

**POLICY ON ORGANIZING AND RUNNING  
THE GENERAL MEETINGS OF SHAREHOLDERS OF  
SOCIETATEA ENERGETICĂ ELECTRICĂ S.A.**

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## 1. Policy

### 1.1. General aspects

This policy (hereinafter referred to as the “Policy”) establishes the framework for organizing and running the general meetings of shareholders of Societatea Energetică Electrica S.A., a company with one-tier management system, incorporated and operating under the laws of Romania, registered with the Trade Registry Office of Bucharest under number J40/7425/2000, sole registration code (CUI) RO 13267221, headquartered in Bucharest, 9 Grigore Alexandrescu Str., district 1, with a subscribed and paid up share capital of RON 3,464,435,970 (hereinafter referred to as “ELSA”, “Electrica” or the “Company”).

This Policy is mandatory at any moment for the Company, its shareholders, executive managers and members of the Board of Directors.

Company’s share capital is held by the shareholders registered in Electrica’s shareholders’ register held by Depozitarul Central S.A. and by the holders of global depositary receipts („GDR” – each GDR representing four shares) through the Bank of New York Mellon, in its capacity as GDR facility depositary.

The General Meeting of Shareholders (“GMS”) is the main corporate governance body, taking decisions on the matters mentioned in the Articles of Association and in the law, in this way the shareholders expressing their willingness on the Company’s activity.

General meetings may be ordinary (“OGMS”) or extraordinary (“EGMS”). For the purpose of this Policy, EGMS and OGMS are collectively referred the „GMS”. The place of the GMS is established through the convening notice of the respective meeting, usually being at the Company’s headquarter.

The Company ensures equal treatment for all shareholders and GDR holders.

With the exception of the shares with suspended voting rights, each share subscribed and fully paid by the shareholders, according to the law, gives the shareholders the right for one vote in the GMS, the right to elect the management bodies of the Company, the right to participate in the profit distribution in accordance with the Articles of Association and the legal provisions.

The rights related to the underlying shares based on which the depositary certificates were issued are exercised by the holders of the depositary certificates, proportionally to their holdings of depositary certificates and taking into account the conversion rate between underlying shares and the depositary certificates.

The organization and running of the GMS is made according to the provisions of:

- Law no. 24/2017 on issuers of financial instruments and market operations;
- FSA Regulation no. 5/2018 on issuers of financial instruments and market operations;
- Company Law no. 31/1990, republished, updated and amended;
- Electrica’s Articles of Association;
- This Policy etc.

In case of a conflict between this Policy and the Articles of Association or any legal provision or regulation, the later will prevail.

### 1.2. Definitions

- **registration date** – expressly specified calendar date, i.e. dd/mm/yyyy set out by the general meeting of shareholders, hereinafter referred to as GMS whose purpose is to identify shareholders who are going to benefit from dividends or other rights and whom GMS decisions shall impact. The registration date is determined also for GMS decisions with regard to corporate events;
- **payment date** – expressly specified calendar date, i.e. dd/mm/yyyy, on which the results of a corporate event, relating to the holding of financial instruments, are owed, on which debit and/or credit entries of moneys and/or financial instruments should be made, respectively;
- **reference date** – expressly specified calendar date, i.e. dd/mm/yyyy, determined by the board of directors, company’s directorate respectively, serving to identify shareholders entitled to participate in

GMS and cast votes therein. The reference date should be subsequent to the notice to attend's publication and prior to GMS;

- **ex-date** – date prior to the registration date with a settlement cycle less one business day as of which the financial instruments subject to decisions made by the corporate bodies are traded without the rights derived from the respective decision. The ex-date is calculated by taking regard of the settlement cycle T + 2 business days;
- **Corporate events** – events referring to certain financial instruments, initiated by the issuer of the respective financial instruments further to a decision made by statutory bodies or by a tenderer (such as cash distribution, distribution in financial instruments, mandatory or voluntier reorganizations etc.)
- **Registry Desk** is the registry desk from the Company's headquarter located in Bucharest, 9 Grigore Alexandrescu Str., district 1, postal code 010621, 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 and other days declared non-working through the Collective Labor Agreement applicable at the Company's level.

### 1.3. Duties of the GMS

**OGMS** has the following main duties:

- a. to appoint and revoke the members of the Board and establish the level of their remuneration and other rights according to the legal provisions;
- b. to establish the income and expenses budget, to set out the activity schedule;
- c. to establish the income and expenses budget consolidated at the group level;
- d. to discuss, approve or amend the annual financial statements according to the reports submitted by the Board and the financial auditors;
- e. to approve the profit distribution according to the law and to establish the dividend;
- f. to decide on the management activity of the directors and on the discharge of liability, in accordance with the law;
- g. to decide to file legal actions against the directors, managers as well as financial auditors for damages they caused to the Company by breaching their obligations towards the Company;
- h. to decide on mortgaging or leasing or closing of one or more units of the company;
- i. to appoint and revokes the financial auditor and to set the minimum term of the financial audit contract; and
- j. to carry out any other duties set out by the law.

**EGMS** decides on the following:

- a. withdrawal of the preference right of shareholders upon subscription of new shares issued by the Company;
- b. contracting any type of loans, debts or obligations representing a loan, as well as creating real or personal security related to these loans, in each case in accordance with the competence limits provided in Annex 1 to these Articles of Association;
- c. operations regarding the acquisition, alienation, exchange or creation of encumbrances over fixed assets of the Company whose value exceeds, individually or cumulated, during any financial year, 20% of the total fixed assets, less receivables, and leases of tangible assets for periods longer than one year, whose individual or cumulated value towards the same co-contractor or involved persons or with whom it acts in concert exceeds 20% of the fixed assets value, less receivables at the time of entering in the relevant operation, as well as joint ventures in excess of the same value and with a duration of over one year;

- d. approving investment projects in which the Company will be involved in accordance with the competence limits provided in Annex 1 to these Articles of Association, other than the ones provided in the annual investment plan of the Company;
- e. approving the issuance and admission to trading on a regulated market or on an alternative trading system of shares, depositary certificates, allotment rights or other similar financial instruments; approving the competencies delegated to the Board;
- f. changing the legal form;
- g. relocation of the registered office;
- h. changing the main or secondary business objects;
- i. increasing the share capital, as well as decreasing or the replenishment of the share capital by issuing new shares, according to the law;
- j. the merger and the spin-off;
- k. the dissolution of the Company;
- l. carrying out any bond issuance, as per the provisions of art. 10 of the Articles of Association, or conversion of a category of bonds in a different category or in shares;
- m. approving the conversion of preferential and nominative shares from one category to another, according to the law;
- n. any other amendment to the Articles of Association;
- o. the establishment or dissolution of secondary offices: branches, agencies, representative offices, working points or other similar units without legal status, according to the legal provisions;
- p. participation in the establishment of new legal persons;
- q. approval of the eligibility and independence criteria with respect to the Board members;
- r. approval of the corporate governance strategy of the Company, including the corporate governance action plan;
- s. donations within the limits of the competence provided in Appendix 1 to these Articles of Association; and
- t. approves granting of intragroup loans with a value of more than EUR 50 Million per operation;
- u. any other decision that requires the approval of the extraordinary general meeting of the shareholders.

## 2. Convening of the GMS

The OGMS takes place at least once a year, within maximum four months from the end of the financial year. Except for this situation, OGMS and EGMS take place as many times as necessary, being convened by Electrica's Board of Directors whenever Electrica Group's activity requires it. The GMS may be convened, also, upon the request of shareholders representing, individually or cumulatively, at least 5% of the share capital. In this case, the general meeting of the shareholders shall be convened within no more than 30 days and shall gather within no more than 60 days from the date of receiving the request.

The GMS takes place in 45-50 days from the date of publication of the convening notice in the Official Gazette of Romania, Part IV and in at least one widely circulated national newspaper and on the Company's Website. The calling notice is also sent to the Financial Supervisory Authority, to the Bucharest Stock Exchange and to the London Stock Exchange and published on the website of the national storage mechanism appointed by FCA for the United Kingdom.

The convening term of 45-50 days from the date of the convening notice publication is needed taking into account the following provisions:

- art. 117 para. 2 of Law 31/1990 – the gathering date cannot be sooner than 30 days as from the publication of the convening notice in the Official Gazette of Romania, Part IV

- art. 12 para. (7) of Electrica's Articles of Association – Any reference date for the identification of the shareholders which have the right to take part and to vote in the general meeting of the shareholders of the Company and any registration date for the identification of the shareholders which have rights deriving from its shares, as well as any other similar date set by the Company related to any corporate events of the Company will be established in accordance with the applicable legal provisions and with a prior notice sent with at least 15 free calendar days (in Romanian, zile calendaristice libere), to the issuer of the depositary certificates, The Bank of New York Mellon. The reference date will be prior with at least 15 working days to the deadline for submitting the power of attorney related to the vote;
- art. 92 para. 5 of Law 24/2017 – the shareholders that hold at list 5% of the share capital may request to add new items on the agenda within maximum 15 days after the date of publication of the calling notice;
- the Deposit Agreement concluded by Electrica with The Bank of New York Mellon on 2 July 2014 according to which the Company will promptly provide, in any case 30 clear days before the GMS, to the Depositary all the relevant documents regarding the agenda for the meeting, including any supplementation requested by the shareholders in the 15 days term indicated by Art. 92, para. 5 of Law 24/2017, as well as the document with the voting instructions for the GDR holders.

## **2.1. The GMS convening notice**

According to the legal provisions in force and the Articles of Association, the convening notice of the GMS will contain, at least:

- a clear and precise description of the procedures to be followed by shareholders in order to be able to attend and vote;
- the name of the Company;
- the place, date and hour of the GMS at the first and the second call;
- the reference date and the fact that only persons who are shareholders on that date have the right to participate and vote in the general meeting;
- the agenda, which should explicitly mention all the matters to be debated and a clear and precise description of the procedures that the shareholders must meet in order to participate and vote within the general meeting of the shareholders, including information referring to:
  - o the right of one or more shareholders representing, individually or cumulatively, at least 5% of the share capital, to request to add new items on the agenda within maximum 15 days after the date of publication of the calling notice, each item having to be accompanied by a justification or by a draft resolution proposed to be adopted by the GMS; to present in writing draft resolutions for the items included or proposed to be included on the agenda of the GMS; the supplemented convening notice will be published within the term provided by the legal and statutory provisions, together with all the relevant documents for the agenda;
  - o the voting procedure, in person, by power of attorney (by representation) and by correspondence or through electronic means, as well as the fact that the voting by representation will be made on the basis of a special or a general power of attorney. The manner of obtaining the special power of attorney forms for representation in the GMS, the deadline and the place where the powers of attorney are filed / received, as well as the means by which the company can accept the notification of the appointment of the representatives by electronic means will also be mentioned in the convening notice.
- the deadline until which proposals may be made for candidates for the positions of directors, if the election of directors is included on the agenda. The deadline shall be set so that the period during which proposals

may be made for candidates for the positions of directors shall be at least 3 business days after the publication of the attendance notice/supplement to the attendance notice, the agenda implying the election of the directors;

- the place the full text of the documents and draft resolutions, other information on matters included on the agenda of the general meeting can be obtained from, and the date on which these will be available, as well as the procedure to be followed in this respect;
- the address of the website on which the information referring to the agenda is available;
- the proposal regarding the details of the corporate events covered by the GMS, respectively, without limitation, the date of the registration, ex date, the date of payment, the date of the guaranteed participation, the details of the distribution, the preferential rights, the allocation rights, subscription, cancellation, conversion, payment methods, period of expression of options.

In case the agenda of the GMS includes also proposals for amending the Company's Articles of Association, the calling notice will include the full text of the proposals.

### **3. 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 for the organization and running the GMS 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; the general power-of-attorney will be accepted without requiring additional documents for identification, if the general power-of-attorney complies with the legal provisions in force, is signed by the shareholder and is accompanied by a declaration on his/ her own risk given by the legal representative of the intermediary or by the lawyer who has received the power of representation through the general power-of-attorney, indicating that:
  - the power of attorney is granted by that shareholder, as a client, to the intermediary or, as the case may be, to the lawyer;
  - the general power-of-attorney is signed by the shareholder, including by attaching an extended electronic signature, if applicable

The signed declaration and, as the case may be, stamped, will be sent in original together with the general power-of-attorney.

If the shareholder is represented by a credit institution providing custody services, the credit institution may participate and vote at the OGMS/EGMS provided that it submits to the issuer a declaration on its own risk, signed by the legal representative of the credit institution, stating:

- clearly the name of the shareholder on behalf of which the credit institution participates and votes in the OGMS/EGMS;
- that the credit institution provides custody services to that shareholder

- 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 GMS)/documents similar to the ones mentioned above (not older than 30 days at the date of the GMS), 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 GMS).

**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 GMS)/documents similar to those mentioned above (not older than 30 days at the date of the GMS) 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; the general power-of-attorney will be accepted without requiring additional documents for identification, if the general power-of-attorney complies with the legal provisions in force, is signed by the shareholder and is accompanied by a declaration on his/ her own risk given by the legal representative of the intermediary or by the lawyer who has received the power of representation through the general power-of-attorney, indicating that:
  - the power of attorney is granted by that shareholder, as a client, to the intermediary or, as the case may be, to the lawyer;
  - the general power-of-attorney is signed by the shareholder, including by attaching an extended electronic signature, if applicable.

The signed declaration and, as the case may be, stamped, will be sent in original together with the general power-of-attorney.

If the shareholder is represented by a credit institution providing custody services, the credit institution may participate and vote at the OGMS/EGMS provided that it submits to the issuer a declaration on its own risk, signed by the legal representative of the credit institution, stating:

- clearly the name of the shareholder on behalf of which the credit institution participates and votes in the OGMS/EGMS;
  - that the credit institution provides custody services to that shareholder.
- 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 of the legal person proxy (not older than 30 days at the date of the GMS)/ documents similar to those mentioned above (not older than 30 days at the date of the GMS) 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 GMS).

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 authorized translator in Romanian and/or in English.

#### **4. The right of shareholders to add new items on the GMS 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 GMS convening notice to request in writing that new items are added on the general meeting's agenda.

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

- (a) to be accompanied by documents evidencing the fulfilment of the identification requirements mentioned in section 2.3, 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, and that shall be sent to the Company as per the provisions of letter (c) below;
- (b) each new item to be accompanied by a justification or by a draft resolution proposed to be adopted by the GMS. 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 GMS;
- (c) 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 or (ii) via e-mail, with incorporated extended electronic signature, as per Law no. 445/2001 on the electronic signature, at [ir@electrica.ro](mailto:ir@electrica.ro), so as to be received by the Company within 15 days after the calling notice publication in the Official Gazette of Romania, Part IV.
- (d) for the proposals 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.

When the election of the members of the board of directors is included on the agenda, the Company's shareholders (identified according to section 2.3), independent on the number of voting rights held, have the right to propose candidates. Each proposal shall be accompanied by:

- (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.

The proposals shall be submitted either (i) in hardcopy, at the Company's Registry Desk, 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](mailto:ir@electrica.ro). These documents will be verified by the Nomination and Remuneration Committee established in the Board of Directors of the Company.

## 5. Publication of the documents referring to the GMS

All the documents referring to the GMS will be available to the shareholders, both in Romanian and in English, on the Company's website, as follows:

- (1) From the calling date and until (and including) the date of the OGMS, respectively the date of the EGMS, in the first or second calling
  - (a) the OGSM Convening Notice and the EGSM Convening Notice;
  - (b) the annual financial statements, the Board of Directors annual report, as well as the proposal regarding the dividend distribution are to be made available to the shareholders at the company's headquarter, from the calling date;
  - (c) the Articles of Association with the proposed amendments, in case it is included on the agenda;
  - (d) other information/documents regarding the items included on the agenda of the OGMS, respectively of the EGMS, in case they were already endorsed by the Board of Directors.
- (2) Afterwards, respecting the terms provided by the legal provisions:
  - (a) proposals for adding new items on the OGMS and/or EGMS agenda, accompanied by a justification and draft resolutions of the OGMS and/or EGMS received in the legal terms from shareholders that hold, together, at least 5% of the share capital;
  - (b) the list containing information regarding the name, city of residence, and professional qualification of the persons proposed as directors of the Board of Directors, in the case BoD members' election is on the OGMS agenda;
  - (c) the total number of shares and the voting rights on the calling date;
  - (d) the full text of the draft resolutions proposed to be adopted by the OGMS, respectively by the EGMS;
  - (e) the form of special powers of attorney to be used for voting by representative;
  - (f) the voting ballot form for the vote by correspondence;
  - (g) the other documents to be presented to the OGMS and EGMS, respectively, not published at the convening date;

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

In order to obtain hard copies of the documents mentioned at items 1 and 2 above, shareholders must address requests in writing in this regard at the Company's Registry Desk or to the email address [ir@electrica.ro](mailto:ir@electrica.ro).

The Company shall provide the shareholders, through its Registry Desk, with copies of the requested documents within maximum 2 business days of the request.

## 6. Questions regarding the agenda/the Company's activity

The Company's shareholders, subject to fulfilling the identification requirements set out above in Section 2.3, may ask questions in writing, in Romanian or in English, regarding the items on the agenda of the GMS, the Company's activity, prior to the date of the GMS. 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, or (ii) via e-mail, with incorporated extended electronic signature, as per Law no. 455/2001 on the electronic signature, at [ir@electrica.ro](mailto:ir@electrica.ro), so that to be received by the Company until the day prior to the GMS.

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 GMS meeting and it may give a general answer to questions with the same content. In addition, an answer is considered given if the relevant information is available on the Company's website, at [www.electrica.ro](http://www.electrica.ro), under Investors section -> General Meeting of Shareholders.

## 7. Participation of the shareholders at the GMS

The shareholders registered on the Reference Date in the Company's shareholders' register kept by Depozitarul Central SA may attend the GMS and vote in person by direct vote, through a representative with a special or general power of attorney or by correspondence.

The shareholder who, in a certain aspect, has, either personally or as a representative of another person, an interest contrary to the interest of the Company, must refrain from deliberations regarding the respective aspect.

- (a) **Voting in person** – the shareholders that are natural persons and the shareholders that are legal persons shall be entitled to participate in the GMS 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 2.3.
- (b) **Voting through a representative with a special or a general power of attorney** – The representation of shareholders in the GMS 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 GMS, 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 GMS, 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 represented by a credit institution providing custody services, the latter may vote in the GMS 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 GMS meeting. Nevertheless, a shareholder may appoint by its power of attorney one or more substitute representatives 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 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 Regulation no. 5/2018 on the issuers of financial instruments and market operations, 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. If the shareholder is represented by a credit institution providing custody services, the credit institution may participate and

vote at the GMS provided that it submits to the issuer a declaration on its own risk, signed by the legal representative of the credit institution, stating:

- clearly the name of the shareholder on behalf of which the credit institution participates and votes in the GMS;
- that the credit institution provides custody services to that shareholder.

The shareholders cannot be represented in the GMS 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).

- (c) **Voting by correspondence** – Casting the shareholders' vote in the GMS may also be done by correspondence, by duly filling in, signing, and transmitting the voting ballot form for voting by correspondence.

The special power of attorney, the declaration of the legal representative of the intermediary or, as the case may be, of the lawyer or of the credit institution providing custody services, the general power of attorney (before being used for the first time) or 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 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 and of the credit institution providing custody services) 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 at the Company's Registry Desk or (ii) via e-mail, with incorporated extended electronic signature, as per Law no. 455/2001 on the electronic signature, at [ir@electrica.ro](mailto:ir@electrica.ro), so as to be received with at least 2 (two) business days before the GMS takes place.

For identification purposes, the special and general power of attorney and the voting ballot forms by correspondence shall be accompanied by documents attesting the fulfilment of the identification requirements mentioned in section 2.3. These documents are valid for both the first calling of the GMS and the second calling of the GMS. 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.

For technical and administrative reasons, Electrica reserves the right to open the special powers of attorney and the voting ballot forms by correspondence after the deadline of sending them, mentioned in the convening notice, in accordance with the legal provisions, the confidentiality of the information being maintained up to the date of the GMS. The special powers of attorney and the voting ballot forms by correspondence that do not include information regarding the shareholder's identification and / or which are not signed are considered to be void. After the GMS, the Investor Relations Department will confirm the validity of the special powers of attorney and the voting ballot forms by correspondence to the shareholders / custodians / intermediaries who have submitted the documents and have expressly requested confirmation of their validity.

#### **Treatment applicable to GDR holders:**

GDR holders may vote in the GMS through GDRs issuer (The Bank of New York Mellon). The issuer of the GDR is fully responsible for informing the holders of the depositary certificates in a correct, complete and timely manner, observing the provisions of the issuance documents of the depositary certificates, about the documents and the informative materials related to a general meeting of shareholders, as made available by the Company to the shareholders.

In order to exercise its rights and obligations related to a GMS, a holder of depositary certificates will send to the entity where it has opened its account for depositary certificates the voting instructions for the topics on the agenda of the GMS, so that the respective information is sent to the issuer of the GDR.

The issuer of the depositary certificates votes in the general meeting of the shareholders of the Company in accordance with and within the limits of the instructions of the holders of the depositary certificate which have this quality at the reference date.

## **8. The access in the meeting room**

**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 GMS.

Regarding the **access of other persons in the meeting room**, any specialist, consultant, expert or financial analyst can participate at the GMS 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.

## **9. General quorum conditions**

### **9.1. Needed quorum and majorities to adopt OGMS decisions**

For the validity of the deliberations of the OGMS gathered at the first call, shareholders representing at least one quarter (1/4) of the total number of voting rights must attend the meeting. The OGMS will adopt decisions with the majority of the votes casted by the shareholders present or validly represented in the meeting. Abstentions are not considered to be casted votes.

For OGMS, in case the quorum is not duly met during the first call, at the second call the ordinary general meeting of the shareholders may decide on the items on the agenda of the first meeting irrespective of the quorum, taking decisions with the majority of the votes casted by the shareholders present or validly represented in the meeting.

In case of applying the cumulative voting method, the proposed candidates who obtained the most cumulative votes within the GMS are declared elected as members of the Board of Directors. Exception is considered to be the situation in which the maximum number of non-independent members is exceeded, in which case the non-independent candidates who do not occupy the positions 1, 2 or 3 are considered not to be elected.

In case two or more candidates obtain the same number of cumulative votes, the candidate who has been voted by a larger number of shareholders is declared elected as a member of the Board of Directors.

There are no quorum requirements for the election of the secretary of the meeting.

### **9.2. Needed quorum and majorities to adopt EGMS decisions**

For the valid deliberations of the EGMS, the following are necessary:

- a) at the first convening, the presence of shareholders representing one quarter (1/4) of the total number of voting rights, and decisions must be taken with the majority of the votes held by the shareholders present or validly represented in the meeting, except for:
- i. the attributions regarding investment projects over EUR 30 million for each project; any amendment of the Articles of Association not specifically mentioned in the Articles of Association of the Company, approval of the criteria of eligibility and independence for the members of the Board; approving the corporate governance strategy of the Company, including the corporate governance action plan; donations in excess of EUR 50 thousand for each donation or any donation which, together with the previous ones, exceeds the limit value in a year of EUR 1 million - in which case the decisions will be adopted with a favorable vote of at least 55% of the total number of voting rights and
  - ii. attributions regarding the merge and division of the Company; changing the main object of activity; the increase of the share capital, as well as its reduction or re-integration by issuing new shares, according to the law; change of legal form; the dissolution of the Company - a situation in which the decisions are to be adopted with a majority of at least two thirds (2/3) of the voting rights held by the shareholders presented or represented, but not less than 55% of the total voting rights.
- b) at the second and subsequent convening, the EGMS can deliberate with respect to the items on the agenda of the first meeting in the presence of the shareholders holding one fifth (1/5) of the total number of voting rights and can adopt decisions with the majority of the votes held by the shareholders present or validly represented in the meeting, except for:
- i. the attributions mentioned at point a) i) above, situation in which the decisions are to be adopted with the favorable vote of at least 55% of the total number of voting rights and
  - ii. the attributions referred to at point a) ii) above, case in which the decisions are to be adopted with at least two thirds (2/3) of the voting rights held by the shareholders present or represented, but not less than 55% of the total voting rights,

In other cases specifically provided by law, the provisions of the capital market legislation apply.

There are no quorum requirements for the election of the sitting secretary.

**Applicable treatment GDR:** In order to calculate the quorum of a GMS only the underlying shares for which the issuer of the depositary certificates votes in the general meeting of the shareholders, including the option for abstention vote, in accordance with the instructions received from the holders of the depositary certificates, will be taken into account. At the moment of calculation of the quorum in the GMS, the issuer of the depositary certificates will communicate to the Company the percent of the voting rights related to the underlying shares for which it will express its vote in the GMS.

### **Cumulative vote**

When the members of the board of directors are elected using the cumulative voting method, the board members in office up to the date of the OGMS are automatically registered in the list of candidates for election in the new Board of Directors.

The number of cumulative votes that a shareholder is entitled to is obtained by multiplying the voting rights held by the respective shareholder with the number of directors that form Electrica's Board of Directors (seven).

The votes may be distributed to one or more candidates. For this, the voting form is filled-in by mentioning the number of votes granted to each candidate. Shareholders may choose to distribute no votes to a specific candidate.



## 10. Running GMS meetings

Shareholders who have submitted special powers of attorney or voting ballots for voting by correspondence may modify their initial voting option or the means of expressing the vote, the last validly expressed vote being considered valid.

If a shareholder who has used another voting method participates directly in the GMS, the previously submitted vote will be canceled. If the person representing the shareholder by personal participation in the general meeting is other than the one who expressed the vote by correspondence, for the validity of the respective shareholder's vote, he/she shall submit a written revocation of the vote by correspondence, signed by the shareholder or by the representative who expressed the vote by correspondence. This is not necessary in case the shareholder or his legal representative is present at the general meeting.

The GMS is held in Romanian language and for the participants not speaking Romanian, simultaneous translation from Romanian into English will be provided during the entire meeting and simultaneous translation from English into Romanian will be available, when English speakers will talk in plenary, if applicable.

In case shareholders have no objections, the GMS is recorded on audio media, in order to facilitate the drafting of the minutes of the meeting.

The GMS is opened and chaired by the Chair of the Board of Directors or by the person designated by the BoD Chair ("**Chairman of the meeting**").

The Chairman of the meeting appoints three technical secretaries who will take part in the execution of the administrative operations related to the running of the GMS, in accordance with the provisions of the law.

Electrica or collaborators / consultants representatives are invited to attend the meeting, if deemed necessary. The external auditors are required to be present at the GMS when the annual financial statements are approved.

In order to correctly record attendance at the GMS meetings, shareholders are requested not to leave the room until the meeting ends. However, if a shareholder has to temporarily leave the room, he will announce, in order for the evidence of those present in the room to be updated. Exit of a shareholder during the GMS will determine the quorum recalculation. Also, when leaving the space delimited for the meeting and later, upon re-entry into this space, each of the shareholders must present the identity document.

Shareholders appoint the Secretary the GMS, in accordance with the provisions of the law. Any of the shareholders or representatives of the shareholders present may propose a Secretary of the Meeting out of the shareholders or the representatives of the shareholders present at the meeting. The role of the Secretary of the Meeting is to verify the attendance list of the shareholders as well as to fulfill the formalities required by law and the articles of association for holding the general meeting, while also signing the minutes of the meeting.

### 10.1. Conditions for validating the casted votes

Each participant at the meeting shall receive one ballot for each item on the agenda for which the vote is required.

Pentru fiecare punct de pe ordinea de zi, cu excepția celor referitoare la alegerea membrilor Consiliului de Admistratie prin vot cumulativ, acționarii își exprimăți opțiunea pe buletinul de vot prin bifarea cu un „X” doar a uneia dintre căsuțele pentru variantele „PENTRU”, „ÎMPOTRIVĂ” sau „ABȚINERE”. Buletinul de vot este semnat și introdus în urma.

For each item on the agenda, except for the election of the members of the Board of Directors through cumulative vote, the shareholders express their option on the ballot by ticking with an "X" only one of the boxes reserved for the options "FOR", "AGAINST" or "ABSTENTION". The ballot is signed and entered into

the ballot box.

In the following cases the votes cast are considered null:

- more than one box is ticked;
- they are illegible;
- are expressed subject to a condition;
- the votes by correspondence which are not submitted in original or under an extended electronic signature or which are not accompanied by the documents mentioned in section 2.3;
- the votes by correspondence submitted in original which are not signed or which are not accompanied by the documents mentioned in section 2.3;
- in case of applying the cumulative vote, if the number of votes casted by a shareholder on the ballot is greater than the number of votes the respective shareholder is entitled to;
- in case of applying the cumulative vote, if the number of votes casted by a shareholder on the ballot is smaller than the number of cumulative votes of the respective shareholder, the votes casted will be taken into account and the difference of votes will be canceled.

In the following cases, the votes casted are not considered to be expressed:

- no box is ticked;
- are not placed in the ballot box.

In the case of ballots by correspondence, the votes considered null are taken into account for the attendance quorum computation.

## **10.2. Debates during the meeting**

During the meeting, only debates referring to the items on the agenda can take place. The shareholders can intervene in the debate. In case they want the minutes of the meeting to include the aspects mentioned, at the moment of the speech they will say their full name and will ask for the mentioned to be recorded in the minutes of the meeting.

The questions that were asked before the GMS and which are not related to the items on the agenda will be discussed at the end of that meeting, after discussing all the items on the agenda.

The decisions of the GMS are adopted according to the way the ballot for each item on the agenda is filled in by the shareholders.

## **10.3. Approval and publication of decisions**

Generally, the decisions are taken with an open vote. The secret vote is mandatory for the election and dismissal of the members of the Board of Directors, for the election and dismissal of the financial auditor and for taking decisions regarding the liability of the administration, management and control bodies of the company.

The results of the vote will be published on the platforms of the Financial Supervisory Authority, the Bucharest Stock Exchange and the London Stock Exchange and on the Company's Website as soon as possible, without exceeding 24 hours after the GMS meeting ended. The GMS decision will be available on the company's website and will be published in the Official Gazette within 15 days from the date of the meeting.

After the GMS meeting, the minutes of the meeting are drafted, which are signed by the chair and the secretary of the meeting and by the technical secretary. This includes mentions regarding the completion of the convening formalities, the date and place of the GMS, the shareholders present at the meeting, the number of



shares, the summary of the debates together with the statements of the shareholders who wish to be mentioned in the minutes, the decisions taken and the closing time of the meeting. The documents related to the convening, the agenda, as well as the presence lists of the shareholders are attached to the minutes.

## **11. Glossary**

BSE – Bucharest Stock Exchange (ro. Bursa de Valori Bucuresti)

LSE – London Stock Exchange

BoD – Board of Directors