor Relations section on the company's website, on the date of the meetings/conference calls.	YES	
D.10.	If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and deems that the resulting impact on the company's innovativeness and competitiveness is part of its mission and development strategy, it shall publish the policy regarding its activity in this field.	YES	

Marius-Adrian Moldovan
Executive President

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Executive Vice-President

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