

## TOPIC 8 ON THE OGM AGENDA

### **Approval of the amendment to point 9 of the *Remuneration Policy of SIF Banat-Crișana*, approved by Resolution no. 4 by the OGM of January 6, 2021, for its correlation with the provisions of art. 5 of the EU Regulation no. 2088/2019 on sustainability-related disclosures in the financial services sector**

SIF Banat-Crișana, as administrator of alternative investment funds (AIFM) authorized by the Financial Supervisory Authority (ASF), is subject to regulations imposed at European level regarding the implementation of risk management policies and procedures.

In the Official Journal of the European Union no. L 317/1/09.12.2019 it was published the Regulation (EU) 2019/2088 of the European Parliament and of the Council on information on sustainability in the financial services sector with effect from March 10, 2021. The new Regulation introduced, for participants in financial market, various disclosure requirements at entity level, services, and products, with the aim of imposing in a standardized way greater transparency on the sustainability of financial markets.

The European Regulation lays down harmonized rules on transparency regarding the integration of sustainability risks and the consideration of adverse effects on sustainability in their activities and on the disclosing information on sustainability concerning financial products. In the Regulation's view, "sustainability risk" means an environmental, social or governance event or condition which, if it occurs, could cause a significant, actual, or potential adverse impact on the value of the investment.

The new regulation also applies to management companies and AIFM providing financial products (AIF).

As per Article 5 (entitled *Transparency of remuneration policies in relation to the integration of sustainability risks*) of Regulation (EU) 2019/2088, "*Financial market participants and financial advisers shall include in their remuneration policies information on how those policies are consistent with the integration of sustainability risks, and shall publish that information on their websites.*"

The remuneration policy of SIF Banat-Crișana was approved by the ordinary general meeting of shareholders of January 6, 2021, in accordance with the provisions of art. 92<sup>1</sup> of Law no. 24/2017 on issuers of financial instruments and market operations, amended and supplemented by Law no. 158/2020, according to which the issuers have to submit the remuneration policy for the approval of the shareholders, in the general meeting.

Being an attribute of the general meeting of shareholders, introduced by Law 24/2017 supplemented by Law 158/2020, the Board of Directors of SIF Banat-Crișana submits for the approval of the general meeting of shareholders the amendment to the Remuneration Policy with provisions regarding the integration of sustainability risks.

#### **It is submitted for the approval of the shareholders the following resolution:**

Approval of the amendment to point 9 of the *Remuneration Policy of SIF Banat-Crișana*, approved by Resolution no. 4 by the OGM of January 6, 2021, for its correlation with the provisions of art. 5 of the EU Regulation no. 2088/2019 on sustainability-related disclosures in the financial services sector, with the following provisions:

*"SIF Banat-Crișana promotes an effective and solid risk management, without the remuneration structure encouraging taking excessive risks, including in relation to the risks related to sustainability, being correlated with the risk-adjusted performance."*