

## TOPIC 5 ON THE EGM AGENDA

### **Approval of distributing the shares purchased under Buyback Program 7 in a Share-based Payment Plan of "Stock Option Plan" type.**

According to the Tax Code (Law 227/2015), the "stock option plan" is a "program initiated within a legal entity through which are granted to its employees, administrators and / or directors or its affiliated legal entities, referred to in item 26 (c) and (d), the right to purchase at a preferential price or to receive, free of charge, a certain number of securities, defined in as per point 40, issued by that entity."

For the purposes of point 40, "security" means "any share or equity in collective partnership, limited partnership, a joint-stock company, limited liability company, or in other legal entity or holdings in an investment fund".

It is also provided that: "For the qualification of a program as a stock option plan, the program must cover a minimum period of one year between the moment when the right is granted and the moment of exercising the right (acquisition of securities);"

Implementing a "Stock Option Plan" has the advantage of tax optimization allowed by the provisions of the Tax Code in force.

The Tax Code regulates a fiscal treatment favourable to the distribution of shares through Stock Option Plan programs. For the revenues obtained from these operations, the company and the beneficiaries are exempted from the payment of the income tax assimilated to salaries (Article 76 of the Fiscal Code) and from the payment of social security contributions (Article 142 of the Tax Code). In order to benefit from the tax incentives, the minimum period after which the persons subject to the Stock Option Plan may exercise their option to receive free shares may not be less than 12 months.

It is submitted for the approval of the EGM the empowerment of the Board of Directors to take all necessary measures and to fulfil all the formalities required for the approval and implementation of the Stock Option Plan, such as but not limited to identifying allocation criteria, determining the number of shares to be effectively distributed, the period for exercising the rights, identification of beneficiaries, preparation and publication of information documents under the law, etc.

The implementation of the programs will be carried out in compliance with the legal requirements of drafting and publishing the information documents according to the law, respectively those specified in Regulation no. 5/2018 on issuers and transactions with securities and Regulation (EU) no. 1129/2017.

#### RESOLUTION SUBMITTED FOR THE APPROVAL OF EGM on topic 5 on the agenda

Approval of using the shares purchased under Buyback Program 7 for their distribution free of charge to members of the company's management (administrators, executive directors) in a Share-based Payment Plan of "Stock Option Plan" type, in compliance with applicable law. The Board of Directors of the company is empowered to take all necessary measures and to fulfill all the formalities required for the approval and implementation of the share-based payment of "Stock Option Plan" type.

#### **Bogdan-Alexandru DRĂGOI**

Chairman of the Board of Directors

This is an English translation of the Informative materials for the EGM Agenda, approved by the Board of Directors. The Company provides this translation for shareholders' reference and convenience. If the English version of this informative materials differ from the Romanian version, the latter prevails.