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Fondul Proprietatea is deeply concerned about the irregularities in the selection of the Board of Directors of CNAB

Bucharest, July 18, 2024 - Fondul Proprietatea ("the Fund") is concerned about the way in which the selection of the Board of Directors of the National Company Bucharest Airports (CNAB) for a four-year term was conducted by the controlling shareholder, the Ministry of Transport and Infrastructure. According to the Fund's asessment, the selection process did not abide to the provisions of the corporate governance legislation, and failed to produce suitable candidates. Shareholders are expected to vote on the appointment of the selected candidates at the General Shareholders' Meeting scheduled for July 19, 2024.

The Fund identified several issues regarding the selection process up to this moment:

- The selection processwas conducted in an untransparent and untimely manner, as the decision to restart the selection process was taken more than two years ago, and it should have been completed in 150 days, as per legal requirements.
- Also, the Fund has noted that most of the candidates on the list communicated by the Ministry of Transport and Infrastructure in discussions preceding this GSM calling are not independent, as 5 out of 7 nominations seem to be employees of public institutions, instead of maximum 2, as per provisions of Government Emergency Ordinance No. 109/2011. There are also no candidates with audit experience, thus contravening another legal provision.
- Even though shareholders are asked to appoint Board members tommorow, the final list of proposals from the Ministry of Transport and Infrastrcutre is still unknown in spite of clear transparency obligations required by the corporate governance legislation.

Johan Meyer, CEO of Franklin Templeton Bucharest and Portfolio Manager of Fondul Proprietatea, said: "*We are deeply concerned about the implementation of corporate governance at Bucharest Airports (CNAB) given the failure to comply with the law in the selection process of the Board of Directors. Despite the critical importance of CNAB to Romania's transportation infrastructure, the process failed to comply with key legal provisions, such as limiting the number of civil servants and including a candidate with financial audit experience. We have already communicated these shortcomings to other stakeholders in the company and the selection process, highlighting that it is essential to have a competent and credible Board of Directors to ensure a sustainable and susccesful future for CNAB. Fondul Proprietatea calls on the relevant authorities to review this process to ensure compliance with the law and to protect the interests of all parties involved*."

In conclusion, Fondul Proprietatea calls on the Ministry of Transport and Infrastructure not to approve the appointment of the members of the Board of Directors of CNAB for a four-year term and to urgently initiate a new fair and transparentselection process for the full Board . In our view, given the high profile of the company and its importance to the country, the selection process needs to produce candidates that through their professional background and reputation would provide a minimum level of assurance of a fair treatment of all stakeholkers, including Fondul Proprietatea.

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Notes to Editors

1. About Fondul Proprietatea

Launched in December 2005, Fondul Proprietatea ("the Fund") was established to compensate Romanians whose properties were confiscated by the former communist government. Following an international tender announced in December 2008, Franklin Templeton Investments was officially appointed as investment manager and sole administrator of the Fund on 29 September 2010.
The Fund is an alternative investment fund and its investment objective is the maximization of returns to shareholders and the increase of the net asset value per share via investments mainly in Romanian equities and equity-linked securities. The Fund listed on the Bucharest Stock Exchange on 25 January 2011 and on the Specialist Fund Market of the London Stock Exchange by means of global depositary receipts ("GDRs") on 29 April 2015.

The headquarters of Fondul Proprietatea SA are at 76-80 Buzesti Street, 7th Floor, Bucharest District 1, 011017, Romania. For more information on Fondul Proprietatea, please visit http://www.fondulproprietatea.ro.

2. About Franklin Templeton Investments

Franklin Resources, Inc. [NYSE:BEN] is a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 155 countries. Franklin Templeton's mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the company offers specialization on a global scale, bringing extensive capabilities in fixed income, equity, alternatives and multi-asset solutions. With offices in more than 30 countries and approximately 1,300 investment professionals, the California-based company has over 75 years of investment experience and approximately of $1.6 trillion in assets under management as of 30 April 2024. For more information, please visit https://www.franklintempleton.com/.

Franklin Templeton established an office in Bucharest in May 2010, with a team of 30 employees, including 6 locally based investment professionals who are further supported by the over 40 portfolio managers and analysts of the wider Templeton Emerging Markets team.

Starting with 1 April 2016, in view of complying with the EU Directive 2011/61 on alternative investment fund managers, the Fund is managed by Franklin Templeton International Services S.À R.L. ("FTIS/ Fund Manager"), 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 B 36.979.

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