

Banca Transilvania Financial Group

Commitment on
Continuity
Planning

1 Purpose

Recognizing that changes in the management of the company are inevitable, we have adopted the **Policy on Selection, Monitoring, Evaluation and Continuity Planning within Banca Transilvania**, which does not refer to a particular situation, but represents a set of principles, an overall strategy that aims to regulate the principles governing the suitability of the management body and key persons within Banca Transilvania and to ensure fair standards in terms of the qualifications, experience, and reputation of key persons necessary to perform their duties.

To ensure continuity of leadership and to avoid prolonged vacancies in key positions, we have established a continuity plan. The purpose of the continuity plan is to identify and prepare candidates to fill senior positions that become vacant through retirement, resignation, death or business opportunity.

It is the company's policy to assess leadership needs to ensure the selection of qualified leaders who are diverse, aligned with the bank's mission and goals, and have the required skills.

2 Objective

To minimize the risk of unfilled/vacant positions at top management level, even for a short period, due to promotion, contract termination, retirement, etc., the Bank has taken precautions and developed and implemented the Continuity Plan. **The main objective is to ensure that the Bank continues to perform at the best possible level.**

3 Principles

The principles that ensure and guide the execution of continuity planning are **fairness, transparency** and **equal opportunities** for all employees.

4 Relevant legal frameworks and regulations

- Regulation (EU) No 575/2013 of the European Parliament and of the Council of

26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (CRR);

- European Banking Authority ("EBA") Guidelines GL06/2012 on the assessment of the suitability of members of the management body and key function holders and EBA CP/2013/11/21.05.2013 on the implementation of Directive 2013/36/EU;
- NBR Regulation No. 12/2020 on the authorization of credit institutions and changes in their status;
- Government Emergency Ordinance No. 99/2006 on Credit Institutions and Capital Adequacy, as amended and supplemented (Banking Law);
- NBR Regulation 5/2013 on Prudential Requirements for Credit Institutions, as amended and supplemented.

5 Key roles

Regarding the management body in its supervisory function, according to the applicable legislation, proposals for candidates can only come from the Bank's shareholders and only when vacancies exist. However, the Remuneration and Nomination Committee carries out an analysis of the suitability of the candidates and communicates the results of this analysis to the shareholders to ensure an informed vote.

The Board of Directors (the supervisory body) is responsible for approving key functions within the organization and for appointing the persons to fill these functions. The Board may delegate to senior management and the Nomination Committee the task of selecting and proposing the appointment of employees to certain key positions.

In approving the key positions, the Board will review the strategic plan proposed by the Leaders' Committee, as well as the short-term objectives and the status of their achievement. On an annual basis, the list of key positions is reviewed and, if necessary, revised by the Nomination Committee on the proposal of the Human Resources Committee and approved by the Board.

6 Steps

The Sustainable Corporate Governance and International Financial Markets Department reports annually to the Human Resources Committee and the Nomination Committee on the names of the persons with key competencies, including the level of skills and knowledge. Identification of potential candidates is made through references, recommendations and executive search. Assessment of the candidate's readiness in terms of current professional level is made through formal performance review processes and involvement in major projects/campaigns, through direct observation and measurement of results and demonstrated skills/competencies, and through the use of relevant psychometric tests (e.g. HOGAN).

7 Talent review, assessment and training

Refers to the identification and training of employees with the potential for professional development to become members of the Bank's management body. To minimize the risk of a shortage of competent and high-performing staff in a given function due to promotion, dismissal, resignation or retirement, the Bank will protect itself by developing and implementing the continuity plan for key functions and management of significant activities.

Prior to the appointment, candidates are pre-screened by the relevant departments to meet all the legal requirements imposed for such positions. Based on the analysis carried out in this preliminary stage, the Nomination Committee will verify the timely fulfillment of the assessment conditions and will determine the appropriateness of taking steps to authorize key staff. The Committee's decision is then subject to the validation or invalidation of the Board of Directors.

In selecting and appointing individuals to key positions, consideration is given to both internal and external recruitment. Both internal and external recruitment will ensure that the individuals selected have the necessary training, qualifications, and experience to successfully perform the responsibilities of the key role and are of good moral character.

The individuals identified to become members of the Bank's management body

and leaders' Committee will undergo a training process depending on the seniority and complexity of the position. These individuals will be involved either in a career management process (if eligible) or in a complex training. The focus is on the development of skills and competencies for specific roles within the Bank, which can then be tailored to the specific needs of a particular key function or significant leadership role.

At the same time, we have implemented a Board of Directors' **Suitability Assessment Policy** at the Group level in order to comply with legal and transparency requirements and to regulate the principles governing the suitability of the members of the Board of Directors, both from an individual perspective and at a collective level through an assessment of the Board as a whole.

The suitability of Board members shall consider reputation, integrity, honesty and independence of thought, through various channels and tools, such as diplomas and certificates, letters of recommendation, curriculum vitae, interviews, questionnaires.

The assessed person needs to certify that all the information provided is correct, supply adequate proof of the validity of this information and declare any possible conflict of interest, whether existing or potential.

The Nomination Committee will assess the suitability of Board members on an ongoing basis and report annually on the results of this assessment. If the suitability requirements are affected in any way, the Committee may conduct a new suitability assessment and, if deemed necessary, a new collective suitability assessment will be conducted.

Disclaimer:

We undertake to fully respect and comply with the provisions of this commitment, which we will periodically update. This statement is the minimum level of commitment that we will continue to comply with in accordance with the applicable legal provisions (where needed).

