

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

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

**Important events to be reported:**

**Convening notice of the Extraordinary and Ordinary General Meetings of Shareholders of Fondul Proprietatea S.A. to be held on 13 November 2020**

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Investment Manager of Fondul Proprietatea SA ("**Fondul Proprietatea**" / the "**Company**"), hereby, publishes the **Convening notice of Fondul Proprietatea's Extraordinary ("EGM") and Ordinary General Meetings Of Shareholders ("OGM")** to be held on **13 November 2020**, approved by Fondul Proprietatea's Board of Nominees on 23 September 2020, and enclosed in the Annex to this report.

Both meetings shall take place at "**ATHÉNÉE PALACE HILTON BUCHAREST**" **Hotel**, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, commencing **11:00 AM** (Romanian time) in case of **EGM** and **12:00 PM** (Romanian time) in case of **OGM**.

Please note that only the persons registered as shareholders of the Company on **16 October 2020** (considered as the "**Reference Date**") in the Shareholders' Register kept by Depozitarul Central S.A. have the right to participate and vote at the EGM and OGM.

**Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch acting as Investment Manager of FONDUL PROPRIETATEA S.A.**

**Johan MEYER**  
**Legal Representative**

**Report date:**

23 September 2020

**Name of the issuing entity:**

Fondul Proprietatea S.A.

**Registered office:**

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

**Phone/fax number:**

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

**Email:**

office@fondulproprietatea.ro

**Internet:**

www.fondulproprietatea.ro

**Sole Registration Code with the Trade Register**

**Office:**

18253260

**Order number in the Trade**

**Register:**

J40/21901/2005

**Subscribed share capital:**

RON 3,959,264,762.44

**Paid-up share capital:**

RON 3,770,082,340.44

**Number of shares in issue:**

7,613,970,697

**Number of paid shares:**

7,250,158,347

**Regulated market on which the issued**

**securities are traded:**

Shares on Bucharest Stock  
Exchange  
GDRs on London Stock  
Exchange

**CONVENING NOTICE OF THE EXTRAORDINARY AND ORDINARY GENERAL MEETINGS OF  
SHAREHOLDERS OF FONDUL PROPRIETATEA S.A.**

Franklin Templeton International Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016 (the “**Fund Manager**” / “**Sole Director**”), in its capacity as the alternative investment fund manager and sole director of FONDUL PROPRIETATEA S.A., a joint-stock company incorporated under the laws of Romania, qualifying as an alternative investment fund, addressed to retail investors, with its headquarters in Bucharest, 78-80 Buzzești Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, Romania, registered with the Trade Registry under no. J40/21901/2005, Sole Registration Code 18253260, with a subscribed registered share capital of RON 3,959,264,762.44, and a paid-up share capital of RON 3,770,082,340.44 (the “**Company**”/„**Fondul Proprietatea**”/„**FP**”),

Considering

- The provisions of Articles 12 - 13 of the Company's in force Constitutive Act;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (**Companies' Law no. 31/1990**);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company “Fondul Proprietatea” S.A., as well as on trading the shares issued by this company;
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts (**Regulation no. 4/2013**);
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (**Issuers' Law**);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (**Regulation no. 5/2018**);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (**Law no. 243/2019**);
- COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (“**CE Regulation 1212/2018**”).

**CONVOKES:**

The **Extraordinary General Meeting of Shareholders** of Fondul Proprietatea S.A. on **13 November 2020, 11:00 AM** (Romanian time), at “**ATHÉNÉE PALACE HILTON BUCHAREST**” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania (**EGM**), and

The **Ordinary General Meeting of Shareholders** of Fondul Proprietatea S.A. on **13 November 2020, 12:00 PM** (Romanian time), at “**ATHÉNÉE PALACE HILTON BUCHAREST**” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania (**OGM**).

Only the persons registered as shareholders of the Company on **16 October 2020** (the **Reference Date**) in the register of shareholders kept by Depozitarul Central S.A. have the right to participate and vote at the EGM and OGM.

**A. The agenda of the EGM is as follows.**

1. The approval of the following amendments to the Constitutive Act of Fondul Proprietatea:

**(a) The amendment of Article 12 paragraph (2) letter f), as follows:**

*“(2) The ordinary general meeting of the shareholders has the following competencies, duties and functions:*

*f) to approve the remuneration policy applicable to the members of the Board of Nominees and to the Alternative Investment Fund Manager and to set the level of the remuneration of the financial auditor for financial audit services.”*

**(b) The introduction of a new letter f<sup>1</sup>) to paragraph 2 of Article 12, as follows:**

*“(2) The ordinary general meeting of the shareholders has the following competencies, duties and functions:*

*f<sup>1</sup>) to vote on an annual basis on the remuneration report for the previous fiscal year; such a vote shall be of an advisory nature and Fondul Proprietatea shall explain in the following remuneration report how the vote by the general meeting has been taken into account;”*

**(c) The amendment of Article 28 paragraphs (2), (3) and (5) (as endorsed by the FSA through Endorsement no. 164/22 July 2020), as follows:**

*“(2) The net accounting profit of Fondul Proprietatea, as reflected in the audited financial statements, shall be distributed according to the decision of the general meeting of the shareholders and to the legal provisions in force.*

*(3) Fondul Proprietatea creates the legal reserves and any other reserves, pursuant to the law.*

*(..)*

*(5) The dividends are distributed to the shareholders proportional with the number of paid shares held at the relevant record date.”*

**(d) The amendment of Article 31 paragraph (1) letter d) (as endorsed by the FSA through Endorsement no. 164/22 July 2020), as follows:**

*“d) as consequence of losses, as reflected in the audited financial statements, if the net asset value, determined as difference between the total asset and company’s debts, represents less than half of the value of the subscribed share capital and if, not later than the termination of the financial year subsequent to the one during which the losses have been ascertained, the general meeting of the shareholders fails to decrease the share capital with an amount at least*

*equal with the one of losses which could not be covered from reserves or to reconstitute the company's net asset up to the value at least equal with half of the subscribed share capital;"*

**(e)The amendment of Article 33, as follows:**

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

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

*a) non-current assets;*

*b) current assets;*

*c) derivatives;*

*d) deferred expenses.*

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

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

2. The approval of the authorization of the Sole Director to buy-back shares of Fondul Proprietatea, global depositary receipts or depositary interests corresponding to shares of Fondul Proprietatea, via trading on the regular market on which the shares, the global depositary receipts or the depositary interests corresponding to the shares of Fondul Proprietatea are listed, or bought through public tender offers, in compliance with the applicable law, for a maximum number of 800,000,000 treasury shares (being in the form of shares and/or shares equivalent as described above), starting with 1 January 2021 until 31 December 2021. The buy-back shall be performed at a price that cannot be lower than RON 0.2 / share or higher than RON 2 / share. In case of acquisitions of global depositary receipts or depositary interests corresponding to shares of Fondul Proprietatea, the calculation of number of shares in relation to the aforementioned thresholds shall be based on the number of Fondul Proprietatea shares underlying such instruments and their minimum and maximum acquisition price in the currency equivalent (at the relevant official exchange rate published by the National Bank of Romania valid for the date on which the instruments are purchased) shall be within the price limits applicable to the share buy-backs above-mentioned, and shall be calculated based on the number of shares represented by each global depositary receipt or depositary interest. The transaction can only have as object fully paid shares, global depositary receipts or depositary interests corresponding to these shares. The said buyback programme is aimed at the share capital decrease of Fondul Proprietatea in accordance with Article 207 paragraph (1) letter (c) of Companies' Law no. 31/1990. This buy-back programme implementation will be done exclusively from the own sources.
3. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of **23 November 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (I) of Regulation no. 5/2018, and **24 November 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law.

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

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

**B. The agenda of the OGM is as follows.**

1. The approval of 2021 budget of Fondul Proprietatea, in accordance with the supporting materials.
2. The appointment of two members in the Board of Nominees of Fondul Proprietatea following the termination of two of the mandates. The mandates of the new members are valid for a period of three (3) years, subject to the acceptance of the mandates. The proposals of the shareholders for the two mandates may be submitted by 12 October 2020, 5:00 PM (Romanian time), to the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7th floor, 1st district, postal code 011017 or by e-mail at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro).

Each candidate for the Board of Nominees must submit the copy of his/her ID, the resume which details the current professional activity, the fiscal record and the criminal record, or solemn statement, if the candidate is not a Romanian citizen, the questionnaire regarding the independence of the candidate, filled in and signed by the candidate, and the consent form and information note for the collection and processing of personal data in the recruitment process, filled in and signed by the candidate, whose templates are available in the informative materials.

Given the availability of two places for membership in the Board of Nominees, each candidate will have to opt for one vacancy. If a candidate opts for both vacancies, the candidature shall be deemed to have been cast for the last seat chosen in respect of which the intention to be elected as a member of the Board of Nominees was expressed within the legal term.

The list including information with regard to the name, the locality of residence, the professional qualification, the capacity as shareholder, fiscal record and criminal record, the independence questionnaire and the CV will be published on the webpage of the Company and shall be daily updated on the basis of received proposals.

- (a) The appointment of a member of the Board of Nominees following the resignation of Mrs. Vivian Nicolii; the mandate of the new member is valid for a period of three (3) years and shall produce its effects starting with the acceptance date (*secret vote*).
  - (b) The appointment of a member of the Board of Nominees following the expiration of the mandate of Mr. Steven Cornelis van Groningen; the mandate of the new member is valid for a period of three (3) years and shall produce its effects starting with the acceptance date (*secret vote*).
3. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of:
    - (a) **23 November 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (I) of Regulation no. 5/2018;
    - (b) **24 November 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law.



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

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

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#### GENERAL INFORMATION WITH RESPECT TO THE EGM & OGM

***The right to include new items on the agenda. The right to present drafts of resolutions for the items included on the agenda or for the items proposed for inclusion on the agenda.***

In accordance with the provisions of Article 117<sup>1</sup>, paragraph (1) of Companies' Law no. 31/1990, Article 92 paragraph (3) of Issuers' Law, Article 189 of Regulation no. 5/2018 and the provisions of Article 13, paragraph (5) of the Company's Constitutive Act, one or several shareholders representing individually or jointly at least 5% of the Company's share capital may request the Sole Administrator of the Company the introduction of additional items on the agenda of the EGM/OGM and/or the presentation of draft resolutions for the items included or proposed to be included on the agenda of the EGM/OGM.

These requests must comply, cumulatively, with the following requirements:

- a) **in the case of natural person shareholders**, they must be accompanied by copies of the shareholders' identity documents (the identity documents presented by the shareholders must allow their identification in Company's registry of shareholders kept by Depozitarul Central SA), and **in the case of legal entity shareholders**, they must be accompanied by:
- the original or a true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date of the EGM/OGM convening notice publication, allowing for the identification thereof in the Company's registry of shareholders kept by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative of the shareholder;
  - the documents attesting the legal representative capacity drafted in a foreign language other than English shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be notarised or apostilled. The same identification requirements mentioned above shall also be applicable to the legal representative of the shareholders addressing questions regarding the items on the agenda of EGM/OGM.
- b) they must be accompanied by a justification and/or a draft resolution proposed for passing, and
- c) they must be sent to and registered at the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> district, postal code 011017, Romania by any type of courier service with proof of delivery (bearing the signature of the shareholders or, as the case may be, their legal

representatives) or by e-mail at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro) by **12 October 2020, 5:00 PM** (Romanian time).

In order to identify and prove the shareholder capacity of a person making proposals to supplement the agenda (or addressing questions according to Article 117<sup>^</sup>2 paragraph (3) of Companies' Law and with Article 198 of Regulation no. 5/2018), the Company may request such person to provide a statement indicating the shareholder capacity and the number of shares held.

### ***Information materials and questions related to the agenda***

Each shareholder, irrespective of how many shares he/she/it owns from the Company's share capital, has the right to ask questions regarding the issues on the agenda of the general meeting. The questions shall be sent to the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017 or to [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro), so that they are received by the Company by **11 November 2020, 11:00 AM** (Romanian time), for the purpose of good process and preparation of the general meeting. Shareholders which did not submit the questions until **11 November 2020, 11:00 AM** (Romanian time), can address the questions during the general meeting. The Company shall answer the questions asked by the shareholders during the meetings; the questions may be answered as well on the Q&A section of the website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

The identification requirements mentioned above in the section on supplementing the agenda are also applicable to a natural person shareholder and/or the legal representative of a legal entity addressing questions regarding the items on the agenda of the EGM/OGM.

Commencing with **25 September 2020**, the general procedure for organizing general meetings (including the procedure for voting through a representative with a special/general power of attorney, the procedure which allows voting by correspondence, the procedure regarding secret vote), the templates of special and general power of attorney to be used for voting by representative by special/general power of attorney, and the templates to be used for voting by correspondence shall be available on working days at the Company's headquarters in Bucharest, 78-80 Buzesti St., 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017, Romania, from 9:00 AM to 5:00 PM (Romanian time), as well as on the official website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

Commencing with **13 October 2020**, the templates of special power of attorney/ballot papers filed in with the names of the proposed Board of Nominees candidates to be used for voting by representative by special power of attorney/voting by correspondence shall be available on working days at the Company's headquarters in Bucharest, 78-80 Buzesti St., 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017, Romania, from 9:00 AM to 5:00 PM (Romanian time), as well as on the official website of the Company: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

Commencing with **14 October 2020**, all the other information materials regarding the items included on the agenda of the EGM/OGM, including the draft resolutions proposed to be passed within the meeting, shall be available at the same coordinates above-mentioned. The shareholders of the Company may receive, upon request, copies of the documents related to the issues on the agenda of the EGM/OGM.

### ***Information notice addressed to intermediaries***

According to the provisions of article 91<sup>^</sup>4 of Issuers' Law and of article 4 of CE Regulation 1212/2018, when publishing the convening notice for the EGM/OGM, the Company will send to intermediaries (as defined in article 2 para. (1) point (20) of Issuers' Law) an information notice regarding the availability on the Company' website of the information about the convening necessary to shareholders for exercising the rights attached to shares.

## ***The attendance and voting to the General Meetings***

### **Global Depositary Receipts Holders**

In accordance with Regulation no. 4/2013, the persons holding Global Depositary Receipts (**GDRs**) (issued based on the shares issued by FP) at the Reference Date can vote within EGM/OGM through the means of the Issuer of the GDRs (i.e. The Bank of New York Mellon – **Issuer of the GDRs**) which will have the quality of shareholder within the meaning and for the application of the provisions of Regulation no. 5/2018 and Issuers' Law.

The Issuer of the GDRs is fully responsible for the correct, complete and on time information of the GDR holders, with the observance of the provisions comprised in the GDR issuance documents, with respect to the documents and supporting materials correspondent to the EGM/OGM made available by FP.

The Issuer of the GDRs will vote in the EGM/OGM in accordance and within the limits of the instructions of the GDR holders (having this quality at the Reference Date), as well as with the observance of the provisions comprised in the GDR issuance documents.

For computing the quorum of EGM/OGM, it will be taken into account only those supporting shares for which the Issuer of the GDRs cast a vote (including "abstention" votes) in accordance with the instructions of the GDR holders above-mentioned. The Issuer of the GDRs will inform FP about the percentage of the voting rights corresponding to the supporting shares for which it will cast votes until **11 November 2020, 11:00 AM** (Romanian time) **for documents regarding the EGM and 12:00 PM** (Romanian time) **for documents regarding the OGM**.

The GDR holder will send to the entity where he/she/it has opened with the GDR account his/her/its voting instructions with respect to the agenda points of EGM/OGM, so that this information may be sent to the Issuer of the GDRs. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro).

The Issuer of the GDRs is fully responsible for taking all necessary measures so that the entity keeping record of the GDR holders, intermediaries involved in custodian services for the GDR holders and/or any entities involved in the evidence of the GDR holders, to report the voting instructions of the GDR holders with respect to the points of the EGM/OGM.

### **Shareholders**

The shareholders registered in the register of shareholders on the Reference Date may attend the EGM/OGM and vote as follows.

- a) in person, within EGM/OGM – direct vote;
- b) through a representative with a special or general power of attorney; or
- c) by correspondence.

#### ***Direct vote***

Shareholders may exercise the direct (personal) vote after proving their identity:

- a) in the case of **natural persons who are sole shareholders** - by presenting the identity card; identity cards submitted by shareholders must allow for their identification on the list of Company's shareholders as at the Reference Date issued by Depozitarul Central SA;



- b) in the case of **natural persons who are collective shareholders** – by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 September 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- c) in the case of **legal entity shareholders**, by presenting:
- an original or a true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by the competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published, allowing for identification thereof on the list of Company's shareholders on the Reference Date issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;
  - for the Ministry of Public Finance the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania ;
  - the identity card or passport of the legal representative (identity document or identity card for Romanian citizens or passport for foreign citizens).

For all above-mentioned cases, documents presented in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for documents attesting the legal representative's capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be notarised or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro).

However, if legal restrictions are imposed by public authorities regarding the attendance of public meetings, according to the legislation issued between the publication of this convening notice and when the EGM/OGM is held, the Fund Manager may impose additional conditions for attending the EGM/OGM in order to follow the legal provisions in force at that time. Such additional conditions are not considered as a prohibitions to attend the EGM/OGM, considering that in such exceptional circumstances, the Fund Manager will take all measures to ensure the shareholders' right to add new points on the agenda and to vote.

The Fund Manager kindly asks shareholders to follow the Company's website and the Bucharest Stock Exchange website as it will announce any updates on this matter by means of current reports.

### ***Power of attorney***

Shareholders may delegate other persons, except for the Fund Manager, the Investment Manager or their employees, Board of Nominees members, to represent them and vote in EGM/OGM based on a special or a general power of attorney described below as follows. For more details, please refer to the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 September 2020 on the Company's website.

In case a shareholder is represented by a credit institution rendering custodian services, the latter may vote in the general shareholders' meeting based on and within the limits of the voting instructions received by electronic means, without being necessary that a special or general power of attorney to be drafted, provided that the said custodian credit institution submits to the Company a self-liability statement, signed by the bank's legal representative(s), stating (i) the name of the shareholder, written clearly, for which the credit institution votes in the EGM/OGM, and (ii) the fact that the credit institution renders custodian services for that respective shareholder. The said declaration will have to be submitted in original with the Company, signed, and, if the case, stamped, or by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro) until **11 November 2020, 11:00 AM** (Romanian time) **for documents regarding the EGM and 12:00 PM** (Romanian time) **for documents regarding the OGM.**

***Vote by representative holding a special power of attorney***

A special power of attorney may be given for a single shareholders' meeting, as this EGM/OGM and shall contain specific voting instructions for this particular meeting with a clear indication of the voting option for each item on the agenda of the general meeting. The representation of shareholders in the EGM/OGM may be conducted by representatives by duly filling in and signing the template for the special power of attorney. The representation may be conducted both by other shareholders and by third parties. Shareholders lacking exercise capacity or with limited exercise capacity may provide other persons with a special power of attorney.

The special power of attorney shall be sent either (i) in original, to the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017, Romania, or (ii) by e-mail with extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at: [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro), so that it is received by the Company by **11 November 2020, 11:00 AM** (Romanian time) **for documents regarding the EGM and 12:00 PM** (Romanian time) **for documents regarding the OGM.**

***Documents accompanying the special power of attorney:***

- a) for **natural person shareholders** – copy of the shareholder's identity card, allowing for identification thereof on the list of the Company's shareholders on the Reference Date issued by Depozitarul Central SA and a copy of the identity card of the representative (identity document or identity card for Romanian citizens or passport for foreign citizens);
- b) in case of **collective natural person shareholders**, by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 September 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- c) for **legal entity shareholders**:
  - original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published and allowing identification thereof on the Company's shareholders list on the Reference Date issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the

shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;

- for the Ministry of Public Finance, the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania; and
- copy of the identity card of the representative (the person especially delegated) (identity document or identity card for Romanian citizens or passport for foreign citizens).

Documents drafted in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be legalized or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro).

A special power of attorney template:

- a) shall be made available to the shareholders by the Company starting with **25 September 2020** at the same coordinates and under the same conditions as the information materials;
- b) filed in with the names of the proposed Board of Nominees candidates, shall be made available to the shareholders by the Company starting with **13 October 2020** at the same coordinates and under the same conditions as the information materials;
- c) shall be updated by the Company if new items are added to the EGM/OGM agenda and shall be published on the Company's website in its updated form;
- d) shall be filled in by the shareholder in three counterparts: one for the shareholder, one for the representative, and one for the Company.

If during the general meeting of shareholders certain items which were not included on the published convening notice are being discussed, in accordance with the legal provisions, the representative may vote on these items according to the interest of the represented shareholder.

Generally speaking, a shareholder may mandate only one proxy to represent him/her/it at the EGM/OGM. However, the special power of attorney may nominate other person(s) as substitutes empowered to represent the shareholder in case the said main proxy would be in impossibility to exercise his/her mandate. The special power of attorney must provide the order under which the said substitutes vote in case the proxy does not attend the EGM/OGM.

### ***Vote by representative holding a general power of attorney***

In opposition with the special one, the general power of attorney allows the proxy to vote on behalf of the shareholder in any aspect on the agenda of one or more companies identified in the power of attorney, individually or by general reference to a certain category of issuers, including disposal acts. The shareholder may grant a valid proxy for a period which shall not exceed 3 years, unless the parties have expressly provided for a longer periods.

For the mandate's validity, the proxy must be either an intermediary (in accordance with Article 2 para. (1) point (20) of Issuer's Law) or an attorney at law for whom the shareholder is a client. Also, the proxy should not be in a conflict of interest situation, such as:

- a) It is a majority shareholder of FP, or of another entity, controlled by that respective shareholder;
- b) It is a member of an administration, management or supervisory body of FP, of a majority shareholder or of another entity, controlled by that respective shareholder;
- c) Is an employee or auditor of FP or of a majority shareholder or of another entity, controlled by that respective shareholder;
- d) Is a spouse or relative (up to, and including, fourth degree filiation) of one of the individuals mentioned above.

The proxy cannot be replaced by another person unless this right was expressly conferred to him/her by the shareholder in a power of attorney. If the proxy is a legal entity, then the latter may carry out the general mandate through any of member of its administration/management body or of one of its employees. These provisions do not affect the right of the shareholder to designated by a power of attorney one or more alternate proxies, according to the regulations described above regarding special proxies

In view of the EGM/OGM, and before their first use, the general power of attorneys are to be sent to the Company's headquarters in Bucharest, 78-80 Buzesti Street, 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017 so that it is received by the Company by **11 November 2020, 11:00 AM (Romanian time) for documents regarding the EGM and 12:00 PM (Romanian time) for documents regarding the OGM**, in copy, certified as being the same with the original by the proxy or by e-mail with incorporated extended electronic signature as per Law no. 455/2001 on the electronic signature to [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro). The said copies are retained by FP, and a mention of this is inserted in the minutes of the general shareholders' meeting.

*Documents accompanying the general power of attorney:*

- a) proof that the proxy is an intermediary in accordance with Article 2 para. (1) point (20) of Issuer's Law or an attorney at law, and that the shareholder is the proxy's client;
- b) for **natural person shareholders** – copy of the shareholder's identity card, allowing for identification thereof on the list of FP shareholders issued by Depozitarul Central SA and a copy of the identity card of the representative (identity document or identity card for Romanian citizens or passport for foreign citizens);
- c) in case of **collective natural person shareholders**, by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 September 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- d) for **legal entity shareholders**:
  - original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published and allowing identification thereof on the FP shareholders list issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA; however, if the shareholder did not inform timely Depozitarul Central SA of its legal representative (so that the shareholders' registry at the reference date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;

- for the Ministry of Public Finances the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania; and
- copy of the identity card of the representative (the proxy) (identity document or identity card for Romanian citizens or passport for foreign citizens).

Documents drafted in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. FP shall not request that the documents attesting the shareholder's legal representative capacity be legalized or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro).

The Company accepts a general a general power of attorney given by a shareholder, as a client, to an intermediary or to a lawyer, without requiring additional documents relating to that shareholder, if the general power of attorney is signed by that shareholder and is accompanied by an own responsibility statement given by the legal representative of the intermediary or by the lawyer who has received the general power of attorney, indicating that:

- a) the shareholder is a client of the proxy;
- b) the general power of attorney is signed by that respective shareholder (ink signed or through an extended electronic signature, as the case may be).

The said declaration must be submitted in original at FP or by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro) (in the same time with the general power of attorney and at the same coordinates as indicated in this convening notice) signed by the intermediary/attorney at law (without other criteria being necessary as pertaining with its form).

A template of the general power of attorney for EGM/OGM shall be made available to the shareholders by the Company starting from **25 September 2020** at the same coordinates and under the same conditions as the information materials. The Company does not impose the use of the said forms.

#### ***Vote by correspondence using the forms for voting by correspondence***

The vote of the shareholders at the EGM /OGM can also be expressed by correspondence, by duly filling in and signing the forms for the vote by correspondence.

The ballots by correspondence will be sent either (i) in original, personally, by representative or by any form of courier service with proof of delivery, to the Company's headquarters in Bucharest, 78-80 Buzesti St., 7<sup>th</sup> floor, 1<sup>st</sup> District, postal code 011017, Romania or (ii) by e-mail with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro), so that they are received by the Company by **11 November 2020, 11:00 AM** (Romanian time) **for documents regarding the EGM and 12:00 PM** (Romanian time) **for documents regarding the OGM**.

Documents accompanying ballot papers:

- a) for **natural person shareholders** – copy of identity card, allowing for identification thereof in the list of Company's shareholders on the Reference Date issued by Depozitarul Central SA and, if such be the case, a copy of the identity card of the legal representative (in the case of natural persons lacking exercise capacity or with limited exercise capacity) (identity document or identity card for



Romanian citizens or passport for foreign citizens) along with the proof of legal representative capacity;

- b) in case of **collective natural person shareholders** by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 September 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- c) for **legal entity shareholders**:
- original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date of the general meeting convening notice, allowing for the identification thereof in the Company's list of shareholders on the Reference Date issued by Depozitarul Central SA;
  - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;
  - for the Ministry of Public Finance the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania.

Documents in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative drafted in a language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. FP shall not request that the documents attesting the shareholder's legal representative capacity be legalized or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro).

A ballot template for voting by correspondence:

- a) shall be made available to the shareholders by the Company starting with **25 September 2020** at the same coordinates and under the same conditions as the information materials and the forms for the special powers of attorney;
- b) filed in with the names of the proposed Board of Nominees candidates, shall be made available to the shareholders by the Company starting with **13 October 2020** at the same coordinates and under the same conditions as the information materials;
- c) shall be updated by the Company if new items are added to the EGM/OGM agenda and shall be published on the Company's website in its updated form.

If a shareholder voted by sending a ballot paper by correspondence, but then attends the EGM/OGM either personally or through a proxy (provided a special/general power of attorney has been submitted under the conditions above-mentioned), the correspondence vote shall be annulled and only the direct or the vote expressed through the proxy shall be taken into consideration.

If the person representing the shareholder at the general shareholders' meeting is other than the person who expressed the correspondence vote, then for its validity, the proxy must present at the general meeting a written revocation of the correspondence vote, signed by the shareholder or by the representative who expressed the correspondence vote. This will not be applicable if the shareholder or its legal representative is present at the general meeting.

Voting by correspondence may be expressed by a representative only if he/she:

- a) has received from the shareholder that he/she represents a special/general power of attorney; or
- b) the representative is a credit institution providing custody services.

The general procedure for the organisation of general meetings (which shall be available at the same coordinates and in the same conditions as the information materials) details the procedure allowing both the vote by representative with special/general power of attorney, vote through a custodian bank and the vote by correspondence, and the shareholders must comply with the said procedure. Special/General powers of attorney and ballots for voting by correspondence must be signed by all the natural person collective shareholders or their legal representatives (in the case of natural persons lacking exercise capacity or with limited exercise capacity), who shall assume both their capacity (proven by means of evidentiary documents attached to the special/general power of attorney/ballot) and the signature authenticity.

The checking and validation of the special/general powers of attorney submitted, as well as the centralization, checking, validation, and records of the votes by correspondence shall be performed by a commission established within the Company, whose members shall safely keep these documents, as well as the confidentiality of the votes thus expressed. Powers of attorney and voting ballots shall also be checked by the EGM/OGM secretary. In the event that the agenda is supplemented, and the shareholders fail to send the updated special powers of attorney and/or ballots for voting by correspondence, the special powers of attorney and ballots sent prior to the supplementation of the agenda shall be considered only with reference to the items therein which are also found on the supplemented agenda. All discussions held during the EGM/OGM are audio recorded. If participants want to obtain a copy of the recordings, they will be available at the FP registered office, in exchange for a fee (the cost will not exceed the value of expenses incurred by FP in relation to transferring the audio recording to material support), within 15 days after the EGM/OGM date. Additional information may be obtained from the Department for Shareholders' Relations at the telephone number + 40 21 200 96 28 (or through reception at + 40 21 200 9600; fax: +40 21 200 9631; e-mail: [office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro)) and on the Company's website: [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro).

After the EGM/OGM, the shareholder or a third party appointed by the shareholder may obtain from the Company, at least upon request, a confirmation of recording and counting of votes by the Company. The request of such a confirmation may be asked for within one month as of the voting date. In this case, the Company will send the shareholder an electronic confirmation of recording and counting of votes, according to the provisions of article 91<sup>5</sup> para. (3) of Issuers' Law and of article 7 para. (2) of CE Regulation 1212/2018, in the format set out in Table 7 of Annex to the CE Regulation 1212/2018.

SOLE DIRECTOR

Franklin Templeton International Services S.À R.L.

By: \_\_\_\_\_  
Johan Meyer,  
Permanent Representative