

**To: Romanian Financial Supervisory Authority (ASF)
Bucharest Stock Exchange (BVB)
London Stock Exchange (LSE)**

Current report in compliance with the Law 24/2017 on issuers of financial instruments and market operations, the Romanian Capital Market Law no. 297/2004, CNVM Regulation no. 1/2006, and the Bucharest Stock Exchange Code

Report date: **27 March 2018**

Company name: **Societatea Energetică Electrica S.A.**

Headquarters: **9 Grigore Alexandrescu Street, 1st District, Bucharest, Romania**

Phone/fax no.: **004-021-2085999/ 004-021-2085998**

Fiscal Code: **RO 13267221**

Trade Register registration number: **J40/7425/2000**

Subscribed and paid in share capital: **RON 3,459,399,290**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BSE), London Stock Exchange (LSE)**

Significant events to be reported:

Supplement to the convening notice of the General Meeting of Shareholders (GMS) of Societatea Energetică Electrica S.A. (Electrica or the Company) dated 27 April 2018

As regards the Ordinary General Meeting of Shareholders (OGMS) dated 27 April 2018, 10:00 o'clock (Romanian time), on 23 March 2018 Societatea Energetică Electrica S.A. received a request to supplement the agenda filed by the Ministry of Energy, on behalf of the Romanian State, as shareholder owning 48.78% of the Company's share capital.

The updated convening notice of the GMS of Electrica which will be held on 27 April 2018, taking into consideration the request to supplement the agenda, is included in Annex 1 (*Supplementing the convening notice of the General Meeting of Shareholders of Electrica S.A. dated 27 April 2018*) to this report and was approved by the Company's Board of Directors on 26 March 2018. The supplement to the convening notice is to be published in the Official Gazette of Romania, Part IV and in the newspaper Bursa on 27 March 2018.

Information regarding the proposals for new candidates for director positions related to the new items on the agenda of the OGMS of Electrica dated 27 April 2018 introduced following the requests to supplement the agenda of the OGMS mentioned above shall be made available to the shareholders at the Company's Registry Desk as well as on the Company's website at the following address: <https://www.electrica.ro/en/investors/general-meetings-of-shareholders/2018-gms/general-meeting-of-shareholders-as-of-april-27th-2018/>, starting with 27 March 2018 and updated according to the provisions of the supplemented convening notice. The final list of the candidates for director positions will be made available starting with 17 April 2018, 17:00 o'clock (Romanian time).

We would like to mention that the shareholder the Ministry of Energy, on behalf of the Romanian State, requested that the deadline for the proposals submission to be 18 April 2018, 17:00 o'clock

(Romania time), and the list containing information related to name, city of residence, and professional qualification of the persons nominated as directors of the Company to be made available to shareholders starting with 20 April 2018, 17:00 o'clock (Romanian time). For reasons related to ensuring the right of all shareholders to exercise their votes and to be able to carry out a proper analysis of the submitted applications, the Board of Directors assessed, on the basis of internal and external legal opinions, that the deadline for submission of the candidatures to be 13 April 2018, and the final list of the persons proposed as members on the Board of Directors to be made available to shareholders on 17 April 2018, 17:00 o'clock (Romanian time).

CEO

Dan Cătălin Stancu

Annex 1: Supplementing the convening notice of the GMS of Electrica dated 27 April 2018

SUPPLEMENTING THE CONVENING NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS AND THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF SOCIETATEA ENERGETICA ELECTRICA S.A.

The Board of Directors of **SOCIETATEA ENERGETICA ELECTRICA S.A.** (hereinafter the **Company** or **Electrica**), headquartered in Bucharest, 9 Grigore Alexandrescu Str., sector 1, registered with the Commercial Registry under number J40/7425/2000, sole registration code (CUI) RO 13267221, with a subscribed and entirely paid share capital of RON 3,459,399,290,

CONSIDERING

- the initial convening notice of the Ordinary General Meeting of the Company's shareholders (**OGMS**) and the Extraordinary General Meeting of the Company's shareholders (**EGMS**) published in the Official Gazette - Part IV – No. 949 dated 7 March 2018 and in the newspaper *Bursa* No. 43 dated 7 March 2018, as well as on the Company's website at www.electrica.ro *Investors -> General Meeting of Shareholders section* on 7 March 2018,
- the request of the Ministry of Energy, on behalf of the Romanian State as shareholder owning 48.78% of the Company's share capital, formulated through the letter No. 101158/AA/23.03.2018 registered with the Company under No. 9900/3767/23.03.2018, at 10:52 o'clock, to supplement the agenda of the OGMS with the following items (the **Request to Supplement**):
 1. *Election of the members of the Board of Directors of Societatea Energetica ELECTRICA S.A., through the cumulative voting method;*
 2. *Establishment of the mandate's duration for the members elected by applying the cumulative voting method for a period of 4 (four) years;*
 3. *Empowerment of the representative of the Ministry of Energy to sign, on behalf of the Company, the mandate agreements concluded with the members of the Board of Directors.*
- that the initial calling notice needs to be updated and republished following the receipt of the Request to Supplement, also noting that there is no change to the calling notice for the EGMS, the text of which remains as it was in the initial calling notice,

pursuant to the decision of the meeting of the Board of Directors (the **Board of Directors**) of the Company no. 4 dated 6 March 2018 and of the subsequent meeting of the Board of directors no 5 dated 26 March 2018 held following the receipt of the Request to Supplement,

according to the provisions of the Companies Law No. 31/1990 article 117¹, republished, as subsequently amended, Law No. 24/2017 on the issuers of financial instruments and market operations, National Securities Commission Regulation No. 1/2006 regarding issuers and securities

operations, as subsequently amended, National Securities Commission Regulation No. 6/2009 regarding the exercise of certain rights of shareholders in the general meetings of companies, as subsequently amended, and the provisions of the Company's articles of association (the **Articles of Association**),

SUPPLEMENTS

The Agenda of the Company's Ordinary General Meeting of Shareholders from **27 April 2018**, the Agenda of the Company's Extraordinary General Meeting of Shareholders from **27 April 2018** remaining unchanged.

The meetings were convened as it follows:

- OGMS starting at **10:00 o'clock** (*Romanian time*), at the Company's headquarters in Bucharest, 9 Grigore Alexandrescu Str., District 1, postal code 010621, Radu Zane conference room; and
- EGMS starting at **12:00 o'clock** (*Romanian time*), at the Company's headquarters in Bucharest, 9 Grigore Alexandrescu Str., District 1, postal code 010621, Radu Zane conference room;

Should the legal and/or statutory quorum for convening the OGMS respectively the EGMS not be met on the date mentioned above as the date of the first calling, a second OGMS, respectively a second EGMS shall be convened and established for **28 April 2018**, having the same agenda, as follows:

- OGMS starting at **10:00 o'clock** (*Romanian time*), at the Company's headquarters in Bucharest, 9 Grigore Alexandrescu Street, District 1, postal code 010621, *Radu Zane* conference room; and
- EGMS starting at **12:00 o'clock** (*Romanian time*), at the Company's headquarters in Bucharest, 9 Grigore Alexandrescu Street, District 1, postal code 010621, *Radu Zane* conference room.

Only the persons registered as shareholders in the Company's shareholders' register held by Depozitarul Central S.A. at the end of the day on 28 March 2018 (**Reference Date**) have the right to attend and cast their votes in the OGMS and/or EGMS. Should there be a second calling of the OGMS respectively EGMS, the Reference Date remains the same.

The agenda of the OGMS, as it was supplemented, will be the following:

- 1. Approval of the Individual Annual Financial Statements of Electrica at the date and for the financial year ended 31 December 2017, based on the Individual Directors' Annual Report for the year 2017 and the Independent Auditor's Report on the individual annual financial statements of Electrica at the date and for the financial year ended 31 December 2017.**
- 2. Approval of the Consolidated Annual Financial Statements of Electrica at the date and for the financial year ended 31 December 2017, based on the Consolidated Directors' Annual Report for the year 2017 and the Independent Auditor's Report on the consolidated annual financial statements of Electrica at the date and for the financial year ended 31 December 2017.**
- 3. Approval of Electrica's Board of Directors proposal on the distribution of the net profit for the financial year 2017, the approval of the total gross dividend value of lei 245,370,004, the gross dividend per share of lei 0.7237, the date of payment of the dividends, namely 22 June 2018, as set out in the note to the shareholders.**
- 4. Approval of the discharge of liability of the members of the Board of Directors for the financial year 2017.**

5. Approval of the income and expenses budget of Electrica for financial year 2018, at individual level.
6. Approval of the income and expenses budget of Electrica for financial year 2018, at consolidated level.
7. Approval of the appointment as Electrica's financial auditor of DELOITTE AUDIT S.R.L., a limited liability company established and operating in accordance with the Romanian legislation, having its registered office in Bucharest, District 1, 4-8 Nicolae Titulescu Road, Romania, registered with the Trade Register under the number J40/6775/1995, sole registration code (CUI) 7756924, with authorization no. 25, issued by the Romanian Chamber of Financial Auditors on 25.06.2001, as well as setting the term of the financial audit agreement of 3 years, respectively for the financial years 2018, 2019 and 2020.
8. Election of the members of the Board of Directors of Societatea Energetica ELECTRICA S.A., through the cumulative voting method.
9. Establishment of the mandate's duration for the members elected by applying the cumulative voting method for a period of 4 (four) years;
10. Empowerment of the representative of the Ministry of Energy to sign, on behalf of the Company, the mandate agreements concluded with the members of the Board of Directors.
11. Establishment of the date of 8 June 2018 as record date, the date on which the identification of the shareholders who will be affected by Electrica OGSM will take place, including the right to dividends, in conformity with art. 86 of Law no. 24/2017 on Issuers of Financial Instruments and Market Operations.
12. Establishment of the date of 7 June 2018 as ex date, the date on which financial instruments are traded without rights deriving from Electrica OGMS.
13. Empowerment of the Chairman of the Meeting, of the secretary of the meeting and of the technical secretary to jointly sign the OGMS resolution and to perform individually and not jointly any act or formality required by law for its registration of the OGMS resolution with the Trade Register Office of the Bucharest Tribunal, as well as the publication of the OGMS resolution according to the law.

The unchanged agenda of the EGMS will be the following:

1. Approval of the establishment of a Company's working point in Bucharest, 4 – 8 Nicolae Titulescu Road, West Wing, 6th floor, District 1, Romania. At the newly established working point, the Company will carry out activities according to the Company's object of activity.
2. Empowerment of the Chairman of the Meeting, of the secretary of the meeting and of the technical secretary to jointly sign the EGMS resolution and to perform individually and not jointly any act or formality required by law for its registration of the EGMS resolution with the Trade Register Office of the Bucharest Tribunal, as well as the publication of the EGMS resolution according to the law.

DETAILS ON THE OGMS AND EGMS

I. The identification requirements applicable to the shareholders

The identification requirements applicable for the natural person shareholder and/or for his/her proxy and/or for the legal representative/proxy of the legal entity shareholder are:

- (a) for **natural persons shareholders:**

- (i) to be accompanied by the shareholder's identification document or, as the case may be, a copy of the shareholder's identification document (ID for Romanian citizens or passport for foreign citizens), allowing their identification in the Company's shareholders' register held by Depozitarul Central SA;
- (ii) the acknowledgement of the proxy capacity shall be based on the special power-of-attorney or the general power-of-attorney issued by the shareholder, or, in case the shareholder is being represented by a credit institution providing custody services, based on the voting instructions received by way of electronic communication means, without being necessary to issue a special power-of-attorney or a general one; the general power-of-attorney may be granted only to an "intermediary" as defined in the capital market legislation, or to a lawyer;
- (iii) copy of the identification document of the proxy or the representative of the proxy that are natural persons (ID for Romanian citizens or passport for foreign citizens),
- (iv) in case of votes submitted by a legal person proxy: the proof of the natural person's capacity that represents the legal person proxy; the proof shall be made by an ascertaining certificate of the legal person representative (not older than 30 days at the date of the OGMS/EGMS)/the similar documents to the ones mentioned above (not older than 30 days at the date of the OGMS/EGMS), or by a power of attorney issued by the legal representative of the legal person proxy, as it is registered at the Trade Register or similar authorities, together with the ascertaining certificate or similar documents (no older than 30 days at the date of the OGMS/EGMS).

AND

(b) for **legal persons shareholders:**

- (i) acknowledgement/confirmation of the legal representative capacity shall be based on the list of shareholders received from Depozitarul Central SA; nevertheless, if the shareholder/the person having this obligation has not timely informed Depozitarul Central SA with respect to its legal representative (so that the shareholders' register reflects this on the Reference Date), then the ascertaining certificate (not older than 30 days at the date of the OGMS/EGMS)/documents similar to those mentioned above (not older than 30 days at the date of the OGMS/EGMS) must prove the legal representative capacity of the legal person shareholder or, in the case of the Romanian State, a copy of the document proving the legal representative capacity of the one representing it;
- (ii) acknowledgement of the conventional representative/proxy capacity shall be based on the special power of attorney issued by the legal representative of the shareholder, identified according to letter (i) above or based on the general power of attorney issued by the legal representative of the shareholder (the latter may be granted only to an "intermediary" as defined in the capital market legislation, or to a lawyer) or, in the case of shareholders that are international organizations, based on a special or general power of attorney (the latter may be granted only to an "intermediary" as defined in the capital market legislation, or to a lawyer) granted under the standard procedure used by that organization, accompanied by all the supporting documents on the quality of the signatories; in case the shareholder is being represented by a credit institution providing custody services, based on the voting instructions received by way of electronic communication means, without being necessary to issue a special power-of-attorney or a general one;
- (iii) copy of the identification document of the legal representative/proxy (ID for Romanian citizens or passport for foreign citizens).

- (iv) in case of votes submitted by legal person proxy: the proof of the natural's person capacity that represents the legal person proxy; the proof shall be made by an ascertaining certificate (not older than 30 days at the date of the OGMS/EGMS)/ documents similar to those mentioned above (not older than 30 days at the date of the OGMS/EGMS) or by a power of attorney issued by the legal representative of the legal person proxy, as it is registered at the Trade Registry or similar authorities, together with the ascertaining certificate or similar documents (no older than 30 days at the date of the OGMS/EGMS).

The documents certifying the capacity of the legal/conventional representative/proxy that are drafted in a foreign language other than English shall be accompanied by a translation made by an authorised translator in Romanian and/or in English.

II. Information materials regarding the agenda

The following documents shall be made available to the shareholders, in Romanian and in English, in electronic format on the Company's website at www.electrica.ro, under "*Investors section > General Meeting of Shareholders*", and in hardcopy at the Company's Registry Desk located at its headquarters in Bucharest, 9 Grigore Alexandrescu Street, District 1, which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays:

1. From the convening date and until (and including) the date of the OGSM, respectively EGMS, in the first or the second convening:
 - (a) the OGSM Convening Notice and the EGSM Convening Notice;
 - (b) the Individual Annual Financial Statements of Electrica for the financial year 2017;
 - (c) the Consolidated Annual Financial Statements of Electrica for the financial year 2017;
 - (d) the note regarding the proposal of the distribution of the dividends to the shareholders of Electrica;
 - (e) the annual report of the board of directors, at individual level;
 - (f) the annual report of the board of directors, at consolidated level.
2. Starting with 19 March 2018 and until (and including) the date of the OGSM, respectively EGMS in the first or the second convening:
 - (a) the total number of shares and the voting rights at the calling date;
 - (b) the full text of the draft resolutions proposed to be adopted by the OGMS and, respectively EGMS;
 - (c) the form of general/special powers of attorney to be used for voting by representative;
 - (d) the voting ballot form for the vote by correspondence;
 - (e) the documents to be presented to the OGMS and, respectively EGMS;
 - (f) other information/documents regarding the items included on the agenda of the OGMS, respectively EGMS.

The documents mentioned at point 1.(a) and point 2.(b), (c), (d) and (e) shall be updated and republished if new items will be added to the agenda of OGSM, respectively EGMS.

In order to obtain hard copies of the Annual Financial Statements, at individual or consolidated level, of the Annual Report of the Board of Directors as well as the distribution of the dividends, shareholders must address requests in writing in this regard at the Company's Registry Desk (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays) or to the email address ir@electrica.ro, so that these are received by the Company starting with 7 March 2018. The Company shall provide

the shareholders, through its Registry Desk, with copies of the requested documents within maximum 2 business days from the request.

In order to obtain hard copies of all other documents, shareholders must address requests in writing in this regard at the Company's Registry Desk (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays) or to the email address ir@electrica.ro, so that these are received by the Company starting with 16:00 o'clock (Romanian time) on 19 March 2018. The Company shall provide the shareholders, through its Registry Desk, with copies of the requested documents within maximum 2 business days from the request.

III. Questions regarding the agenda/the Company's activity

The Company's shareholders, subject to fulfilling the identification requirements set out above in Section I (*The identification requirements applicable to the shareholders*), may ask questions in writing, in Romanian or in English, regarding the items on the agenda of the OGMS or the EGMS/the Company's activity, prior to the date of the OGMS and respectively the EGMS. These questions shall be addressed to the Company's Board of Directors and shall be sent either (i) in hardcopy (in person or by post/courier services, with confirmation of receipt), at the Company's Registry Desk (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays), or (ii) via e-mail, with incorporated extended electronic signature, as per Law no. 455/2001 on the electronic signature, at ir@electrica.ro, so as to be received by the Company until **26 April 2018, 10:00 o'clock (Romanian time)**, stating clearly in writing in capital letters: "**QUESTIONS REGARDING THE AGENDA/THE COMPANY'S ACTIVITY – FOR THE OGMS/EGMS DATED 27 APRIL 2018**".

As regards questions addressed in hardcopy, they must be signed by the shareholders that are natural persons or by the legal representatives of the shareholders that are legal persons.

The Company shall answer these questions during the OGMS or, as the case may be, EGMS meeting and it may give a general answer to questions with the same content. Also, an answer is considered given if the relevant information is available on the Company's website, at www.electrica.ro, under *Investors section > The General Meeting of Shareholders*.

i. The right of shareholders to add new items on the OGMS/EGMS agenda

Shareholders representing, individually or together, at least 5% of the Company's share capital are entitled, within no more than 15 days from the publication of the OGMS and respectively the EGMS convening notice, to request in writing that new items are added on each of the general meeting's agenda.

These requests made by the shareholders must fulfil the following cumulative conditions:

- (c) to be accompanied by documents evidencing the fulfilment of the identification requirements mentioned in Section I (*The identification requirements applicable to the shareholders*) above, applicable both to the shareholders that are natural persons and/or to the legal representative of the shareholders that are legal persons and that request the addition of new items on the agenda of OGMS/EGMS, and that shall be sent to the Company as per the provisions of letter (c) below;
- (d) each new item to be accompanied by a justification or by a draft resolution proposed to be adopted by the OGMS or the EGMS to which it refers. Those shareholders are also entitled to present in writing draft resolutions for the items included or proposed to be included on the agenda of the OGMS/EGMS;
- (e) to be addressed to the Company's Board of Directors and sent in writing, within the legal deadline, either (i) in hardcopy (in person or by post/courier services, with confirmation of

receipt), at the Company's Registry Desk at the Company's headquarters (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays), or (ii) via e-mail, with incorporated extended electronic signature, as per Law no. 445/2001 on the electronic signature, at ir@electrica.ro, so as to be received by the Company until **23 March 2018, 14:30 o'clock** (Romanian time). Both means of transmission must state clearly in writing in capital letters: "*PROPOSAL OF NEW ITEMS ON THE AGENDA – FOR THE OGMS / EGMS DATED 27 APRIL 2018*";

- (f) for the questions sent in hardcopy, they must be signed by the shareholders that are natural persons or by the legal representatives of the shareholders that are legal persons.

The documents justifying the proposals for the introduction of new items on the agenda and the corresponding draft resolution, together with the updated convening notice, will be available to the shareholders, if the case, as of the date of **27 March 2018, 16:00 o'clock** (Romanian time), at the Company's Registry Desk (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays), as well as on the Company's website at www.electrica.ro, under *Investors section > The General Meeting of Shareholders* and the updated convening notice will also be published in the *Official Gazette* of Romania and a widespread daily newspaper in accordance with the legal provisions.

ii. *The shareholders' right to propose candidates for the position of directors of the Company that will be elected by applying the cumulative voting method*

According to the provisions of the National Securities Commission Regulation No. 1/2006 regarding issuers and securities operations, when the members of the board of directors are elected using the cumulative voting method, the directors in office until the date of OGMS are automatically included by operation of law on the candidates' list for being elected in the new Board of Directors. The directors in office at the date of the OGMS that are not reappointed by the cumulative voting in the new Board of Directors shall be deemed to have been revoked, their mandate being consequently terminated.

The shareholders of the Company have the right to propose candidates for directors, in accordance with the law and the Articles of Association. The proposals shall be submitted either (i) in hardcopy (in person or by courier services, with confirmation of receipt), at the Company's Registry Desk (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays), or (ii) via e-mail, with incorporated extended electronic signature, as per Law 455/2001 on the electronic signature, at the address ir@electrica.ro, until **13 April 2018**. Both means of submission shall state clearly in writing in capital letters: "*CANDIDATES PROPOSALS - FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS DATED 27 APRIL 2018*".

As regards the identification of shareholders, the proposals of the shareholders must be accompanied by documents evidencing the fulfilment of the identification requirements mentioned in Section I (*The identification requirements applicable to the shareholders*) above.

As regards the candidates, each proposal shall be accompanied by at least the following documents:

- (a) Curriculum Vitae of the candidate reflecting his professional training and experience;
- (b) A copy of the candidate's identity card;
- (c) In case of proposals for independent candidates, ascertaining documents evidencing that the respective candidate meets the requirements under Article 18, para (2), letters a) – k) of the Articles of Association, including an authenticated affidavit issued by the candidate certifying

that such candidate meets all the independence criteria and conditions established by the law and the Articles of Association.

Such ascertaining documents will be verified by the Nomination and Remuneration Committee established in the Board of Directors of the Company.

The preliminary list containing information related to name, city of residence, and professional qualification of the persons proposed as directors shall be made available to the shareholders starting with **27 March 2018, 16:00 o'clock** (Romanian time), at the Company's Registry Desk (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays), as well as on the Company's website at www.electrica.ro, under *Investors section -> The General Meeting of Shareholders*.

The preliminary list will be periodically updated to the extent that new proposals are received, at most once a day. According to article 19(5) item (ii) of the Articles of Association, the Nomination and Remuneration Committee assesses that each candidate complies with the applicable criteria. Following such assessment, according to the article 19(5) item (iii) of the Articles of Association of the Company, the Nomination and Remuneration Committee proposes and recommends the final list of candidates. Such final list containing information related to name, city of residence, and professional qualification of the persons proposed as directors, as well as the updated voting ballot form for the vote by correspondence and the updated form of special powers of attorney to be used for voting by representative, shall be made available to the shareholders as of **17 April 2018, 17:00 o'clock** (Romanian time), at the Company's Registry Desk, as well as on the Company's website at www.electrica.ro, under *Investors section -> The General Meeting of Shareholders*.

iii. Other information related to cumulative voting method

The application of the cumulative voting method involves choosing the entire Board of Directors within the OGMS. Each shareholder has the right to assign its cumulative votes (votes obtained by multiplying the votes held by any shareholder, according to the participation to the share capital, by the number of directors that are to form the Board of Directors) to one or more persons proposed to be elected in the Board of Directors.

As also detailed in the voting ballot forms, in exercising the cumulative voting, shareholders can cast all the cumulative votes to one candidate or to several candidates. The number of casted votes shall be mentioned for each candidate. The number of votes casted by a shareholder on the voting ballot form cannot exceed the number of cumulative votes of the respective shareholder, under penalty of cancellation of the voting ballot form.

iv. Participation of the shareholders to the OGMS and EGMS

The shareholders registered on the Reference Date in the Company's shareholders' register kept by Depozitarul Central SA may attend the OGMS and, respectively the EGMS and vote:

- in person by direct vote;
- through a representative with a special or general power of attorney (the latter may be granted only to an "intermediary" as defined in the capital market legislation, or to a lawyer); or, in case the shareholder is being represented by a credit institution providing custody services, based on the voting instructions received by way of electronic communication means, without being necessary to issue a special power-of-attorney or a general one;
- by correspondence.

(g) Voting in person

In case of voting in person, the shareholders that are natural persons and the shareholders that are legal persons shall be entitled to participate in the OGMS and EGMS by the mere proof of

their identity, and their legal representatives', respectively, as the case may be, according to the identification requirements mentioned in Section I (*The identification requirements applicable to the shareholders*) above.

(h) Voting through a representative with a special or a general power of attorney

The representation of shareholders in the OGMS and/or EGMS may be done through a representative/proxy, who may be another shareholder or a third party, by filling in and signing the form for the special power of attorney. In case of the discussion within the OGMS/EGMS, in accordance with the legal provisions, of items not included on the published agenda, the proxy may vote in their respect according to the interest of the represented shareholder.

A shareholder may also grant a valid general power of attorney for a period **that shall not exceed 3 years**, allowing its representative to vote in all matters debated by the OGMS/EGMS, including the acts of disposal, under the condition that the power of attorney is granted by the shareholder, as client, to an "intermediary", as defined in the capital market legislation, or to a lawyer. In case the shareholder is being represented by a credit institution providing custody services, the latter may vote in the OGMS / EGMS based on the voting instructions received by way of electronic communication means, without being necessary the issuance of a special power-of-attorney or a general one. The custodian bank shall vote solely in accordance with and within the limits of instructions received from its clients, in their capacity as shareholders at the reference date.

A shareholder may appoint only one person to represent it at the OGMS / EGMS meeting. Nevertheless, a shareholder may appoint by its power of attorney one or more substitute representatives to ensure its representation in the OGMS/EGMS in case the appointed representative is unable to fulfil its mandate. If by the power of attorney more substitute representatives are appointed, the shareholder shall determine the order in which they will exercise their mandate.

The special power of attorney, the declaration of the legal representative of the intermediary or, as the case may be, of the lawyer and the general power of attorney (before being used for the first time), mentioned above, filled in and signed by the shareholders, shall be submitted in writing either (i) in original (in what concerns the special power of attorney, the declaration of the legal representative of the intermediary or, as the case may be, of the lawyer) or in copy containing the mention of its conformity with the original under the representative's signature (in what concerns the general power of attorney) in hardcopy (in person or by post/ courier service, with confirmation of receipt) at the Company's Registry Desk at the Company's headquarters (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays), or (ii) via e-mail, with incorporated extended electronic signature, as per Law no. 445/2001 on the electronic signature, at ir@electrica.ro, so as to be received until **24 April 2018, 17:00 o'clock** (Romanian time) (namely at least 2 business days before the OGMS / EGMS takes place), under penalty of losing the right to vote in the OGMS and/or EGMS signed, without any further formalities in connection with the form of these documents. Both means of transmitting the powers of attorney must state clearly in writing in capital letters: "**POWER OF ATTORNEY – FOR THE OGMS/EGMS DATED 27 APRIL 2018**".

For identification purposes, the special power of attorney shall be accompanied by documents attesting the fulfilment of the identification requirements mentioned in Section I (*The identification requirements applicable to the shareholders*).

The general power of attorney granted by a shareholder, as client, to an intermediary, as defined in the capital market legislation, or to a lawyer, shall be valid without presenting other additional documents relating to that shareholder, if the power of attorney is drafted according

to Regulation no. 6/2009 regarding the exercise of certain rights of shareholders in general meetings of companies, is signed by the shareholder in question and is accompanied **by an affidavit** given by the legal representative of the intermediary or by the lawyer that has received the mandate by the general power of attorney, evidencing that: (i) the power of attorney is granted by that shareholder, as client, to the intermediary, as defined in the capital market legislation, or to the lawyer, as the case may be, and (ii) the general power of attorney is signed by the shareholder, inclusively by adding an extended electronic signature, if the case.

The special and general powers of attorney are valid both for the first OGMS / EGMS and the second OGMS / EGMS, should the legal and/or statutory quorum provided for holding the first OGMS/EGMS not be met.

The special or, as the case may be, general powers of attorney or the documents attesting the capacity of the legal representatives shall be retained by the Company and a mention in this regard shall be made in the minutes of the meeting.

The shareholders cannot be represented in the OGMS / EGMS through a general power of attorney by a person that is in a situation of conflict of interests according to art. 92 para. (15) of Law no. 24/2017 regarding the issuers of financial instruments and market operations. The proxy cannot be substituted by another person (except for the case when a substitute representative is appointed). If the proxy is a legal person, it may execute the granted proxy through any person that is part of the administrative or management body or of its employees, subject to the identification requirements set out in Section I above (*The identification requirements applicable to the shareholders*).

The special power of attorney form:

- (a) shall be made available to the shareholders by the Company as of 19 March 2018, on the Company's website at www.electrica.ro, under *Investors section > The General Meeting of Shareholders*;
- (b) the special power of attorney form shall be updated by the Company if there would be new items added on the agenda of the OGMS and/or EGMS, and the updated version shall be published on the Company's website at www.electrica.ro, under *Investors section > The General Meeting of Shareholders*, on 27 March 2018. In case the agenda is supplemented/updated and the shareholders do not send updated special powers of attorney, the powers of attorney submitted prior to the supplement/update of the agenda shall be taken into consideration only for the items that are also found on the updated agenda;
- (c) shall be filled in by the shareholder in three (3) originals: one for the shareholder, one for the proxy, and one for the Company.

The Company accepts the appointment of representatives by electronic notification sent to the e-mail address ir@electrica.ro according to Law no. 455/2001 on the electronic signature. In this case the power of attorney shall be submitted by extended electronic signature.

(i) Voting by correspondence

Casting the shareholders' vote in the OGMS and/or EGMS may also be done by correspondence, by duly filling in, signing, and transmitting the voting ballot form for voting by correspondence.

The voting ballot forms for voting by correspondence, filled in and signed by the shareholders shall be submitted in writing either (i) in original, in hardcopy (in person or by post/courier service, with confirmation of receipt) at the Company's Registry Desk at the Company's

headquarters (which is open from Monday to Thursday between 08:00 - 17:00 (Romanian time), and on Fridays between 08:00 - 14:30 (Romanian time), excepting the legal holidays), or (ii) via e-mail, with incorporated extended electronic signature, as per Law no. 455/2001 on the electronic signature, at ir@electrica.ro, so as to be received until **24 April 2018, 17:00 o'clock** (Romanian time), namely at least 2 business days before the OGMS / EGMS takes place, under penalty of losing the right to vote in the OGMS, respectively the EGMS signed, without any further formalities in connection with the form of these documents. Both means of transmitting the powers of attorney must state clearly in writing in capital letters: **"VOTING BALLOT FORMS FOR VOTING BY CORRESPONDENCE – FOR THE OGMS/EGMS DATED 27 APRIL 2018"**.

The voting ballot forms shall be accompanied by documents attesting the fulfilment of the identification requirements mentioned in Section I (*The identification requirements applicable to the shareholders*) above.

The voting ballot forms for voting by correspondence thus received are valid both for the first OGMS / EGMS and the second OGMS / EGMS, should the legal and/or statutory quorum conditions provided for holding the first OGMS/EGMS not be met.

The voting ballot form for voting by correspondence:

- (d) shall be made available to the shareholders by the Company as of **19 March 2018**, on the Company's website at www.electrica.ro, under *Investors section > The General Meeting of Shareholders*;
 - (e) shall be updated by the Company if there would be new items added on the agenda of the OGMS and/or EGMS and the updated version shall be published on the Company's website at www.electrica.ro, under *Investors section > The General Meeting of Shareholders*, on 27 March 2018. In case the agenda is supplemented/updated and the shareholders, or, as case, their proxy, do not send updated voting ballot forms for voting by correspondence, the voting ballot forms for voting by correspondence submitted prior to the supplement/update of the agenda shall be taken into consideration only for the items that are also found on the updated agenda.
- (j) **The shareholders access in the meeting room**, on the date set for holding the meeting, is allowed: (i) as regards shareholders that are natural persons or the legal representative of the shareholders that are legal persons, though the simple proof of identity, which consists of presenting in original the identification document, and (ii) as regards shareholders that are legal persons and of shareholders that are natural persons and participate by representative, through the power of attorney given to the person that represents them and presenting in original the identification document of the legal representative/proxy.

The verification and validation of the submitted special/general powers of attorney, as well as the centralization, verification, validation, and recording of votes by correspondence shall be made by a commission established within the Company, the members of which shall keep safe the document and ensure confidentiality of the votes casted as such. The powers of attorney shall be also verified by the technical secretary of the OGMS/EGMS.

- (k) **The access of other persons in the meeting room**

Any specialist, consultant, expert or financial analyst can participate at the general shareholders meeting on the basis of a prior invitation by the Board of Directors.

The accredited journalists can participate, as well, to the general meeting of shareholders, except the case in which the Chairman of the Board of Directors decides otherwise. These

will be able to participate on the basis of the identity card and a badge which certifies the journalist capacity.

The access of the above-mentioned persons in the meeting room, on the date established for the conducting of the respective general shareholders meeting, is allowed by proof of identity, which consists of the presenting the original identification document, and for the specialists, consultants, experts or financial analysts and by invitation by the Board of Directors.

Additional information regarding the OGMS/EGMS may be obtained from the Company Secretary, at the telephone number: 021.208.5038, from the Investors Relation Department, at the telephone number: 021.208.5035, through e-mail at ir@electrica.ro and on the Company's website at www.electrica.ro, under *Investors section > The General Meeting of Shareholders*.

26 March 2018

CHAIRMAN OF THE BOARD OF DIRECTORS

Cristian Buşu