

**S.C. CHIMCOMPLEX S.A. BORZESTI**  
**Romania – Bacau; Onesti, 3 Industriilor Street;**  
**Trade Register No. J04/493/1991; Taxation code RO 960322; Share capital 162,877,590.54 lei**  
**Legal Entity Identifier (LEI) code: 549300FCIHJZOG56WD36**  
**Account: RO51RZBR000001506855; Raiffeisen Bank Onesti;**  
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**Statement regarding the Corporate Governance**  
**31.12.2018**

It contains the self-assessment of the compliance with “provisions to be accomplished” provided by the document “Principles of Corporate Governance for AeRO – the share market of Bucharest Stock Exchange”, which came into force on 04.01.2016, as well as of the measures adopted or which are going to be adopted, in order to achieve all of them.

**Preamble**

The Principles of Corporate Governance of 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 stronger connection with them, as well as an wider opening to potential investors.

A good corporate governance is a powerful instrument for increasing business competitiveness and CHIMCOMPLEX S.A. Borzesti aims the fulfillment of all these recommendations, contributing to the development of the economic efficiency of business and increase of investors’ confidence.

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

**Table regarding the compliance with the Principles of Corporate Governance:**

Principles of Corporate Governance	Complies with	Does not comply or partially complies with	Reason for noncompliance
<b>A. 1.</b> The company should have an internal Board of Directors regulation that includes terms of reference for the Board and the company’s key management	X		

positions. The Regulation should also present how to deal with a conflict of interest within the Board.			
<p><b>A.2.</b></p> <p>Any other professional engagements of Board's members, including the executive or non-executive position of the board members in other companies (excluding company's subsidiaries) and non-profit institutions shall be brought to the attention of the Board prior to the appointment and during the mandate.</p>	X		
<p><b>A.3.</b></p> <p>Each member will inform the Board about any connection with a shareholder holding directly or indirectly shares representing not less than 5% of the total number of voting rights. This obligation shall take into account any connection that may affect the position of the respective member on matters concerning the decisions of the Board.</p>	X		
<p><b>A.4</b></p> <p>The annual report must inform whether an assessment of the Board led by the Chairman has taken place. It must also contain the number of the Board's meetings.</p>		X	The company is due to develop the procedure for the Board assessment in 2019, and in the annual report will be presented aspects of Board meetings.
<p><b>A.5.</b></p> <p>The procedure regarding the cooperation with the Authorized Consultant for the period in which such cooperation is imposed by the Bucharest Stock Exchange.</p>	X		

<p><b>B.1.</b> The Board will adopt a policy so that any transaction of the company with a subsidiary representing 5% or more of the company's net assets, according to the most recent financial report, to be approved by the Board of Directors.</p>		X	The Board is to develop in 2019 the policy of the company's transactions with subsidiaries representing 5% or more of the net assets of the company.
<p><b>B.2.</b> The internal audit must be carried out by a separate organizational structure (internal audit department) of the company or through the services of an independent third party that will report to the Board and within the company it will report directly to the General Manager.</p>	X		
<p><b>C.1.</b> The Company will publish in the annual report a section that will include the total incomes of the Board's members and of the General Manager for the respective financial year and the total amount of all bonuses or any variable compensation and also the key assumptions and principles related to the calculation of the above mentioned incomes.</p>		X	The requirement has been partially met because the notes to the annual financial statements include information on the remuneration of members of the Board of Directors and the General Manager. The requirement is going to be fully implemented during the year 2019.
<p><b>D.1.</b> Additionally to the information provided by the legal provisions, the company's website shall contain a section dedicated to the Relationship with the Investors, both in Romanian and in English, with all relevant information of interest to investors.</p>		X	On the website, the section "Relationship with the Investors", presents the information in Romanian.
<p><b>D.2.</b> A company must have</p>	X		

<p>adopted a company's dividends policy as a set of directives related to the allocation of net profit, that the company undertakes to observe. The principles of the policy regarding the dividends must be published on the company's website.</p>			
<p><b>D.3.</b> A company must have adopted a forecasting policy and whether it will be provided or not. Forecasts are the quantified conclusions of studies aiming the determination of the overall impact of a list of factors relating to a future period (the so-called hypotheses). The policy should provide the frequency, the period considered and the content of the forecasts. If published, the forecasts will be part of the annual, half-yearly or quarterly reports. Forecast policy should be published on the company's website.</p>		X	<p>The company has not adopted a policy on forecasts to determine its frequency, period and content, whether to be made public or not. Forecasts with a certain level of uncertainty, factors with significant impact on future periods, are every time included in the annual reports of the administrators.</p>
<p><b>D.4.</b> A company must set the date and place of a general meeting so as to allow the participation of as many shareholders as possible.</p>	X		
<p><b>D.5.</b> The financial reports will include information, both in Romanian and in English, on the main factors influencing changes in sales, operating profit, net profit or any other relevant financial indicator.</p>	X		
<p><b>D.6.</b> Every year, the company will organize at least one meeting / conference call</p>	X		

with the analysts and the investors. The information presented on these occasions will be published in the section about Relationship with the Investors on the company's website at the time of that meeting / conference.			
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**CHAIRMAN OF THE BOARD OF DIRECTORS,  
VUZA STEFAN**