Transilvania Investments

# POLICY ON THE SELECTION, NOMINATION AND ASSESSMENT OF MANAGEMENT STRUCTURES OF TRANSILVANIA INVESTMENTS ALLIANCE S.A.

*Policy approved by the Executive Board in December 2025, to be submitted to the Supervisory Board.*

## 1. Purpose of the Policy

This Policy sets out the general framework and guiding principles applicable to the process of selecting, nominating and assessing members of the management bodies of the company – the Supervisory Board (SB) and the Executive Board.

This document reflects the commitment of Transilvania Investments Alliance S.A. to responsible and effective corporate governance that complies with legal regulations and best practice.

The policy aims to ensure that the governing bodies are composed of members who possess integrity, relevant skills, independence, sufficient time commitment and diversity, to effectively contribute to the sustainable development of the Company.

## 2. General Principles

The selection, nomination and assessment of members of the management bodies are governed by the following principles:

- *Transparency* – clear, documented and communicated conduct of all stages of the process;
- *Independence and objectivity* – decision-making based exclusively on merit and pre-established criteria, free from subjective influences;
- *Professionalism and competence* – all candidates must demonstrate solid professional experience and relevant qualifications;
- *Diversity and gender balance* – promoting a plurality of perspectives, different professional backgrounds, a range of ages, gender balance and professional experience;
- *Continuity and stability*, guaranteed through succession planning and the responsible renewal of terms of office;
- *Compliance with the legal framework*, through alignment with the BSE Corporate Governance Code and applicable legal regulations.



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## 3. Selection and nomination criteria

3.1. The selection process applies a series of essential criteria, formulated in a clear, neutral and non-discriminatory manner, uniformly applicable to all candidates, both during the pre-selection phase and during interviews and the final assessment.

3.2. The criteria are structured as follows:

### A. Knowledge, skills and professional experience

The nomination of a candidate requires the validation of a sound professional profile, suited to the responsibilities of the position and the specific nature of the activities of the company. The assessment for the purpose of nomination takes the following into account in an integrated manner:

- Academic background and professional qualifications: the candidate must hold a bachelor's degree issued by a higher education institution, and their academic and professional training must be relevant to the field of activity (financial, legal, economic, administrative, investment, etc.). Added value is given to internationally recognised qualifications (e.g., CFA, ACCA, CIA) or those relating to corporate governance, sustainability (ESG), audit, risk management or compliance.
- Understanding the business and specific risks of the company: the candidate must be familiar with the business model and areas of activity of the company, understand the associated risks (market, operational, reputational, compliance, legal, etc.) and be able to contribute to the oversight of regulated activities.
- Relevant professional experience: the professional history, previous management positions (executive or supervisory), and the level of complexity of their responsibilities are assessed. Attention is paid to experience in key areas, such as strategic management, investment, capital markets, audit, regulation, risk management, sustainability, compliance or corporate law.

For **executive** positions, a minimum of three years of experience in decision-making positions is required; any exceptions must be clearly justified and documented.

- Cross-functional competencies and personal skills: the ability to analyse and synthesise information, strategic thinking, clarity in decision-making, independence of opinion, leadership, adaptability and the ability to work collaboratively within teams are assessed. Importance is placed on communication skills, responsibility and resilience in complex decision-making situations.
- Understanding of applicable regulations and the obligations of the position: the candidate must be familiar with the relevant legal and regulatory requirements, at both national and European level – with a focus on capital market regulations, corporate governance, portfolio management, auditing, anti-money laundering, ESG reporting and compliance frameworks.
- Adequacy for the position: for non-executive positions, strategic experience and supervisory capacity are paramount, whilst for executive positions, the emphasis is on operational experience and the ability to manage and coordinate day-to-day activities efficiently, prudently and with integrity.

### B. Reputation, honesty and integrity

Integrity is a fundamental requirement for holding a management position. The assessment of reputation is essential and aims to eliminate any risk of damage to the company's image or to the confidence of the public and investors in the management structure.

The following aspects are assessed:

- Legal and administrative history: the candidate must not have been convicted of any relevant criminal offences (economic crimes, breach of trust, money laundering, fraud, corruption, property offences or other acts that call their integrity into question). Any disciplinary or administrative sanctions imposed by authorities or regulatory bodies are also assessed.
- Previous professional performance and track record in relevant organisations: the involvement of the candidate in organisations facing financial difficulty or that have been wound up, involvement in insolvency proceedings, withdrawals of authorisations or governance failures are examined, including the context of such situations and how the candidate managed the responsibilities they undertook.
- Professional ethics, transparency and a culture of compliance: the candidate must have consistently demonstrated ethical behaviour, transparency in relation to the supervisory authority, and observance of the governance and compliance principles. Adherence to organisational values such as responsibility, prudence, objectivity and a commitment to the interests of investors is essential.
- Conflicts of interest and declarations of interest: candidates must truthfully declare any financial, professional or personal interests that could interfere with the duties of the position. Their track record in handling such situations and the previously demonstrated level of transparency shall be assessed.

### C. Governance

This aspect assesses the actual ability of the candidate to contribute to the effective functioning of the corporate governance framework, in accordance with the principles of balance, accountability and sustainability.

The following elements are assessed:

- Availability and effective involvement: the candidate must be able to allocate the time required to actively participate in meetings of the management body, specialist committees and supervisory and decision-making processes. Multiple position holding, other professional commitments and any potential incompatibilities are reviewed.
- Avoiding and managing conflicts of interest: the risks of incompatibility with other positions held or financial relationships that may influence objectivity are examined. If a conflict is identified, clear and verifiable measures to avoid or mitigate it must be in place, in accordance with the internal governance policy.
- Independence and independent thinking: particularly for non-executive positions, it is essential that members can exercise their duties impartially and with freedom of opinion, independently of executive management, significant shareholders or other stakeholders.

When assessing independence, the independence criteria set out in the BSE Corporate Governance Code shall also be considered to ensure compliance with the required number of independent members.

- Alignment with the values and governance culture of the organisation: the candidate must demonstrate a commitment to the organisational culture, promote transparency, respect for rules and loyal cooperation in the decision-making process.

### D. Adequacy to the collective profile of the management structure

The assessment of adequacy is not limited to the individual qualities of the candidate but also involves their integration into the overall context of the management structure. The aim is to form a competent, diverse, balanced and efficient body in terms of both function and decision-making. The following are considered:

- Diversity of competencies: the composition of the structure must reflect coherent coverage of all relevant areas (investment strategies, legal, regulatory, financial, audit, ESG, IT, compliance, risks, etc.).
- Diversity of perspectives: a balance between genders, ages, international and educational backgrounds is encouraged, as well as openness to complementary approaches to decision-making.
- Teamwork: the ability of the new candidate to cooperate with other members, to contribute to the cohesion of the decision-making process and to enhance the deliberative efficiency of the entire structure is assessed.

## 4. Collective profile of the Supervisory Board

The composition of the Supervisory Board is structured to reflect a balanced collective profile, ensuring the exercise of effective, objective supervision tailored to the specific nature of the company. The structure of the desired profile includes the following dimensions:

### *4.1. Professional diversity*

The Board brings together complementary expertise from fields relevant to the activities of the company, such as corporate governance, strategic management, financial investment, sustainability (ESG), information technology, audit and company law. Professional diversity enables a comprehensive approach to decision-making and contributes to the effective oversight of the activities of the Executive Board.

### *4.2. Demographic and perspective diversity*

The composition of the Board deliberately reflects a diversity of genders, generations, educational backgrounds and professional experiences, including international ones. It is considered that a high degree of diversity contributes to enhancing the quality of deliberations, mitigating the risks of groupthink and strengthening strategic adaptability.

### *4.3. Independence*

The Board comprises an appropriate number of members who meet the independence criteria set out in the BSE's Code of Corporate Governance. The independence of members is an essential condition for exercising objective and impartial oversight of executive management, as well as for preventing conflicts of interest during deliberations.

### *4.4. Gender balance*

In accordance with the legal provisions, the company shall endeavour to ensure that at least 33% of the total members of the Supervisory Board and the Executive Board, or at least 40% of the total members of the Supervisory Board, belong to the under-represented gender, whilst complying with the principles of equal opportunities and gender neutrality, provided that they possess equivalent competence.

### *4.5. Collective adequacy*

The entire Board must have the capacity to understand, review and oversee the activities of the company in relation to its strategy, risk profile, regulatory obligations and economic context. Collective adequacy is reviewed on a regular basis, including based on the results of individual assessments of members, in accordance with the applicable regulatory requirements.

## 5. Adequacy assessment – individual and collective

The assessment of the adequacy of members of the management bodies is systematically carried out, both at the time of nomination and throughout their term of office, with a view to maintaining a high level of professionalism, integrity and compliance with the legal and strategic requirements of the company.

### *5.1. Ex-ante assessment*

The initial assessment takes place when a new member is proposed for the management bodies and consists of reviewing the relevant documentation submitted by the candidate, conducting an assessment interview and formally validating the candidacy, in accordance with the internal procedure on adequacy assessment. Compliance with legal requirements, compatibility with the collective profile and the absence of conflicts of interest are verified.

### *5.2. Periodic assessment*

The periodic assessment is carried out on an annual basis, within a structured procedural framework, based on transparent criteria relating to the activity performed, the level of involvement, the demonstrated skills and ongoing compliance with the adequacy requirements. This assessment contributes to the maintenance of an effective management and supports the decisions regarding the renewal or change in the board composition.

### *5.3. Ad-hoc assessment*

An ad-hoc assessment is triggered in specific circumstances, such as the expiry of the term of office of a member, the replacement of a member who has resigned, been removed or become incompatible, structural changes to the management body, significant changes to the strategy of the company, or other events that justify a reassessment of adequacy. In such cases, the purpose of the assessment is to reconfirm the ability of the member to perform their duties under the new circumstances.

### *5.4. Elements examined as part of the assessment*

The assessment process involves a comprehensive examination of several factors, including:

- Fulfilment of the eligibility criteria set out in the applicable legislation and the articles of incorporation;
- The absence of any situations of incompatibility or conflicts of interest;
- Individual contribution to the collective profile of the management structure;

- Level of involvement in the activity of the collegial body, including attendance at meetings and participation in specialized committees;
- Quality of contributions to the deliberation process and the ability to support well-founded decisions;
- Participation in continuing professional development programmes, and the constant updating of relevant knowledge.

### *5.5. Documentation and follow-up*

The results of the assessments are recorded in an internal document which is made available to the relevant bodies and may form the basis for governance decisions. This internal document shall include the conclusions of the assessment, the recommendations made and any action plans. The document is intended for internal use, is confidential and is made available to the relevant management bodies (Supervisory Board/Executive Board/Nomination and Remuneration Committee), as well as, upon request, to the supervisory authorities or other stakeholders, in accordance with the legal provisions.

Where non-compliance or potential for improvement is identified, specific recommendations are made, which may include individual development plans, structural changes or organisational measures. Individual assessments also contribute to the review of collective adequacy, in the context of periodic reporting to the supervisory authority and/or investors.

## 6. Continuing professional development

The company acknowledges the importance of maintaining and continuously developing the skills of members of the management bodies as an essential element of effective, informed and responsible decision-making. To this end, the professional training of members of the Supervisory Board and the Executive Board is promoted and supported, both individually and collectively, through a structured framework tailored to the strategic context of the company.

### *6.1. Objective of the continuing professional training*

Professional training aims to consolidate and update relevant knowledge in areas essential to the company, such as capital market regulations, company law, sustainability (ESG), financial strategy, risk analysis, information technology and best supervisory practices. This approach helps to strengthen the ability of the management to effectively respond to operational and regulatory challenges.

### *6.2. Training methods*

To achieve these objectives, the company facilitates the participation of members of the management bodies in courses, seminars, workshops or conferences organised by accredited providers, academic institutions, professional organisations or specialist consultants. A variety of formats – in-person or online – may be used, depending on availability of the participants and the specific nature of the topics covered.

### *6.3. Planning and budgeting*

Professional development activities are planned on an annual basis, in line with the individual and collective needs identified through the adequacy assessment process. To this end, the Supervisory Board proposes, and the Executive Board approves, the allocation of a separate budget for continuous training.

### 6.4. Compliance and best practice

Training programmes are developed and selected in compliance with the legal requirements in force and in accordance with the recommendations of the regulatory authorities. The company aims to ensure that members of its management bodies regularly update their relevant knowledge and skills, as part of its commitment to effective governance in line with European standards. Participation in such activities is documented, and progress in continuing professional development is included in the annual adequacy assessments.

## 7. Nomination process

The process for nominating members of the management bodies is rigorous, phased and governed by principles of transparency, objectivity and compliance with the applicable regulatory framework. This process aims to identify and validate the most suitable individuals who, through their expertise and integrity, can contribute to the effective functioning of the Supervisory Board and the Executive Board.

### 7.1. Initiation of the process

The nomination process is initiated by the Nomination and Remuneration Committee when a vacancy arises on a management body or in the context of planning for the renewal of terms of office. The initiation is based on an analysis of the current composition and future needs, in relation to the strategy of the company and the collective profile of the body in question.

### 7.2. Identifying needs and defining individual profiles

The competence and diversity needs of the management structure are assessed, including with regard to gender balance and the representation of relevant professional fields. On this basis, the collective profile is updated, and a detailed individual profile is drawn up for the vacant position, specifying the selection criteria, eligibility requirements, level of experience, necessary knowledge and any conditions regarding independence.

### 7.3. Advertising and attracting applications

Depending on the targeted position and the decision of the Board, the process may include the publication of the recruitment notice in a suitable medium (the company's website, specialist portals, professional networks). Direct recruitment channels may also be used, including internal databases, recommendations from existing members or collaboration with specialist consultants.

### 7.4. Review of applications and shortlisting

Applications are reviewed by the Nomination and Remuneration Committee, based on a checklist that includes the curriculum vitae, affidavits regarding compliance with eligibility and independence criteria, criminal and tax records, professional references and other supporting documents. Based on this review, a shortlist of eligible candidates who meet the basic requirements is drawn up.

### 7.5. Interview and adequacy assessment

Selected candidates are invited to an interview intended to validate the compliance of their personal profile with the position requirements, to assess their understanding of the responsibilities, their capacity for strategic thinking and their compatibility with the company's values. Subsequently, the adequacy assessment is carried out in accordance with the applicable internal procedure, based on the requirements for competence, integrity, commitment and compatibility with the collective profile.

### *7.6. Formulation of the proposal and validation*

Following the assessment process, the Nomination and Remuneration Committee or the responsible body draws up a reasoned proposal regarding the selected candidate, accompanied by supporting documentation. Such proposal is submitted to the Supervisory Board for approval. Where applicable, the nomination is submitted to the General Meeting of Shareholders for approval, in accordance with the Articles of Incorporation and the applicable regulations.

### *7.7. Documentation and traceability*

The entire process is documented and retained in a nomination file, which includes all the completed stages, the decisions taken and the relevant justifications. This ensures the traceability of the process and the possibility of auditing it, including by the supervisory authorities.

## 8. Assessment of the functioning of the management structures

The annual assessment of the functioning of the Supervisory Board and the Executive Board forms part of the company's commitment to effective, responsible and transparent governance. Its aim is to identify strengths, areas for improvement and opportunities to strengthen collective performance. The process is carried out separately for each body, considering the specific responsibilities and particularities of each management body. The assessment is carried out on an annual basis but may also be initiated on an ad-hoc basis, depending on the organisational context or significant changes in membership, strategy or regulations.

## 9. Publication of the nomination policy

The company publishes this policy, either in full or in summary form, in the section dedicated to corporate governance on its website.

## 10. Review of the policy

This policy is reviewed on a regular basis, to ensure its relevance and effectiveness in the light of changes in legislation and best practice, or as a result of the findings of the annual assessment, or recommendations from the authorities or internal bodies. Furthermore, the policy may be revised in line with changes to the strategy and organisational needs. The review is made by the Nomination and Remuneration Committee and approved by the Supervisory Board, and all amendments are communicated and reflected in the published versions.

*Approved in the meeting of the Supervisory Board, on ......., on the recommendation of the Nomination and Remuneration Committee*

***Chairperson of the Supervisory Board***

***.....***

***Chairperson of the Nomination and Remuneration Committee***

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