



**CHIMCOMPLEX S.A. BORZESTI**

Romania – Bacau; Onesti, Industriilor Street, nr. 3;  
No Reg.Com. J04/493/1991; CUI RO 960322; Share capital 304.907.851 lei  
Legal Entity Identifier (LEI): 549300FCIHJZOG56WD36  
Account: RO60BUCU1111215962132 - ALPHA BANK BUCURESTI  
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**Corporate Governance Statement  
December 31, 2023**

Contains the self-assessment of the degree of compliance with the Corporate Governance Principles of the Bucharest Stock Exchange Corporate Governance Code, as well as of the measures adopted or to be adopted, in order to achieve all of them.

**Preamble**

The Corporate Governance Principles of the Bucharest Stock Exchange applied by CHIMCOMPLEX S.A. BORZESTI, aim to increase the level of transparency and trust for the company's shareholders and to create a closer connection with them, as well as a greater openness to potential investors.

Good corporate governance is a powerful tool for increasing business competitiveness, and CHIMCOMPLEX S.A. BORZESTI aims to fulfil all these recommendations, contributing to increasing the economic efficiency of the activity and increasing investor confidence.

Any significant change from this Annual Corporate Governance Statement will be presented in a current report.



**Table on compliance with Corporate Governance Principles:**

| Code Provisions   | Complies with | Does not comply or partially complies | Reason for non-compliance |
|---|---------------|---------------------------------------|---------------------------|
| <p><b>A.1</b> All companies must have an internal regulation of the Board which includes the terms of reference/responsibilities of the Board and the key management functions of the company, which apply, among others, the General Principles of Section A.</p>  | Complies with |                                       |                           |
| <p><b>A.2</b> Provisions for the management of conflicts of interest must be included in the Council Regulation. In any event, Board members must notify the Council of any conflicts of interest that have arisen or may arise and refrain from participating in discussions (including by failure to appear, unless failure to appear would prevent forming a quorum) and voting to decide on the matter giving rise to that conflict of interest.</p>  | Complies with |                                       |                           |
| <p><b>A.3</b> The Board of Directors or the Supervisory Board must consist of at least five members.</p>  | Complies with |                                       |                           |
| <p><b>A.4</b> The majority of the members of the Board of Directors must not have an executive function. At least one member of the Management Board or of the Supervisory Board shall be independent in the case of: Standard Category companies. In the case of Premium Category companies, no less than two non-executive members of the Board of Directors or of the Supervisory Board must be Independent. Each independent member of the Management Board or of the Supervisory Board, as applicable, shall submit a declaration at the time of their nomination for election or re-election, as well as when there is any change in their statutes, indicating the elements on the basis of which they are considered to be independent with regard to their character and judgment and according to the following criteria:</p> <p><b>A.4.1</b> is not a CEO/executive director of the company or of a company controlled by it and has not held such position for the last five (5) years;</p> <p><b>A.4.2</b> is not an employee of the company or of a company controlled by it and has not held such position for the last five (5) years;</p> <p><b>A.4.3</b> does not receive and has not received additional remuneration or other advantages from the company or a company controlled by it, other than those corresponding to the status of non-executive director;</p> <p><b>A.4.4</b> is not or was not the employee or does not have or did not have during the course of the previous year a contractual relationship with a significant shareholder of the company, a shareholder controlling more than 10% of the voting rights, or with a company controlled by them;</p> <p><b>A.4.5</b> does not have and did not have in the previous year a business, or professional relationship with the company or with a company controlled by it, either directly or as a client, partner, shareholder, member of the Board / Director, CEO / Executive Director or employee of a company if, by reason of the character this report may substantially affect its objectivity;</p> <p><b>A.4.6</b> is not and has not been for the last three years the external or internal auditor or partner or salaried associate of the current external</p> | Complies with |                                       |                           |



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| <p>financial auditor or of the internal auditor of the company or of a company controlled by it;</p> <p>A.4.7. is not a general manager/executive director of another company where another general manager/executive director of the company is a non-executive director;</p> <p><b>A.4.8</b> has not been a non-executive director of the company for a period of twelve years;</p> <p><b>A.4.9</b> has no family ties with a person in the situations referred to in points A.4.1. and A.4.4.</p> |  |  |  |
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| <p><b>A.5</b> Other relatively permanent professional commitments and obligations of a Board member, including executive and non-executive positions on the Board of non-profit companies and institutions, must be disclosed to shareholders; and potential investors before the nomination and during his term of office.</p>   | Complies with |  |  |
| <p><b>A.6</b> Any member of the Board must submit to the Board information on any relationship with a shareholder who directly or indirectly owns shares representing more than 5% of all voting rights. This obligation concerns to any kind of report that may affect the member's position with regard to matters decided by the Council.</p>  | Complies with |  |  |
| <p><b>A.7</b> The Company must appoint a Secretary of the Board responsible for supporting the work of the Board.</p>   | Complies with |  |  |
| <p><b>A.8</b> The Corporate Governance Statement will inform whether an assessment of the Board has taken place under the direction of the President or the nomination and, if so, will summarize key measures and changes resulting from it. The company must have a policy/guideline on the evaluation of the Board containing the purpose, criteria and frequency of the assessment.</p>   | Complies with |  |  |
| <p><b>A.9</b> The corporate governance statement shall contain information on the number of meetings of the Board and committees during the last year, participation of directors (in person and in absence) and a report by the Board and committees on their activities.</p>  | Complies with |  |  |
| <p><b>A.10</b> The corporate governance statement shall contain: information on the exact number of independent members of the Board of Directors or the Supervisory Board.</p>   | Complies with |  |  |
| <p><b>A.11</b> The Board of Premium Category Companies must establish a nomination committee composed of non-executive members, which will lead the procedure of nominations of new members to the Council and will make recommendations for the Council. Most members of the nominating committee must be independent.</p>   | Complies with |  |  |
| <p><b>B.1</b> The Board shall establish an audit committee of which at least one member shall be an independent non-executive director. A majority of members, including the Chairperson, must have proven their qualifications as appropriate and relevant to the functions and responsibilities of the Board. At least one member of the audit committee shall have proven and appropriate audit or accounting experience. In the case of companies in Premium category, the audit committee must consist of at least Three members and a majority of the members of the audit committee must be independent.</p> | Complies with |  |  |
| <p><b>B.2</b> The chair of the audit committee must be a non-executive member independent.</p>  | Complies with |  |  |



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| <b>B.3.</b> Within the framework of its responsibilities, the audit committee should carry out an annual review of the internal control system.  | Complies with |  |  |
| <b>B.4.</b> The evaluation shall take into account the effectiveness and scope of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Council's audit committee, the timeliness and effectiveness with which executive management addresses deficiencies or weaknesses identified by internal control, and presenting relevant reports to the Council.  | Complies with |  |  |
| <b>B.5</b> The audit committee must assess conflicts of interest in relation to transactions of the company and its subsidiaries with related parties.   | Complies with |  |  |
| <b>B.6.</b> The audit committee must assess the effectiveness of the internal control system and the risk management system.   | Complies with |  |  |
| <b>B.7</b> The audit committee should monitor the application of generally accepted legal and internal audit standards. Audit Committee must receive and evaluate the reports of the internal audit team.  | Complies with |  |  |
| <b>B.8</b> Whenever the Code mentions reports or analyses initiated by Audit Committee, these must be followed by regular reporting (at least annually) or ad hoc to be submitted subsequently to the Council.   | Complies with |  |  |
| <b>B.9</b> No shareholder may be granted preferential treatment vis-à-vis other shareholders in connection with transactions and agreements entered into by the company with shareholders and their affiliates.  | Complies with |  |  |
| <b>B.10</b> The Council shall adopt a policy to ensure that any transaction of the company with any of the companies with which it has close relations the value of which is equal to or greater than 5% of the net assets of the company (according to the latest financial report) is approved by the Board following a binding opinion of the audit committee of the Board and correctly disclosed to shareholders and potential investors, in so far as these Transactions fall into the category of events subject to reporting requirements. | Complies with |  |  |
| <b>B.11</b> Internal audits must be carried out by a separate division structural (internal audit department) within the company or by employing an independent third-party entity.  | Complies with |  |  |
| <b>B.12</b> For the purpose of ensuring the performance of the main functions of the internal audit department, which must functionally report to the Council through the audit committee. For administrative purposes and within the framework of management's obligations to monitor and reduces risks, he must report directly to the General Manager.  | Complies with |  |  |



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| <p><b>C.1</b> The company shall publish on its website the remuneration policy and include in its annual report a statement on implementation of the remuneration policy during the annual period under review.<br/> The remuneration policy shall be formulated in such a way as to enable shareholders to understand the principles and rationale underlying the remuneration of the members of the Board and of the Director General, as well as members of the Executive Board in the two-tier system. It must describe how to conduct the process and make decisions on remuneration, or detail the components of executive remuneration (such as salaries, annual bonuses, long-term share value incentives, benefits in kind, pensions and others) and describe its purpose, principles and the presumptions underlying each component (including general performance criteria for any form of variable remuneration). In addition, the remuneration policy shall specify the duration of the Executive Director's contract and of the notice period stipulated in the contract, as well as any compensation for unjust revocation. The remuneration report shall set out the implementation of the remuneration policy for the persons identified in the remuneration policy during the annual period under review.<br/> Any material change to the remuneration policy must be published in a timely manner on the company's website.</p> | Complies with |  |  |
| <p><b>D.1</b> The company must organise an Investor Relations service – indicating to the general public the responsible person(s) or organisational unit. In addition to the information required by law, the company must include on its website a section dedicated to Investor Relations, in Romanian and English, with all information relevant to investors, including:</p>  | Complies with |  |  |
| <p><b>D.1.1</b> Main corporate regulations: articles of incorporation, procedures on general meetings of shareholders;</p>   | Complies with |  |  |
| <p><b>D.1.2</b> Professional CVs of members of the management bodies of the company, other professional commitments of board members, including executive and non-executive board positions in companies, or from non-profit institutions;</p>   | Complies with |  |  |
| <p><b>D.1.3</b> Current and periodic reports (quarterly, half-yearly and annual) – at least those referred to in point D.8 – including reports current with detailed information on non-compliance with this Code;</p>   | Complies with |  |  |



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| <p><b>D.1.4</b> Information on general meetings of shareholders: agenda and information material; procedure for electing members for the Council; the arguments supporting proposals for candidates for election to the Council, together with their professional CVs; shareholders' questions on agenda items, and the company's responses, including decisions taken;</p>  | Complies with |  |  |
| <p><b>D.1.5</b> Information on corporate events, such as the payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of a shareholder's rights, including deadlines and principles applied to such operations. That information shall be published within a period of time that allows investors to adopt investment decisions;</p>   | Complies with |  |  |
| <p><b>D.1.6</b> Name and contact details of a person who will be able to provide, upon request, relevant information;</p>  | Complies with |  |  |
| <p><b>D.1.7</b> Company presentations (e.g. investor presentations, quarterly outturn presentations, etc.), financial statements (quarterly, half-yearly, annual), audit reports and annual reports.</p>   | Complies with |  |  |
| <p><b>D.2</b> The Company shall have a policy regarding the annual distribution of dividends or other benefits to shareholders, proposed by the CEO or by the Executive Board and adopted by the Board in the form of a set of guidelines that the company intends to follow regarding the distribution of net profit. Principles of annual policy Distribution to shareholders will be published on the company's website.</p>  | Complies with |  |  |
| <p><b>D.3</b> The Company will adopt a policy in relation to forecasts, whether they are made public or not. Forecasts refer to quantified conclusions of studies aimed at determining the overall impact of a number of factors on a future period (so-called assumptions): by its nature, this projection is high uncertainty, actual results may differ materially from initial projections. The forecast policy will set out the frequency, period of consideration and content of forecasts. If they are published, forecasts can only be included in annual, half-yearly reports or quarterly. The forecast policy will be published on the company's website.</p> | Complies with |  |  |
| <p><b>D.4</b> The rules of general meetings of shareholders must not limit the participation of shareholders in general meetings and the exercise of their rights. The changes to the rules will take effect at the earliest, starting with the next shareholders' meeting.</p>  | Complies with |  |  |
| <p><b>D.5</b> External auditors will be present at the general meeting of shareholders when their reports are presented at these meetings.</p>   | Complies with |  |  |



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| <p><b>D.6</b> The Board will present to the Annual General Meeting of Shareholders a brief assessment of the internal control and material risk management systems, as well as opinions on issues subject to the decision of the General Assembly.</p>   | Complies with |  |  |
| <p><b>D.7</b> Any specialist, consultant, expert or financial analyst can participate at the shareholders' meeting based on a prior invitation from Council. Accredited journalists may also attend the general meeting of shareholders, unless the Chairman of the Board decides otherwise.</p>   | Complies with |  |  |
| <p><b>D.8</b> Quarterly and half-yearly financial reports shall include information in both Romanian and English on key factors influencing changes in sales, operating profit, net profit and other relevant financial indicators, both quarter-on-quarter and year-on-year.</p>  | Complies with |  |  |
| <p><b>D.9</b> The company shall organise at least two meetings/teleconferences with analysts and investors every year. The information presented on these occasions will be published in the investor relations section of the the company on the date of the meetings/teleconferences.</p>  | Complies with |  |  |
| <p><b>D.10</b> Where a company supports different forms of artistic and cultural expression, sporting activities, educational or scientific activities and considers their impact on innovation and competitiveness upon the company, are part of its mission and development strategy, will publish the policy regarding its work in this area.</p> | Complies with |  |  |

**CHAIRMAN OF THE BOARD OF DIRECTORS,  
av.dr.ec. Vuza Stefan**