

**Information to shareholders on item 3 on the agenda of the Extraordinary
General Meeting of Shareholders April 28/(29), 2022**

Banca Transilvania SA, in connection with the Extraordinary General Meeting of Shareholders of April 28/(29), 2022, provides some additional details regarding item 3 of the EGMS agenda, regarding the approval of the redemption by the Bank of its own shares, in accordance with the applicable legal provisions, up to 40,000,000 shares at a minimum price equal to the market price on BSE at the moment of the buyback and a maximum price of RON 4, for a period of maximum 18 months as of the publishing date of the EGMS resolution in the Official Gazette of Romania, Part IV, part of a stock option plan with the purpose of implementing a remuneration program and a personnel incentive program for a period of at least 3 years as well as the payment of fixed remuneration, and the granting of a mandate for the Board of Directors.

The buyback process mentioned above envisages the implementation of a remuneration system. The remuneration system refers to a stock option plan initiated by a legal entity whose securities are admitted to trading on a regulated market, according to the provisions of Law No. 227 from September 8, 2015 concerning the Tax code, with subsequent amendments and additions. In this regard, we refer to the provisions of art. 7(39)(2) in the Tax code 2016, according to which in order for a program to qualify as a *stock option plan*, a minimum of one year must elapse between the time when the right is granted and the time when it is exercised (purchase of securities). Thus, the bank has decided to offer its employees, as well as other individuals, who are in mandate-based relationships with the Bank the opportunity to acquire shares issued by the Bank free of charge, under the terms of the Plan to grant the option of acquiring free shares (*Stock Option Plan/SOP*). The remuneration system considers both the payment of variable and fixed remuneration.

We emphasize that Banca Transilvania must comply with the requirements of European and national banking legislation and, consequently, a significant part of the remuneration paid to senior management must be fixed. In the case of the Board of Directors, all remuneration paid to them shall be fixed. Regardless of the situation, the

actions paid through this plan will be allocated only after a minimum period of one year has elapsed between the time the right was granted and the time when it was exercised, as mentioned above.

For the purpose of granting variable remuneration, the individual annual performance of the members of the Leaders' Committee and of the other beneficiaries shall be determined in accordance with the rules set out in the internal methodology.

In the case of top management, the rules used to evaluate annual performance are based on the methodology of SMART objectives. These principles are the foundation of the methodology used for determining the criteria. Performance evaluation criteria take into account sufficient time to measure actual performance, using quantifiable criteria, both qualitative and quantitative. A top management member is also assigned sustainability and responsibility / ESG objectives (as appropriate). The use of such individual performance targets ensures an alignment between the bank's remuneration practices, the interests of top management and the bank's overall sustainability and accountability / ESG objectives.

General performance criteria on which the right to shares or other variable components of remuneration is based (cumulative):

- Achieving the gross profit target in the year for which the valuation is made (for the base part) and / or for the previous year (in the case of the deferred part);
- Maintaining an optimal liquidity, keeping the value of the immediate liquidity indicator at the limit of the risk appetite assumed for the year for which the assessment is made (for the base part) and / or for the previous year (in the case of the deferred part);
- Maintaining a level of solvency (calculated with reference to internal capital) according to the Internal Risk Capital Adequacy Process for the year for which the assessment is made (for the base part);
- Framing the general risk profile of the Bank in the risk appetite assumed in the year for which the assessment is made (for the base part) and / or for the previous year (in the case of the deferred part).

Moreover, the variable remuneration is divided into the part granted instantly and the part deferred in terms of entitlement. For certain categories of Beneficiaries, they are entitled to exercise the option to receive free of charge the package of shares for a maximum of 60%, respectively 40% of the total variable remuneration, as a part granted instantly. For the deferred difference, the related remuneration is postponed for a period between 3 and 5 years, the release being subject to the condition of fulfilling the specific criteria mentioned above for each deferred tranche.

The deferred variable remuneration of the Bank's top management is subject to a 5-year deferral period and is appropriately correlated with the nature of the activity, its risks and the activities of the personnel concerned, as follows:

- 1/5 of the deferred variable part shall be paid in T+1
- 1/5 of the deferred variable part shall be paid in T+2
- 1/5 of the deferred variable part shall be paid in T+3
- 1/5 of the deferred variable part shall be paid in T+4
- 1/5 of the deferred variable part shall be paid in T+5, where T is the time when the corresponding part of the variable remuneration granted is paid immediately.

The postponement period may be extended according to the decision of the Board of Directors. After the expiration of each deferral period for the members of the Leaders' Committee, a retention period of 12 months shall apply, namely a period of time after the vesting of the shares granted as variable remuneration, during which they cannot be sold or accessed without the Board of Directors' approval. The variable remuneration paid in shares is subject to ex ante and ex post risk adjustments (malus and clawback), in accordance with the limits set by the remuneration policy of the Bank's management body approved by the General Meeting of Shareholders in April 2021.