

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

Current report in compliance with the Law 24/2017 on issuers of financial instruments and market operations, ASF Regulation no. 5/2018, and the Bucharest Stock Exchange Code

Report date: **14 November 2019**

Company name: **Societatea Energetica 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 (BVB) and London Stock Exchange (LSE)**

Significant events to be reported:

The resolution of the Ordinary General Meeting of Shareholders of Societatea Energetica Electrica S.A. (“Electrica” or the “Company”) of 14 November 2019

Electrica hereby informs that, on 14 November 2019, the **Ordinary General Meeting of Shareholders (OGMS) of Electrica** took place at Electrica’s headquarters in Bucharest, District 1, 9 Grigore Alexandrescu Street, postal code 010621, “Radu Zane” Conference Room, starting at 10:09 o’clock (Romanian time), being duly held in accordance with the legal and statutory provisions upon the first calling.

The **OGMS of Electrica** was attended by the shareholders registered in the shareholder’s register kept by Depozitarul Central S.A. on 17 October 2019, set as reference date, in person, by representative or through vote by correspondence, the quorum met being 73.75% of the total voting rights and 72.28% of the share capital of the Company.

The meeting was chaired by Mr. Valentin Radu, the Chair of the Board of Directors of Electrica.

Within the **OGMS**, Electrica’s shareholders **approved** the following items (as per the numbering on the agenda) with a majority of the votes expressed by the present or represented shareholders or by the shareholders that voted by correspondence:

- 4. Approval of filing a civil action in court underscoring the liability of the persons who have held the positions of directors and respectively, executive managers of the Company for obligations not fulfilled and/or improperly fulfilled, according to art. 155 of Law no. 31/1990, which determined the damages retained by the Romanian Court of Accounts (RCA), in order to implement the measures ordered by the Romanian Court of Accounts for remedying the deviation identified according to items 1-5 of the RCA Decision no. 12 / 27.12.2016 issued as a result of the control on**

the management of the patrimony of Societatea Energetica Electrica SA for the period 01.01.2013-30.06.2014 and the empowerment of the Chief Executive Officer of Electrica for the representation of the Company (with the possibility of sub-delegating the representation in court to legal professionals), for signing and promoting the legal action, according to the Note made available to the shareholders, according to the law.

10. Empowerment of the Chair of the Meeting, the secretary of the meeting and the technical secretary to jointly sign the OGMS resolution and to perform individually, and not jointly, any act or formality required by law for the registration of the OGMS resolution with the Trade Register Office of Bucharest Court, as well as the publication of the OGMS resolution according to the law.

In the same time, the OGMS rejected the following items:

5. Approval of the proposal for the amendment of the Company's Remuneration Policy for Directors and Executive Managers in force, by eliminating the following paragraph of Art. 4.1. "Board of Directors", letter ii.:

"The annual number of meetings to be remunerated is limited to 12 for BoD and to 6 of each committee. Additional committee meetings can be organized only in exceptional situations, according to the chairs' decision, who are responsible to efficiently organize the committee's agenda and activity. However, only one such additional meeting shall be remunerated, for each committee."

6. Approval of the proposal for the amendment of the Company's Remuneration Policy for Directors and Executive Managers in force, by modifying Art. 4.1. "Board of Directors", letter iv., as follows:

"The Directors will benefit from a professional insurance policy, "directors & officers liability" type, having an insured value amounting to EUR 10 million / person / event, according to market terms.

The policy will also cover a post-mandate period, respectively up to 3 (three) years, for events that occurred as a result of the activity carried out by the Directors, during their mandate. The insurance premiums will be supported and paid by the Company."

7. Approval of the proposal for the amendment of the Company's Remuneration Policy for Directors and Executive Managers in force, by completing Art. 4.1. "Board of Directors", with letter viii., having the following content:

"The Directors will benefit from a Non-compete compensation of 12 Fixed Gross Monthly Remunerations, the clause being effective in the territory of the European Union. The Non-compete compensation can only be applied in the event that the Directors will no longer hold any position within the Company and / or within the Electrica Group after the termination of their Mandate Agreements."

8. Approval of the proposal for the amendment of the Company's Remuneration Policy for Directors and Executive Managers, in force, by completing para. 4.2.1. "The general remuneration limits for ELSA CEO", as well as para. 4.2.2. "The general remuneration limits for ELSA executive managers (mandate appointed by the BoD)", with letter d), as follows:

"The Executive Managers will benefit from a professional insurance policy, "directors & officers liability" type, having an insured value amounting to EUR 10 million / person / event, according to market conditions.

The policy will also cover a post-mandate period, respectively up to 3 (three) years, for events that occurred as a result of the activity carried out by the Executive Managers, during their mandate. The

insurance premiums will be supported and paid by the Company.”

Taking into consideration that the rejection of item 5, item 6, item 7 and item 8 on the agenda, **item 9** on the agenda (Empowerment of the representative of the Ministry of Energy, present in the OGMS, to sign, in the name of Electrica, the Addenda to the Mandate Agreements with the members of the Board of Directors, reflecting the changes to the Remuneration Policy for Directors and Executive Managers updated according to the resolutions of items 5, 6 and 7 above), remained without object.

Also, as per the notes made available to the shareholders, as per the law, the **OGMS was informed** regarding:

- the effects on the Income and Expenses Budget for the financial year 2019, arising from the resolution of the Ordinary General Meeting of Shareholders of Electrica no. 2/25 April 2019, related to items 7-10, and following the application of the provisions of the Government Emergency Ordinance (GEO) no. 19/29 March 2019 (item 1 on the agenda).
- the main elements of Electrica Group’s Strategy for the 2019-2023 period (item 2 on the agenda).
- the prescription of the shareholders' right to dividends for the year 2015 (item 3 on the agenda).

Chairman of the Board of Directors

Valentin Radu