

To: **Bucharest Stock Exchange**  
**Financial Supervisory Authority**  
**London Stock Exchange**

Current report according to Article 234 para. (1) letter d) and e) of the Financial Supervisory Authority Regulation no. 5/2018 on issuers of financial instruments and market operations, as well as the provisions of Article 99 letter a) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

**Important events to be reported:**

**Shareholders' resolutions (full text) approved by the Extraordinary and Ordinary General Shareholders' Meetings of Fondul Proprietatea SA held on 28 April 2021**

Franklin Templeton International Services S.À R.L, as alternative investment fund manager and sole director of Fondul Proprietatea SA ("**Fondul Proprietatea / the Company / the Fund**"), hereby publishes the Shareholders resolutions (full text) approved by the Extraordinary and Ordinary General Meeting of Shareholders of Fondul Proprietatea on 28 April 2021.

Franklin Templeton International Services S.À R.L. in its capacity of alternative investment fund manager and sole director of FONDUL PROPRIETATEA S.A.

Johan MEYER  
Permanent Representative

**Report date:**  
28 April 2021

**Name of the issuing entity:**  
Fondul Proprietatea S.A.

**Registered office:**  
78-80 Buzesti Street  
7<sup>th</sup> floor, district 1,  
Bucharest, 011017

**Phone/fax number:**  
Tel.: + 40 21 200 9600  
Fax: + 40 21 200 9631

**Email:**  
office@fondulproprietatea.ro

**Internet:**  
www.fondulproprietatea.ro

**Sole Registration Code with the Trade Register Office:**  
18253260

**Order number in the Trade Register:**  
J40/21901/2005

**Subscribed share capital:**  
RON 3,749,282,292.08

**Paid-up share capital:**  
RON 3,560,099,870.08

**Number of shares in issue:**  
7,210,158,254

**Number of paid shares:**  
6,846,345,904

**Regulated market on which the issued securities are traded:**  
Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

**Resolution no. 2 / 28 April 2021  
of the Shareholders' Extraordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 11:00 AM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “Fund” or “Fondul Proprietatea”) have met during the Shareholders' Extraordinary General Meeting (“EGM”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the EGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“Sole Director”).

Whereas:

- The convening notice of the EGM was published on the Fund’s website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies’ Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies’ Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers’ Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present EGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 115 paragraphs (1)-(2) of the Companies' Law no. 31/1990 and art. 14 I paragraph (3) letter (a) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval of the amendment of Article 33 of the Constitutive Act of Fondul Proprietatea (as endorsed by the FSA through Endorsement no. 38/8 February 2021), as follows:

*“(1) For the calculation of the net assets value of Fondul Proprietatea, the portfolio holdings are valued and included in the Fund's net asset at the values established according to the accounting and legal regulations in force. The net asset value of the Fund is determined as the difference between the total assets value and the aggregate value of the Fund's debts and deferred income. In the calculation of the aggregate value of debts are included both current and non-current debts, as well as the provisions booked by Fondul Proprietatea.*

*(2) The total value of the assets is calculated according to the legal regulations in force, by cumulating:*

- a) non-current assets;*
- b) current assets;*
- c) derivatives;*
- d) deferred expenses.*

*(3) The total value of debts, provisions and deferred income is determined based on information provided by Fund's own accounting organised and managed in accordance with the legal provisions in force.*

*(4) The calculation of the net assets value is prepared by the Fund's Sole Director and certified by the depositary bank on a monthly basis, for the last calendar day of the month, and for the dates when a share capital increase or decrease takes place respectively the dates when such share capital increase or decrease is recorded to Trade Registry.”*

This item is adopted with 2,918,943,455 votes, representing 100% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 2,918,943,455 votes „for”;
- 0 votes „against”;
- 0 abstentions;
- 0 votes „not given”;
- 0 votes annulled.

- II. The approval of:

- (a) **The date of 27 May 2021** as the **Ex – Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

As they are not applicable to this EGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation and the payment date.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions and the amended, renumbered and restated form of the Constitutive Act, if the case may be, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 2,918,943,455 votes „for”;
- 0 votes „against”;
- 0 abstentions;
- 0 votes „not given”;
- 0 votes annulled.

This EGM decision no. 2 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**

Chairperson

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**Valeria NISTOR**

Technical secretary

**Resolution no. 3 / 28 April 2021  
of the Shareholders' Extraordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 11:00 AM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “Fund” or “Fondul Proprietatea”) have met during the Shareholders' Extraordinary General Meeting (“EGM”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the EGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“Sole Director”).

Whereas:

- The convening notice of the EGM was published on the Fund’s website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies’ Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies’ Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers’ Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present EGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 115 paragraphs (1)-(2) of the Companies' Law no. 31/1990 and art. 14 I paragraph (3) letter (a) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

I. The approval of the decrease of the subscribed share capital of Fondul Proprietatea, as follows.

The approval of the decrease of the subscribed share capital of Fondul Proprietatea from RON 3,749,282,292.08 to RON 3,334,342,422.84 pursuant to the cancellation of 797,961,287 own shares acquired by Fondul Proprietatea during 2020.

After the share capital decrease, the subscribed share capital of Fondul Proprietatea shall have a value of RON 3,334,342,422.84 being divided in 6,412,196,967 shares, each having a nominal value of RON 0.52 per share.

The first paragraph of Article 7 of the Constitutive Act of Fondul Proprietatea after the share capital decrease will be changed as follows.

*“(1) The subscribed share capital of Fondul Proprietatea is in the amount of RON 3,334,342,422.84, divided in 6,412,196,967 ordinary, nominative shares, having a nominal value of RON 0.52 each”.*

The subscribed share capital decrease will take place on the basis of Article 207 paragraph (1) letter c) of Companies' Law no. 31/1990 and will be effective after all the following conditions are met:

- (i) this resolution is published in the Official Gazette of Romania, Part IV for at least two months;
- (ii) Financial Supervisory Authority endorses the amendment of Article 7 paragraph (1) of the Constitutive Act of Fondul Proprietatea as approved by shareholders during this meeting, where required by applicable law or regulation;
- (iii) the shareholders' resolution for approving this share capital decrease is registered with the Trade Registry.

This item is adopted with 2,918,943,455 votes, representing 100% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 2,918,943,455 votes „for”;
- 0 votes „against”;
- 0 abstentions;
- 0 votes „not given”;
- 0 votes annulled.

II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

As they are not applicable to this EGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation and the payment date.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions and the amended, renumbered and restated form of the Constitutive Act, if the case may be, as well as any other documents

in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 2,918,943,455 votes „for”;
- 0 votes „against”;
- 0 abstentions;
- 0 votes „not given”;
- 0 votes annulled.

This EGM decision no. 3 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary

**Resolution no. 3 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “**Fund**” or “**Fondul Proprietatea**”) have met during the Shareholders' Ordinary General Meeting (“**OGM**”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“**Sole Director**”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),



there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval of the continuation of the current mandate of Franklin Templeton International Services S.à r.l. as the alternative investment fund manager and sole director of Fondul Proprietatea, in accordance with Article 9.7 of the Management Agreement signed on 24 July 2019 between Fondul Proprietatea and Franklin Templeton International Services S.À R.L. ("Management Agreement").

This item is adopted by secret vote with 2,909,193,655 votes, representing 99.6660% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,909,193,655 votes "for" and 0 votes "against". There were also registered: 9,749,800 abstains, no annulled votes and no votes „not given”.

- II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

**The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 3 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary

**Resolution no. 4 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “Fund” or “Fondul Proprietatea”) have met during the Shareholders' Ordinary General Meeting (“OGM”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“Sole Director”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval of the Annual Activity Report of the Sole Director of Fondul Proprietatea for the financial year 2020, including the financial statements for the year ended on 31 December 2020 prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and applying the Financial Supervisory Authority Norm no. 39/ 28 December 2015, the approval of the auditor's report (all as published in the supporting documentation on the website of Fondul Proprietatea, including in the format according to provisions of the EU Delegated Regulation 2019/815 of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format), the ratification of all legal acts concluded, adopted or issued on behalf of Fondul Proprietatea, as well as of any management/administration measures adopted, implemented, approved or concluded during 2020 financial year, along with the discharge of the Sole Director's for any liability for its administration during 2020 financial year.

This item is adopted with 2,915,522,430 votes, representing 99.8828 % of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,915,522,430 votes "for" and 3,421,025 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

**The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100 % of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 4 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary

**Resolution no. 5 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “**Fund**” or “**Fondul Proprietatea**”) have met during the Shareholders' Ordinary General Meeting (“**OGM**”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“**Sole Director**”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval to cover the negative reserves of RON 236,026,121 incurred in 2020 financial year from the cancellation of treasury shares acquired through the 10th buy-back programme, in accordance with the supporting materials and annexed to this resolution.

This item is adopted with 2,918,943,455 votes, representing 100 % of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

- II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of **The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

**The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100 % of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 5 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary

*Annex – The proposal to cover the negative reserves incurred in 2020 financial year derived from the cancellation of treasury shares, as presented in the supporting materials and in the Shareholders’ Ordinary General Meeting of Fondul Proprietatea S.A. of 28 April 2021*

**Sole Director’s Proposal for the Coverage of the Negative Reserve incurred during the financial year ended 31 December 2020**

**Overview and accounting treatment**

Fondul Proprietatea SA (“the Fund”) recognises the treasury shares (i.e. repurchases of own shares and/ or GDRs) at trade date as a deduction to shareholders’ equity (in an equity reserve account). Treasury shares are recorded at acquisition cost, including brokerage fees and other transaction costs directly related to their acquisition. The GDRs bought back by the Fund are accounted for exactly as the own ordinary shares repurchased, as a deduction to shareholders’ equity. This is the result of the application of substance over form principle, due to the fact that buy-back via GDRs is only a technical/ legal form of the transaction, the substance of the transaction being that the Fund buys back its own shares (in view of reducing the share capital by cancelling all treasury shares in the form of shares or GDRs equivalent), giving the same rights to both the holders of the Fund’s ordinary shares and to the holders of the Fund’s GDRs, to take part in the buy-back programmes carried out by the Fund.

Upon completion of all legal and regulatory requirements (i.e. registration of the share capital decrease with the Trade Registry being the last one, marking also the moment when the cancellation becomes effective), the treasury shares are cancelled and netted off against the share capital and other reserves.

At the cancellation date, only a reallocation between the equity accounts is booked, without any impact on profit or loss or an additional total shareholders’ equity decrease (as compared to the acquisition impact). A negative reserve (equity element) arises upon cancellation of the shares acquired in a buy-back programme, if the acquisition value (trade price and related costs) is higher than the nominal value. However, as mentioned before, this does not generate an additional shareholder’s equity decrease.

The accounting treatment applicable for the recording and cancellation of treasury shares is based on the provisions of the Financial Supervisory Authority Norm 39/ 2015, article 75.

**Negative reserve incurred during 2020**

The table below shows the changes in the negative reserves recorded during the year ended 31 December 2020:

	<i>Amounts in RON</i>
<b>1 January 2020 (audited)</b>	<b>640,744,712</b>
Coverage of the negative balance existing as at 31 December 2019 from other reserves, according to Resolution no.2 of 28 April 2020 Ordinary General Shareholders’ Meeting	(640,744,712)
Negative equity reserve arising on the cancellation of shares acquired during the 10 <sup>th</sup> buy-back programme (recorded on 30 September 2020) according to share capital decrease Resolution no. 2 of 28 April 2020 Extraordinary General Shareholders’ Meeting	236,026,121
<b>31 December 2020 (audited)</b>	<b>236,026,121</b>

The table below shows additional details on the calculation of the negative reserves booked during 2020:

<i>All amounts in RON</i>		<b>10<sup>th</sup> buy-back programme</b>
<b>Period (trade dates)</b>		1 Jan 2019 – 31 Dec 2019
Number of shares cancelled during 2020	(1)	403,812,443
<b>Total acquisition cost at trade price (excluding transaction costs)</b>	<b>(2)</b>	<b>439,032,611</b>
<b>Total costs directly related to transactions, out of which:</b>	<b>(3)</b>	<b>6,975,980</b>

<i>All amounts in RON</i>		<b>10<sup>th</sup> buy-back programme</b>
• <i>Brokerage fees</i>		87,810
• <i>Financial Supervisory Authority fees</i>		1,949,923
• <i>Stock Exchanges' fees (Bucharest Stock Exchange and London Stock Exchange)</i>		315,541
• <i>Central Depository fees</i>		28,377
• <i>Legal advisory</i>		175,182
• <i>Other professional fees</i>		16,938
• <i>Distribution fees paid to the Sole Director in relation with the buy-backs performed</i>		4,402,209
<b>Total buy-back cost impacting the equity of the Fund (trade price plus directly related transaction cost)</b>	<b>(4)=(2)+(3)</b>	<b>446,008,591</b>
Correspondent Nominal Value ("NV") at the cancellation date (NV = RON 0.52 per share)	(5)=(1)*NV	209,982,470
<b>Negative equity reserve arising on the cancellation of shares</b>	<b>(6)=(5)-(4)</b>	<b>(236,026,121)</b>

Article 75 from the Financial Supervisory Authority Norm 39/ 2015 mentions that the negative balance arising out of the cancellation of equity instruments may be covered from the retained earnings and other equity elements, in accordance with the resolution of the General Shareholders Meeting.

***Sole's Director Proposal for covering the negative reserve***

Although there is not an explicit legal or regulatory requirement to cover the negative balance arising out of the cancellation of equity instruments, it is to be noted that the Financial Supervisory Authority Norm 39/ 2015 specifically details how to present it in the financial statements and, further on, the sources that may be used for covering it, in accordance with the resolution of the general meeting of shareholders. From this perspective, and by applying a prudentially regulatory approach, the Sole Director believes there are reasonable arguments supporting the idea that these reserves should be covered and thus proposes to shareholders the coverage of the negative equity reserves balance as at 31 December 2020 of RON 236,026,121 (as stated in the notes to the annual audited statutory IFRS financial statements and detailed in the table above) from the amounts allocated to other reserves specially for this purpose according to the decision of 28 April 2020 General Shareholders' Meeting.

**Resolution no. 6 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “**Fund**” or “**Fondul Proprietatea**”) have met during the Shareholders' Ordinary General Meeting (“**OGM**”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“**Sole Director**”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),



there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval to cover the accounting loss of RON 102,978,968 incurred in 2020 financial year, in accordance with the supporting materials and annexed to this resolution.

This item is adopted with 2,918,943,455 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

- II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

**The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100 % of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 6 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary

*Annex – The proposal to cover the accounting loss incurred in 2020 financial year, as presented in the supporting materials and in the Shareholders’ Ordinary General Meeting of Fondul Proprietatea S.A. of 28 April 2021*

### **Sole Director’s Proposal for Accounting Loss coverage**

#### **Overview**

Fondul Proprietatea S.A. (“**Fondul Proprietatea**” or the “**Fund**”) reported an audited accounting loss of RON 102,978,968 in the financial statements for the year ended 31 December 2020, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union („**IFRS**”) and applying the Financial Supervisory Authority’s (“**FSA**”) Norm no. 39/28 December 2015, regarding the approval of the accounting regulations in accordance with IFRS, applicable to the entities authorised, regulated and supervised by the FSA – Financial Investments and Instruments Sector (“**Norm 39/2015**”).

According to Article 29 of the Romanian Accounting Law (“**Law 82/1991**”) and to Article 23 (1) from Norm 39/2015, the annual financial statements must be published together with the proposal to allocate the profit or cover the losses.

#### **Accounting loss coverage proposal**

The main contributor to the accounting loss was the negative change in fair values of the Fund’s holdings which includes the negative impact of the COVID-19 pandemic on economic activity and global financial markets. The net loss from equity investments at fair value through profit or loss was partially offset by the gross dividend income from portfolio companies recorded during the year.

According to the article 19, paragraph (4) of the Law 82/1991 “*The retained accounting loss shall be covered from the profit of the financial year and the retained earnings, from reserves, capital premiums and share capital, according to the decision of the general shareholders’ meeting.*”

Also, according to the article 88 of the Norm 39/2015 “*Retained accounting loss is covered from the profit of the current year and the retained earnings, from reserves, capital premiums and share capital, according to the decision of the general shareholders’ meeting, in accordance with the legislation in force. In the absence of any specific legal provisions, the order of the sources to be used for the coverage of the accounting loss is approved by the general shareholders’ meeting and respectively by the board of directors*”.

As at 31 December 2020, the Fund’s retained earnings includes:

<b>Retained earnings components</b>	<b>Audited balance as at 31 December 2020</b>
2016 unallocated profit	269,399,398
2017 unallocated profit	318,162,571
Retained earnings resulted from transition to IFRS 9 starting with 1 January 2018	4,248,175,069
2018 unallocated profit	12,536,187
2019 unallocated profit	2,319,385,862
Loss for the year ended 31 December 2020	(102,978,968)
<b>Total retained earnings</b>	<b>7,064,680,119</b>

Considering the legal provisions mentioned above and the retained earnings structure, the Fund’s Sole Director proposal, subject to shareholders’ approval, is to cover the accounting loss of RON 102,978,968 from 2016 unallocated profit.

**Resolution no. 7 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “**Fund**” or “**Fondul Proprietatea**”) have met during the Shareholders' Ordinary General Meeting (“**OGM**”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“**Sole Director**”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval of the distribution of a gross special dividend of RON 0.072 per share, in accordance with the supporting documentation and annexed to this resolution, subject to the approval of the coverage of the negative reserves, and coverage of the accounting loss mentioned above. The shareholders approve that the payment of the dividends to start on the Payment Date of this OGM (as defined at point 9 of this OGM) to the persons registered as shareholders of Fondul Proprietatea on the Registration Date (as defined at point 9 of this OGM). Unpaid shares and treasury shares do not constitute dividend entitlement.

This item is adopted with 2,918,943,455 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

- II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

**The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 7 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical

secretary

*Annex – The proposal for the dividend distribution, as presented in the supporting materials and in the Shareholders’ Ordinary General Meeting of Fondul Proprietatea S.A. of 28 April 2021*

### **Sole Director’s Proposal for Dividend Distribution**

#### **Overview**

Fondul Proprietatea S.A. (“Fondul Proprietatea” or the “Fund”) reported an audited accounting loss of RON 102,978,968 in the financial statements for the year ended 31 December 2020, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union („IFRS”) and applying the Financial Supervisory Authority’s (“FSA”) Norm no. 39/28 December 2015, regarding the approval of the accounting regulations in accordance with IFRS, applicable to the entities authorised, regulated and supervised by the FSA – Financial Investments and Instruments Sector (“Norm 39/2015”).

Although due to this situation there are no distributable profits according to the Fund’s 2020 statutory annual financial statements, the Fund’s Sole Director remains committed to ensure an annual cash distribution to the Fund’s shareholders.

On the agenda of 28 April 2021 Ordinary General Shareholders’ Meeting, the Fund’s Sole Director proposes the coverage of the entire accounting loss of RON 102,978,968 from 2016 unallocated profit.

Considering the above and the provisions of the Romanian Companies’ Law no. 31/1990 (“Law 31/1990”) stipulating that the dividends may only be distributed from profits determined according to the legislation in force, the Fund’s Sole Director proposes, subject to shareholders’ approval, a special dividend from prior years’ unallocated profits.

#### **Sole’s Director Proposal for Special Dividend Distribution**

Based on the Fund’s Annual Cash Distribution Policy (published on the Fund’s website), the Fund’s Sole Director intention is to recommend to shareholders for their approval a cash distribution of at least RON 0.05 per share, on an annual basis, subject to applicable law and necessary approvals, to any restrictions under Romanian legal or tax regulations and subject to available financing resources.

If the Fund’s Sole Director proposals for 2020 accounting loss coverage included on the agenda of 28 April 2021 Ordinary General Shareholders’ Meeting is approved by the shareholders, the Fund’s unallocated retained earnings will amount to RON 7,064,680,119. More details are presented in the table below.

<b>Retained earnings components</b>	<b>Audited balance as at 31 Dec 2020</b>	<b>Amounts proposed for allocation, subject for 28 April 2021 OGSM approval</b>	<b>Remaining unallocated balances</b>
2016 unallocated profit	269,399,398	(102,978,968) <sup>1</sup>	166,420,430
2017 unallocated profit	318,162,571	-	318,162,571
Retained earnings resulted from transition to IFRS 9 starting with 1 January 2018	4,248,175,069 <sup>2</sup>	-	4,248,175,069
2018 unallocated profit	12,536,187	-	12,536,187
2019 unallocated profit	2,319,385,862	-	2,319,385,862
Loss for the year ended 31 December 2020	(102,978,968)	102,978,968 <sup>1</sup>	-
<b>Total retained earnings</b>	<b>7,064,680,119</b>		<b>7,064,680,119</b>

<sup>1</sup> subject to Fund’s shareholders approval under point 5 of the agenda of 28 April 2021 Ordinary General Shareholders’ Meeting

<sup>2</sup> As result of the adoption of IFRS 9, as at 1 January 2018, the fair value reserve on available for sale financial assets net of the related deferred tax in total amount of RON 4,248,175,069 was transferred to retained earnings. For further details on this accounting policy change see the Fund’s statutory financial statements for the year ended 31 December 2018.

Taken into consideration:

- the distributable amounts and the need to maintain additional reserves to cover the losses from the future buy-backs cancellation (as further described below),
- the other on-going Discount Control Mechanism measures (e.g. buy-backs),
- the estimated available cash,

the Fund's Sole Director proposal is a dividend distribution of RON 0.072 per share, in line also with the Annual Cash Distribution Policy. This is conditional to the approval of the proposal to cover the accounting loss on the agenda of 28 April 2021 Ordinary General Shareholders' Meeting.

The proposed dividend will be distributed from 2016 and 2017 unallocated profits as follows:

<b>Proposed gross dividend per share (RON)</b>	(1)	<b>0.0720</b>
Number of shares in issue		7,210,158,254
Less unpaid shares		(363,812,350)
Less treasury shares in balance as at 31 Dec 2020		(797,961,287)
<b>Number of shares entitled to receive dividends<sup>1</sup></b>	(2)	<b><u>6,048,384,617</u></b>
<b>Total proposed dividend (RON), out of which:</b>	(3)=(1)*(2)	<b><u>435,483,692</u></b>
- Distributed from 2016 unallocated profit		166,420,430
- Distributed from 2017 unallocated profit		269,063,262

The total dividend amount payable to shareholders (respectively the approved gross dividend per share multiplied by the number of shares entitled to receive dividends), if the dividend proposal is approved by the general shareholders meeting, may be different compared to the amount stated above due to the fact that between 31 December 2020 and the record date of the distribution, additional treasury shares will be acquired by the Fund under the current buy-back programme. These treasury shares are not entitled to cash distribution and consequently will be deducted from the number of shares included in the distribution calculation above (i.e. the balance as at 31 December 2020). Any difference arising in the total distribution amount will remain available to the Fund under the retained earnings caption.

<sup>1</sup> Computed as at 31 December 2020 as the number of the fully paid shares less treasury shares; unpaid shares along with treasury shares do not constitute dividend entitlement as per Article 67 (2) and Article 105 (1) of Law 31/1990.

**Resolution no. 8 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “**Fund**” or “**Fondul Proprietatea**”) have met during the Shareholders' Ordinary General Meeting (“**OGM**”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“**Sole Director**”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40.4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval to allocate to other reserves an amount of RON 671,941,938 to be used for covering the negative reserves estimated to arise from the cancellation of treasury shares acquired during 2020 through the 11th buy-back programme, in accordance with the supporting materials and annexed to this resolution.

This item is adopted with 2,918,943,455 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

- II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of **The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law. **The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100 % of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 8 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary



*Annex – The proposal for allocation to other reserves, as presented in the supporting materials and in the Shareholders’ Ordinary General Meeting of Fondul Proprietatea S.A. of 28 April 2021*

**Sole Director’s Proposal to allocate amounts to other reserves**

On the agenda of 28 April 2021 Extraordinary General Shareholders’ Meeting, the Fund’s Sole Director proposes the cancellation of the 797,961,287 treasury shares repurchased through the eleventh buy-back programme. The estimated negative reserve that would arise when the cancellation of these shares would be recorded amounts to RON 671,941,938<sup>2</sup>. For prudential reasons, the Fund’s Sole Director recommends that RON 671,941,938 to be allocated to other reserves in order to be available for covering the negative reserves, from the following sources:

	RON
- Distributions for which the statute of limitation occurred	5,573,277
- 2017 unallocated profit	49,099,309
- 2018 unallocated profit	12,536,187
- 2019 unallocated profit	604,733,165

The actual coverage of this negative reserve using the said amount of RON 671,941,938 will be subject to shareholders’ approval during the shareholders’ meeting subsequent to the completion of all cancellation steps.

If the Fund’s Sole Director proposals for the retained profits allocation included on the agenda of 28 April 2021 General Shareholders’ Meeting are approved by the shareholders, the remaining balance of Fund’s unallocated retained earnings will be as follows:

<b>Retained earnings components</b>	<b>Audited balance as at 31 Dec 2020</b>	<b>Amounts proposed for allocation, subject for 28 April 2021 GSM approval</b>	<b>Remaining unallocated balances</b>
2016 unallocated profit	269,399,398	(269,399,398)	-
2017 unallocated profit	318,162,571	(318,162,571)	-
Retained earnings resulted from transition to IFRS 9 starting with 1 January 2018	4,248,175,069	-	4,248,175,069
2018 unallocated profit	12,536,187	(12,536,187)	-
2019 unallocated profit	2,319,385,862	(604,733,165)	1,714,652,697
Loss for the year ended 31 December 2020	(102,978,968)	102,978,968	-
<b>Total retained earnings</b>	<b>7,064,680,119</b>		<b>5,962,827,766</b>

<sup>2</sup> For further details see the memo regarding the share capital decrease published on the Fund’s website as supporting documentation for the annual General Shareholders Meeting held on 28 April 2021: [www.fondulproprietatea.ro/Investor-Relations/GSM-information/GSM-documentation](http://www.fondulproprietatea.ro/Investor-Relations/GSM-information/GSM-documentation).

**Resolution no. 9 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “**Fund**” or “**Fondul Proprietatea**”) have met during the Shareholders' Ordinary General Meeting (“**OGM**”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“**Sole Director**”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The approval of the Remuneration Policy of Fondul Proprietatea, as described in the supporting documentation and annexed to this resolution.

This item is adopted with 2,909,193,655 votes, representing 99.6660% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,909,193,655 votes "for" and 0 votes "against". There were also registered: 9,749,800 abstains, no annulled votes and no votes „not given”.

- II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

**The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 9 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary

Annex – The Remuneration Policy of Fondul Proprietatea SA, as presented in the supporting materials and in the Shareholders' Ordinary General Meeting of Fondul Proprietatea S.A. of 28 April 2021

## THE REMUNERATION POLICY OF FONDUL PROPRIETATEA SA

Effective starting with 28 April 2021 (subject of shareholders approval)

### Chapter I. Preamble

The Remuneration Policy (*“the Policy”*) of Fondul Proprietatea SA, a joint-stock company incorporated under the laws of Romania, qualifying as an alternative investment fund under Law no. 74/2015 on alternative investment fund managers, Law no. 243/2019 on alternative investment funds, amending and supplementing certain normative acts and as an issuer under Law no. 24/2017 on issuers of financial instruments and market operations (the *“Issuers Law”*), an entity supervised by the Financial Supervisory Authority (*“FSA”*), has been adopted by the Board of Nominees of Fondul Proprietatea SA (*“Fondul Proprietatea / the Fund”*) and will be presented to the 2021 Annual General Meeting of Shareholders for approval, in accordance with the Issuers Law.

Given that (i) Fondul Proprietatea is managed by Franklin International Services S.à r.l., as Sole Director and Alternative Investment Fund Manager (the *“Fund Manager”*), (ii) the management agreement executed between the Fund and the Fund Manager has been approved by the General Meeting of Shareholders of the Fund on 28 June 2019, being in force starting with 1 April 2020, for a period of 2 years (the **“Management Agreement”**)<sup>3</sup>, (iii) Fondul Proprietatea does not have its own staff, (iv) the Fund Manager has its own remuneration policy (*“Fund Manager Remuneration Policy”*) in accordance with Directive 2011/61/EU on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (*“AIFMD”*)<sup>4</sup>, this Policy mainly reflects the understandings already in place with the Fund Manager, in accordance with the Management Agreement.

The Policy contributes to the Fund's business strategy and long-term interests and sustainability. This is consistent with and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles, rules or the constitutive act of the Fund.

The intention is that this Policy to be valid until the expiration of the mandate of the current Fund Manager, unless significant events occur (i.e., change of remunerations' level), case in which an updated Policy will be presented for approval to the General Meeting of Shareholders.

### Chapter II. Purpose

The purpose of this Policy is to set forth the corporate governance principles with regards the remuneration of the (i) Fund Manager and of the (ii) Board of Nominees members, as stipulated under the Issuers Law, the Corporate Governance Code issued by the Bucharest Stock Exchange, as revised on September 11, 2015.

### Chapter III. General criteria

In order to promote the development of the corporate governance subject to the application of the best practices and achievement of a prudent management, while also considering that the representatives of the Fund Manager are remunerated in accordance with the Fund Manager Remuneration Policy and AIFMD, the Fund should follow certain requirements underlying the application of corporate governance principles with respect to the remuneration of executive management/senior management, as follows:

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<sup>3</sup> The Management Agreement is available on the Fund's website at: <https://www.fondulproprietatea.ro/files/live/sites/fondul/files/ro/corporate-governance/Contract%20de%20administrare%20in%20vigoare%201%20aprilie%202020.pdf>

<sup>4</sup> A summary of the Fund Manager remuneration policy is available at [https://www.franklintempleton.lu/download/en-lu/common/ilrkb6k/FTIS Remuneration Statement Final.pdf](https://www.franklintempleton.lu/download/en-lu/common/ilrkb6k/FTIS%20Remuneration%20Statement%20Final.pdf)

- a) The remuneration policy shall be analyzed and set by the Board of Nominees so that it corresponds to the business strategy, objectives and long-term interests of the Fund and that it covers measures for the prevention of conflicts of interest;
- b) The Board of Nominees shall ensure that all commitments to remuneration are properly and responsibly structured and that the remuneration policies allow and promote an efficient risk management without leading to a risk-taking which may exceed the level of the regulated entity's risk tolerance;
- c) The level of the remuneration shall be established in close connection with the responsibilities and commitments of the duties;
- d) The existence of the procedure for the recruitment and selection of the Fund Manager and of its permanent representatives, appointed in accordance with article 153<sup>13</sup> of Companies' Law no. 31/1990, and the members of the Board of Nominees, and the renewal of the existing mandates.

Taking into consideration that the Fund Manager has its own remuneration policy, the Board of Nominees acknowledges that the Fund Manager Remuneration Policy reflects sound remuneration principles, aligning the personal objectives of its staff with the long-term interest of the Fund Manager and Fondul Proprietatea SA.

#### **Chapter IV. Governance and decision-making process**

In order to comply with the legal provisions in force with respect to corporate governance principles, Fondul Proprietatea shall pay the remuneration to the Fund Manager and to the members of the Board of Nominees in accordance with a remuneration policy that has been approved by the annual ordinary general meeting of shareholders, but also complying with the Management Agreement. The Policy is submitted to a vote by the general meeting at every material change and, in any case, at least every four years.

In case the annual general meeting of the Fund's shareholders does not approve the proposed new policy, the Fund shall continue to pay remuneration in accordance with the existing approved policy and shall submit a revised policy for approval at the following general meeting, even if this is not an annually general meeting.

The revised policy will also include (i) a description of all significant policy's amendments and how shareholders' votes and views on remuneration policy are taken into account, and (ii) a report since the last vote of the general meeting of shareholders on the remuneration policy.

In terms of decision-making process, the following corporate bodies are involved within the drafting, submission for approval, approval and implementation of the Policy.

##### *The Ordinary General Meeting of Shareholders*

- Approves the Policy and any amendment thereto;
- Reviews the Performance Report, as defined below, prepared by the Fund Manager, as well as the review report of the Board of Nominees, in accordance with the Management Agreement;
- Approves the remuneration of the Fund Manager and of the Board of Nominees' members.

##### *The Fund Manager*

- Submits to the Board of Nominees a report on activities and performance of the Fund Manager in the relevant period, in accordance with the Management Agreement (the "*Performance Report*").

##### *The Board of Nominees*

- Drafts the Policy and any related remuneration document (based on the recommendations of the Nomination and Remuneration Committee);
- Prepares and submit for the information of shareholders at the Annual GSM a review of the Performance Report, evaluating the performance of the Fund Manager, in accordance with the Management Agreement;
- Oversees and assess the performance of the duties by the Fund Manager, in accordance with the Management Agreement and constitutive act of the Fund.

## *The Nomination and Remuneration Committee*

A Nomination and Remuneration Committee composed of members of the Board of Nominees was established to help the governing bodies of the Fund in the area of nomination and changes in remuneration, to take well-grounded decisions based on adequate and thorough analysis.

The Nomination and Remuneration Committee:

- Prepares recommendations to the Board of Nominees, regarding the remuneration of the Fund Manager and of the Board of Nominees' members;
- Provides its support and advice to the Board of Nominees on the design of the Fund's overall remuneration policy;
- Reviews the appointment of external remuneration consultants that the Board of Nominees may decide to engage for advice or support;
- Supports the Board of Nominees in overseeing the remuneration system's design and operation;
- Devotes specific attention to the assessment of the mechanisms adopted to ensure that the overall remuneration policy is consistent with the business strategy, objectives, values and interests of the Fund and the investors of Fondul Proprietatea.

## **Chapter V – Remuneration of the Fund Manager and of the Board of Nominees**

### *A. The remuneration of the Fund Manager*

#### **1. Corporate Governance principles setting the remuneration of the Fund Manager**

The remuneration of the Fund Manager of Fondul Proprietatea is part of the Management Agreement negotiated with the Fund Manager and approved by shareholders.

The current remuneration of the Fund Manager is guided by the Management Agreement signed between Fondul Proprietatea and the Fund Manager (the “*Management Agreement*”).

#### **2. The description of the Fund Manager's remuneration**

The remuneration due to the Fund Manager is calculated in RON and invoiced and paid in Euro by Fondul Proprietatea in compliance with the following: the amount calculated in RON will be converted into Euro using the official exchange rate for RON to Euro published by National Bank of Romania in the last banking day of the period invoiced.

The remuneration is calculated as (i) a Base remuneration, and (ii) a Distribution remuneration, in each case as set out below and in respect of each Calculation Period.

##### **2.1 Base Remuneration**

A base remuneration (the “**Base Remuneration**”) shall be calculated as follows:

Base Remuneration Rate *multiplied by* the notional amount, *multiplied by* the number of calendar days during the applicable Calculation Period *divided by* 365, where:

the “**Base Remuneration Rate**” = 60 basis points per year;

1 basis point = 0.0001; and

the “**notional amount**” is the market capitalization of Fondul Proprietatea, which is defined as:

- (a) the number of Fondul Proprietatea's paid shares considered on daily basis, *minus*
- (b) the weighted average over the applicable Calculation Period of the number of Fondul Proprietatea's settled own shares together with the number of Fondul Proprietatea's equivalent ordinary shares represented by Global Depositary Receipts (“**FP GDRs**”), in each case where those shares or FP GDRs are held by Fondul Proprietatea as treasury shares,
- (c) then multiplying the resulting number by the weighted average market price of Fondul Proprietatea's shares calculated for the applicable Calculation Period.

The “**weighted average market price**” shall be computed based on the daily average market prices of Fondul Proprietatea’s shares and corresponding daily volumes, as published by Bucharest Stock Exchange REGS section.

If the number of shares relevant for the computation of the Base Remuneration described above in (a) and (b) changes over the Calculation Period, the Base Remuneration will be an aggregation of the computation for each sub-period.

“**Sub-period**” is defined as the number of days between two trading dates. The calculation in each subperiods starts on the settlement date of the first transaction (or the beginning of the mandate) and shall end on the date prior to the settlement date of the next transaction (or the end of the mandate).

For each day in a Calculation Period for which the Base Remuneration is to be calculated, when the Discount is below or equal to 20%, but above 15%, an additional Base Remuneration Rate of 5 basis points per year shall become payable (i.e. the Base Remuneration Rate referred to in the calculation above shall become 65 basis points per year for the applicable days in the relevant period).

For each day in a Calculation Period for which the Base Remuneration is to be calculated, when the Discount is equal or below 15%, a further additional Base Remuneration Rate of 5 basis points per year shall become payable (i.e. the Base Remuneration Rate referred to in the calculation above shall become 70 basis points per year for the applicable days in the relevant period).

As the Base Remuneration (including any additional remuneration determined under the previous two paragraphs) is computed using the number of days in a calendar year (365 days), the Base Remuneration Rate used for non-trading days will be the rate applied for the prior trading day.

## 2.2 Variable remuneration - **Distribution Remuneration**

It is recognized that distributions beneficial to shareholders would reduce the notional amount upon which the Base Fee is calculated. To reward the Fund Manager for arranging such distributions, a variable remuneration shall be calculated as follows (an amount so calculated in respect of a particular period, a “**Distribution Fee**”): 100 basis points.

“**Distributions**” means:

- (i) repurchases of Fund shares;
- (ii) repurchases of Fund GDRs and/or Depositary Interests (“DI”);
- (iii) dividends; and
- (iv) returns of share capital.

The calculation of the Distribution Fee shall be made when such distributions become available to shareholders. In case of a repurchase of own shares or of FP GDRs, the calculation of the Distribution Fee shall be made at the date when the own shares repurchase transactions or FP GDRs transactions are settled (i.e. settlement date).

For FP GDRs transactions, the Distribution Fee will be computed taken into account the official exchange rate published by the National Bank of Romania for the date of settlement of FP GDRs transactions.

Any failure on the part of any shareholder to collect, or to take the necessary steps to facilitate the receipt of the distributions made available will not result in any adjustment of the calculation of the Distribution Fee due to the Fund Manager.

## 2.3 Remuneration of the staff

Fondul Proprietatea does not have own staff, all the necessary services being provided by the Fund Manager, through its own staff and contractors.

The remuneration of the Fund Manager’s staff is detailed under the Fund Manager Remuneration Policy.

While a summary of the Fund Manager Remuneration Policy is available at [https://www.franklintempleton.lu/download/en-lu/common/ilrkbd6k/FTIS\\_Remuneration\\_Statement\\_Final.pdf](https://www.franklintempleton.lu/download/en-lu/common/ilrkbd6k/FTIS_Remuneration_Statement_Final.pdf), the Board of Nominees acknowledges that the key principles of the Fund Manager Remuneration Policy are adequate, as follows:

- (i) alignment of the personal objectives of the staff with the long-term interest of the Fund Manager and of Fondul Proprietatea;
- (ii) aiming at mitigating incentives practices which could encourage employees to take unnecessary risk;
- (iii) remuneration shared between fixed and variable components, with fixed salaries set as a sufficiently high proportion of the total remuneration so that the Fund Manager is able to operate a fully flexible bonus policy, including the possibility to pay no bonus.

## **2.4 Payments**

### 2.4.1. Fund Manager

- (a) The Base remuneration shall be paid by Fondul Proprietatea quarterly, based on the invoices to be issued by the Fund Manager within twenty (20) business days following the end of the quarter for which payment is to be made.
- (b) The Distribution remuneration shall be paid by Fondul Proprietatea quarterly, based on the invoices to be issued by the Fund Manager within twenty (20) business days following the end of the quarter for which the Distribution remuneration was calculated.
- (c) The invoices for the Base remuneration and the Distribution remuneration shall be submitted to the Depository.
- (d) The Fund Manager shall provide to the Board of Nominees quarterly and on an annual basis and upon reasonable request of the Board of Nominees a detailed report regarding the remuneration collected under the Management Agreement, in the form reasonably required by the Board of Nominees.
- (e) The payment of the remuneration shall be done within thirty (30) business days of the receipt of the applicable invoice.

### 2.4.2. Fund Manager's staff

The remuneration of the Fund Manager's staff is approved by the Compensation Committee of Franklin Resources Inc., the ultimate parent company, in accordance with the Fund Manager Remuneration Policy.

The FRI Compensation Committee is composed of three non-executive members of the Board of Directors of Franklin Resources Inc. who are independent under applicable corporate governance standards of the New York Stock Exchange.

The FRI Compensation Committee meets at least once a quarter and periodically reviews the general principles of the FRI remuneration policy. Each year the FRI Compensation Committee sets the annual incentive compensation plan (AIP) pool by considering in particular factors such as FRI's pre-bonus operating income, the overall company performance (actual and projected) as well as investment performance, profitability growth and the overall market environment.

The Fund Manager Remuneration Policy also provides for specific bonuses' claw back and deferral provisions with respect to the Fund Manager's staff.

## **2.5 Verification**

The payment of the Base remuneration and the Distribution remuneration shall be arranged by the Fund Manager only after the verification and certification by the Depository of the correctness of the following amounts used in the calculation of those fees: the notional amount, the value of distributions, and all the other items used in calculation of the remuneration, as well as the methods for determining the remuneration.

### **3. Duration of the mandates of the Fund Manager, notice period and potential compensation for revocation without cause**

In accordance with the Constitutive Act, the duration of mandate of the Fund Manager is of two (2) years.



Fondul Proprietatea may unilaterally and at its sole discretion terminate the Management Agreement, at any time, on three months' prior written notice to the Fund Manager, based on an OGM resolution for approving the simultaneous termination of the mandate and of the Management Agreement.

For the avoidance of any doubt, termination of the mandate and of the Management Agreement will not entitle the Fund Manager to any damages or the payment of any amounts other than the remuneration to be paid in accordance with the clauses above.

The Fund Manager may terminate the Management Agreement and resign its mandate with six months' prior written notice.

Not later than five business days following the termination notice date provided by the Fund Manager, but subject to timely approval of the GSM agenda by the Board of Nominees, the Fund Manager will call the OGM having on the agenda the approval of the procedure for the selection of a new sole director and alternative investment fund manager. Such procedure will be prepared by the Fund Manager and agreed with the Board of Nominees before its submission to an OGM for approval.

In the event a termination notice is sent, the Fund Manager shall be paid on a pro rata basis with the duration of the provision of the services. For the avoidance of doubt, in such a case, the Fund Manager's, pro rata remuneration will be for a period of at least 3 months.

***B. The remuneration of the Board of Nominees' members***

***1. Corporate Governance principles setting the remuneration of the Board of Nominees' members***

Each member of the Board of Nominees receives a fixed remuneration; no malus/claw back arrangement is in place.

The remuneration of the members of the Board of Nominees is approved by the shareholders, within the Ordinary General Meeting.

The current remuneration was approved on 14 February 2018, as detailed in Resolution no. 5/2018 of the Fund's Ordinary General Meeting of Shareholders published on the webpage of Fondul Proprietatea.

***2. Description of the remuneration of the Board of Nominees' members***

The gross monthly remuneration of each member of the Board of Nominees is RON 24,123 starting with 1 January 2018 and shall be paid in accordance with the provisions of the mandate agreement signed between each member of the Board of Nominees and the Fund.

The format of the mandate agreement for the members of the Board of Nominees is approved by the Fund's Ordinary General Shareholders Meeting.

***3. Duration of the mandates of the Board of Nominees' members, their notice period and possible compensation for revocation without cause***

The mandate of the members of the Board of Nominees is of three (3) years, period to be extended by right, until the first meeting of the Ordinary General Meeting of the Shareholders. There is no notice period and no compensation for revocation without cause.

## **Chapter VI - The recruitment and selection procedure for the Fund Manager and the Board of Nominees**

Fondul Proprietatea, as an entity supervised by the FSA, shall have in place a procedure for the recruitment and selection of the Fund Manager and of the members of the Board of Nominees, as well as certain provisions for the renewal of the existing mandates.

The recruitment and the selection procedure of both the Fund Manager and of the Board of Nominees of Fondul Proprietatea are set out under the Fund's Constitutive Act.

Thus, according to Article 12 paragraph (2) of the Fund's Constitutive Act, the Ordinary General Shareholders Meeting has, among its competencies, the following:

- to appoint the members of the Board of Nominees and to cancel their appointment;
- to appoint the Alternative Investment Fund Manager in accordance with the law and to cancel its appointment;
- to rule over the management of the Alternative Investment Fund Manager and to evaluate his/her performances and to discharge him/her from its management,

#### **A. The procedure of the recruitment and the selection of the Fund Manager**

As Fondul Proprietatea's management system is a unitary system, the ordinary general shareholders meeting has appointed a sole director and alternative investment fund manager, which is represented in Romania by the individuals as permanent representatives appointed in accordance with Article 153<sup>13</sup> of Companies' Law no. 31/1990.

The mandate of the Alternative Investment Fund Manager is of two (2) years.

The Alternative Investment Fund Manager will call an Ordinary General Meeting of the Shareholders to be held at least six (6) months before the termination of the duration of the mandate of the Alternative Investment Fund Manager with the agenda of approving the renewal of the Alternative Investment Fund Manager's mandate or starting the selection process of a new Alternative Investment Fund Manager and the negotiation of the management agreement to be concluded.

#### **B. The procedure of the recruitment and the selection of the members of the Board of Nominees**

The procedure for the selection and the recruitment of the members of the Board of Nominees is set out under the provisions of the Fund's Constitutive Act.

Thus, Article 13 paragraph (8) mentions that: *"In case the agenda includes the appointment of the members of the Board of Nominees, the notice shall mention that the list including information regarding the name, the residence and professional training of the persons proposed for the position of member of the Board of Nominees is available to the shareholders, to be further reviewed and completed by shareholders."*

Further, Article 15 provides that the ordinary general meeting of the shareholders shall appoint the Board of Nominees, formed of 5 members, and shall establish their remuneration.

Any shareholder will have the right to make proposals on the members of the Board of Nominees.

The members of the Board of Nominees may be shareholders of Fondul Proprietatea or other persons designated by the shareholders and they must have the proper experience and knowledge in order to be able to receive the Alternative Investment Fund Manager reports and of the consultants and, based on the information received, judge the merits of the management of Fondul Proprietatea within the limits of the objectives and principles set by the investment policy as well as by the applicable laws and regulations.

Also, the members of the Board of Nominees have to be qualified properly in order to decide (if there is need with the support of an independent consultant) if the transactions proposed by the Alternative Investment Fund Manager needing the approval of the Board of Nominees are made to the advantage of the shareholders.

The mandate of the members of the Board of Nominees is of three (3) years, period to be extended by right, until the first meeting of the Ordinary General Meeting of the Shareholders.

The Board of Nominees elects amongst its members a chairman.

## **Chapter VII. Avoiding conflicts of interest**

This Policy is drafted based on the principle of avoiding conflicts of interest and includes measures that ensure professional and responsible behavior at the level of Fondul Proprietatea.

The Fund Manager and the Board of Nominees' members are required to act with due diligence and to conduct themselves in a manner and with such ethics and integrity so as to avoid a conflict of interest, either real or apparent.

A "conflict of interest" represents that situation or circumstance that may arise in the operational or decision-making process, where the private interest, directly or indirectly, of a person holding a key position within the Fund interposes with the interests of the Fund and affects or could affect her/his independence and impartiality in decision-making, professional reasoning or the timely and objective performance of duties or that could affect, by its nature, the integrity or stability of Fondul Proprietatea and the financial market. In this respect, the Fund Manager and the Board of Nominees' members should avoid activities, interests and other relationships that might be opposed to the interests of the Fund or might cause a conflict with the performance of their duties.

Measures for avoiding conflicts of interest:

- the remuneration level of the Fund Manager and of the Board of Nominees' members shall be established in close connection with the responsibilities and commitments of their duties, in accordance with the provisions of the Management Agreement or of the mandate agreement;
- the shareholder who is also a member of the Board of Nominees will not participate in the decision on his / her remuneration package and / or mandate contract;
- the removal of any direct link between the remuneration of relevant persons who mainly carry out a particular activity and the remuneration of other relevant persons, who carry out mainly other activity, when the activities in question may give rise to a conflict of interests;
- the use of the position held within the Fund in the interest of persons with whom there are blood relations or other extra-professional relations in remuneration practices is prohibited; in order to avoid conflicts of interest, the aim is to avoid appointing people to such positions, which is why each candidate for the position of Board of Nominees must provide a questionnaire on his independence which will be the basis of the independence analysis carried out by the Board of Nominees.

## **Chapter VIII. Deviations from the Policy**

The Board of Nominees, upon recommendations of the Nomination and Remuneration Committee, in exceptional circumstances, may temporarily derogate from any section of the Policy, based on its full discretion, in the following exceptional circumstances:

- (a) upon change of the Fund Manager, in accordance with the new management agreement;
- (b) upon material changes in the Fund's structure, its overall financial and/or operational performance which may require adjustment of the remuneration components;
- (c) in any other circumstance where the derogation may be required to serve the long-term interests and sustainability of the Fund or to assure its viability,

but without increasing the remuneration of the Board of Nominees' members.

In addition, change of the relevant legislation may result in derogations from the Policy, outside the discretion of the Fund.

## **Chapter IX. Disclosure**

Once voted by the Annual Ordinary General Meeting of shareholders, the Policy, together with the date and the results of the vote, will be available on the Fund's website, and remains publicly available, free of charge, at least as long as it is applicable.

A paper version will be made available upon request to the Fund.

**Resolution no. 10 / 28 April 2021  
of the Shareholders' Ordinary General Meeting of  
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7<sup>th</sup> floor, sector 1, Bucharest, Romania,  
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2021, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “Fund” or “Fondul Proprietatea”) have met during the Shareholders' Ordinary General Meeting (“OGM”) of the Fund, at its first summoning, at “ATHÉNÉE PALACE HILTON BUCHAREST” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, the OGM being opened by its Chairperson, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“Sole Director”).

Whereas:

- The convening notice of the OGM was published on the Fund's website ([www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)) on 23 February 2021, in the Official Gazette of Romania, Part IV, number 778 of 24 February 2021 and in “Adevărul” newspaper number 8486 of 24 February 2021;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Companies' Law no. 31/1990);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (Issuers' Law);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (Regulation no. 5/2018);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (Law no. 243/2019);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (Regulation no. 7/2020);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (CE Regulation 1212/2018),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGMS, manifesting their vote 47 of shareholders, which represents a number of 2,918,943,455 voting rights (i.e. 48.8570% of the total voting rights at the reference date 31 March 2021, i.e. 5,974,462,574; i.e. 40,4837% of the total number of shares in issue at the reference date 31 March 2021, i.e. 7,210,158,254),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Following debates, the Fund's shareholders decide as follows.

- I. The appointment of Ernst & Young Assurance Services SRL with its headquarters in Bucharest, 15 -17 Ion Mihalache Blvd., Tower Center Building, 22nd Floor, Sector 1, 011171, Romania, registered with the Trade Registry under no. J40/5964/1999, Sole Registration Number 11909783, as the financial auditor of Fondul Proprietatea, setting the duration of the financial audit agreement for the period starting with 1 July 2022 to 31 August 2025; and setting the scope of work of the financial audit agreement: audit of the financial statements of Fondul Proprietatea for 2022, 2023 and 2024 financial years, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, and setting the level of its remuneration for the financial audit services described above at a maximum level (without VAT) of EUR 90,000/ year.

This item is adopted by secret vote with 2,918,943,455 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

- II. The approval of:

- (a) **The date of 27 May 2021** as the *Ex – Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of

**The date of 28 May 2021** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers' Law.

**The date of 22 June 2021** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 2,918,943,455 votes, representing 100 % of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 2,918,943,455 votes "for" and 0 votes "against". There were also registered: no abstains, no annulled votes and no votes „not given”.

This OGM decision no. 10 is drafted on behalf of the shareholders today, 28 April 2021, in 3 original counterparts by:

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**Johan MEYER**  
Chairperson

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**Valeria NISTOR**  
Technical secretary