

ANTIBIOTICE S.A.

*REGULATIONS*  
*of*  
*ADVISORY COMMITTEES*

## **COMMITTEES OF THE MANAGEMENT BOARD**

1. The Management Board sets up working committees from which its members make part. The committees are responsible for carrying out activities and making recommendations for the Board, in areas such as auditing, remuneration of administrators and directors, and other activities deemed necessary by the Board.
2. It is mandatory to set up an Audit Committee and a Nomination and Remuneration Committee.
3. The Management Board remains collectively responsible for the decisions and actions of any of its Committees, the proposals of the Committees not being directly applicable but only by decision of the Board.
4. A Committee acts independently and diligently fulfills the tasks assigned to it, correctly and completely bringing to the notice of the Management Board the results of its activities, making proposals for the improvement or remediation of issues deemed inappropriate.
5. Activities which, by law, are to be carried out by the Management Board may not be delegated to a Committee.
6. The committees promptly inform the Management Board about their actions.

### **I. AUDIT COMMITTEE**

1. The Management Board will set up an Audit Committee, consisting of three non-executive administrators, of whom at least one must be an independent administrator. In the first meeting, the committee will elect from among its members, by open vote, a President and will appoint a secretary of the committee who may also be a person from outside the Management Board.
2. At least two members, including the Committee's President must have demonstrated that they are adequately qualified for the functions and responsibilities of the committee.
3. At least one member of the Audit Committee must have proven an appropriate audit or accounting experience.
4. The President of the Audit Committee must be an independent, non-executive administrator. The President of the Management Board will not be able to chair the Audit Committee.
5. As part of its responsibilities, the Audit Committee annually evaluates the internal control system. The evaluation must consider the effectiveness and comprehensiveness of the internal audit function, adequacy of the risk management and internal control reports submitted to the audit committee, the promptness and effectiveness with which the executive management addresses the deficiencies or weaknesses identified as a result of internal control and submission of relevant reports to the Management Board.
6. The Audit Committee manages any conflicts of interest in connection with the transactions of the company and its subsidiaries with the affiliated parties<sup>1</sup> within the meaning of the Tax Code.

7. The Audit Committee must monitor the application of generally accepted legal and internal auditing standards.

8. The Audit Committee must receive and evaluate the internal audit team's reports.

9. During the exercise of their mandate, the members of the Audit Committee will not hold positions incompatible with the mission of the Committee.

<sup>1</sup> According to the provisions of the Tax Code in force at the date of approval of this Code of Ethics, a person is affiliated if his/her relationship with another person is defined by at least one of the following cases:

a) a natural person is affiliated with another natural person if he/she is a husband/spouse or a relative up to the third degree;

b) a natural person is affiliated with a legal person if the natural person holds, directly or indirectly, including the holdings of the affiliated persons, at least 25% of the value / number of participation titles or voting rights of a legal person or if he/she effectively controls the legal person;

c) a legal person is affiliated with another legal person if it holds, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value / number of participation titles or voting rights in the other legal person or if it controls effectively that legal person;

d) a legal person is affiliated with another legal person if a person holds, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value / number of participation titles or voting rights in the other legal person or if it effectively controls that legal person.

10. In the exercise of its main duties and responsibilities, the Audit Committee will perform at least the following activities:

a. will examine and verify the correctness of the company's annual and interim consolidated financial statements and any other financial reports before they are submitted to the Board for approval;

b. will analyze and make recommendations to the Board regarding the appointment, re-appointment or revocation of external auditors;

c. will periodically evaluate the efficiency, independence and objectivity of the external auditor and will supervise the relationship with it;

d. will make proposals to the Board on specific areas in which additional verifications made by the external auditor may be required;

e. will analyze and approve the attributions of the Internal Audit Office and will supervise its activity in order to ensure that it acts objectively and independently.

11. The Audit Committee will meet regularly, at least once a quarter, and whenever necessary.

12. The meetings of the Audit Committee will be convened at the request of its President, or at the request of the President or Vice-President of the Management Board. The committee will also meet if two of its members request a meeting. The secretary of the committee will mandatorily communicate the convening notice to each member of the audit committee by e-mail / fax / postal service, including the proposed agenda, place, date and time of the meeting together with the documentation related to the topics included in the agenda. As a rule, the convening notice and

the documentation will be communicated at least five days before the meeting. In well-justified cases, the convening notice and documentation can be communicated in a shorter term. Meetings may be held without a convening notice if the members of the committee are present and expressly accept this situation.

13. The Committee may invite to meetings any administrator, director or any other employee of Antibiotice S.A.

14. The internal auditor of the company will attend all the meetings without having the right to vote, unless the President of the Committee considers that his participation is not necessary.

15. A quorum will be deemed to be met and the Committee will meet validly when at least two members are present.

16. The Committee will take decisions by a majority of the votes of the members present.

17. The secretariat of the meetings will be provided by the secretary of the committee, who shall carry out all necessary operations, including the drawing up of the minutes of the meeting, mentioning the names of participants, order of deliberations, decisions taken, number of votes cast and separate opinions. The minutes of the meeting will be signed by the President of the committee and copy will be sent to each administrator and kept by the secretary of the Management Board in the company's records.

## **II. NOMINATION AND REMUNERATION COMMITTEE**

1. The Management Board will set up a Nomination and Remuneration Committee consisting of non-executive administrators from which at least one must be an independent administrator. In the first meeting, the committee will elect from among its members, by open vote, a President and will appoint a secretary of the committee who may also be a person from outside the Management Board.

2. The President of the Nomination and Remuneration Committee will be an independent non-executive administrator.

3. During their term of office, the Nomination and Remuneration Committee's members will not have positions that could be considered incompatible with their mission.

4. Attributions and responsibilities of the Nomination and Remuneration Committee are mainly the following:

- a. formulates proposals for the positions of administrators, elaborates and proposes to the Board the criteria for selecting candidates for the positions of administrator and director, recommends to the Management Board the candidates for the listed positions, formulates proposals regarding the remuneration of administrators and directors;
- b. will evaluate, at least once a year, the independence of the Management Board's members;
- c. will verify the number of mandates held by the Board's members in other companies;

- d. will perform other tasks in connection with the appointment or revocation of the Board members, at the Board's instructions;
  - e. will be ensured that the persons applying for the position of administrator have the necessary training and experience to fulfill their attributions;
  - f. draws up an annual report on the remuneration of the administrators and directors appointed by the Board, as well as other benefits granted to them, a report to be presented by the Board to the General Meeting of Shareholders.
5. The Nomination and Remuneration Committee will meet regularly, at least twice a year, and whenever necessary. The meetings of the Committee shall be convened at the request of the President of the Committee. The President of the Committee shall specify the agenda of the meetings. The committee will also meet in the event that two members request a meeting.
6. The Secretary of the Committee will mandatorily communicate the convening notice to each member of the Nomination and Remuneration Committee, by e-mail / fax / postal service, including the proposed agenda, place, date and time of the meeting together with the documentation related to the topics included in the agenda. As a rule, the convening notice and the documentation will be communicated at least five days before the meeting. In well-justified cases, the convening notice and documentation can be communicated in a shorter time. Meetings may be held without a convening notice if the members of the committee are present and expressly accept this situation.
7. The Committee may invite to the meetings any administrator, director or any other employee of Antibiotice S.A.
8. A quorum will be deemed to be met and the Committee will meet validly when at least two members are present (including the President of the Committee).
9. The Committee will take decisions by mutual agreement. If no agreement is reached, decisions will be taken by a simple majority of the votes of the present members.
10. The secretariat of the meetings will be provided by the secretary of the committee, who will carry out all the necessary operations, including drawing up the minutes of the meeting, mentioning the names of the participants, order of deliberations, decisions taken, number of votes cast and separate opinions. The minutes of the meeting will be signed by the President of the Committee, and a copy will be sent to each administrator and kept by the secretary of the Board in the company's records.

### **III. TRADE POLICY COMMITTEE**

1. The Management Board will set up a Trade Policy Committee consisting of three administrators from whom at least one of them must be an independent non-executive administrator. In the first meeting, the committee will elect from among its members, by open vote, a President and will appoint a secretary of the committee who may also be a person from outside the Management Board.

2. The Trade Policy Committee is constituted as an advisory committee of the Management Board that exercises its specific attributions, roles and responsibilities in accordance with the provisions of GEO no. 109/2011 on the corporate governance of public enterprises, Internal Regulation of the Management Board of Antibiotice SA, Articles of Association, Corporate Governance Code of Antibiotice SA, Law no. 31/1990 on trading companies.

3. The Trade Policy Committee supports the Management Board in performing the management plan, by transposing it into appropriate trade policies.

4. To the extent that the composition of the Board allows, the members of the Trade Policy Committee will be appointed taking into account their relevant experience and practice in at least one of the areas of trade, finance and accounting, trade marketing and and also their good knowledge of the legislation applicable to the company's activities.

5. The guiding principles that coordinate the activity of the Trade Policy Committee are:

- the principle of legality, which implies the compliance of the company with all applicable legal provisions in relations with its partners and authorities, as well as with the internal rules and procedures approved by administrators;
- the principle of optimizing the trade policies, which involves establishing those marketing and promotional actions aimed at stimulating the company's businesses and ensuring their long-term sustainability;
- the principle of rational use of production capacity;
- the principle of territorial expansion, which involves the establishment of those trade policies aimed at identifying new business opportunities in the international market.

6. The Trade Policy Committee analyzes the commercial policies, including the marketing and promotion policies through which the company's Management Plan and the management component of the Management Plan (Business Plan) are implemented. In order to carry out these tasks, the members of the committee will receive reports from the directors of the company in the meetings of the Board and whenever they make requests in this respect.

7. The Trade Policy Committee will draw up and submit to the Management Board, every six months, a centralized report on the activity carried out, in which it will present its conclusions and make the recommendations it deems necessary.

*These Regulations have been adopted by the Management Board of the trading company Antibiotice S.A.*