



**Banca Transilvania's
Committees**

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Audit Committee

Risk Committee

Remuneration and Nomination Committee

Leaders' Committee

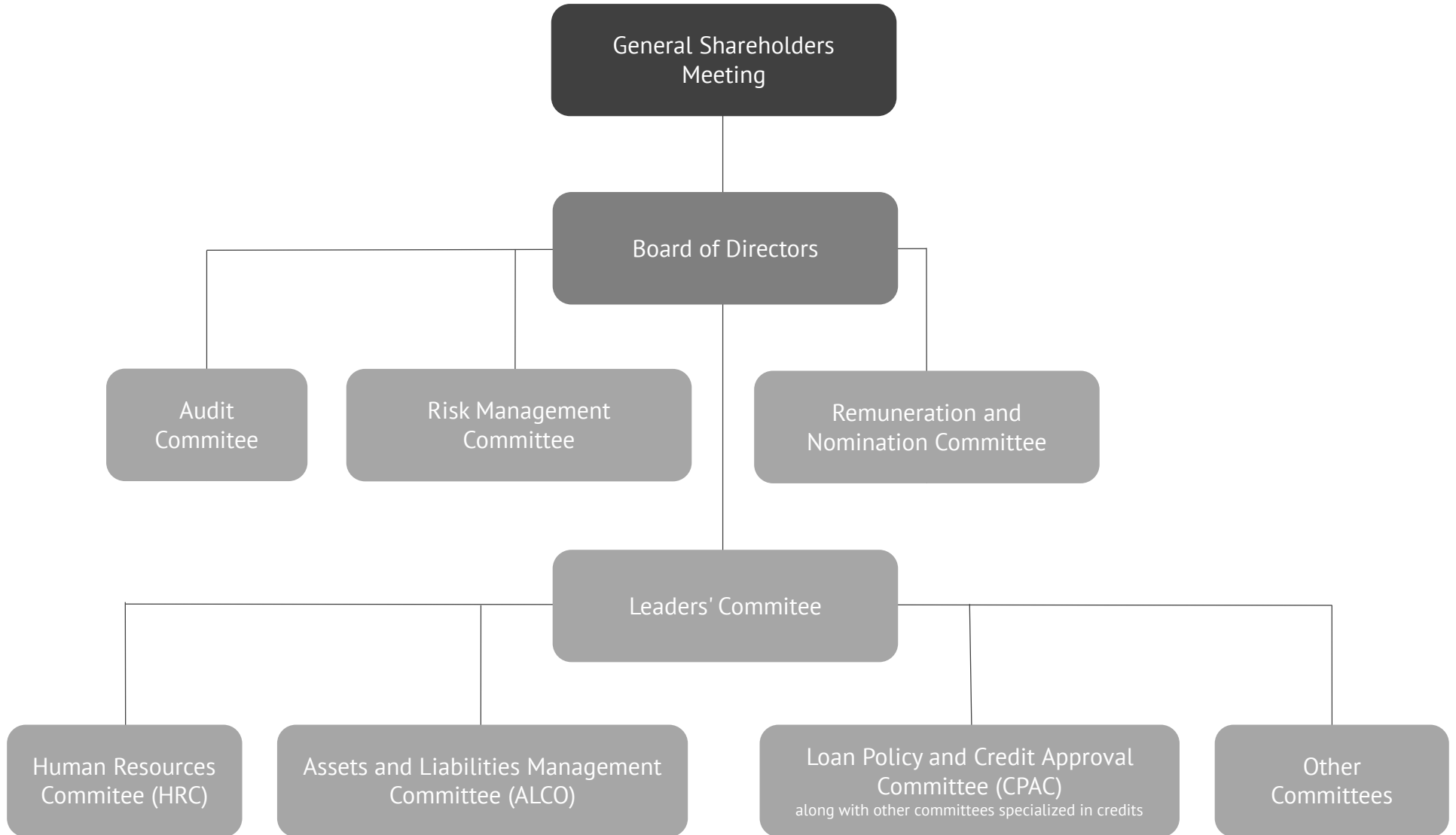
Assets and Liabilities Committee

Credit Policy and Approval Committee

Human Resources Committee

Other Committees

Management structures at Banca Transilvania



Audit Committee

The Audit Committee consists of non-executive members of the Board of Directors (who do not hold any executive management positions).

Structure: 3 non-executive BoD members

Responsibilities:

- Financial statements - aspects related to the accounting principles; presentation of the financial statements, including significant changes in BT's decision on the choice/application of accounting principles;
- Internal control - examination by the internal and external audit of the internal control regarding the financial statements and obtaining reports and recommendations;
- Internal audit; external audit; reporting.

Carries out its activity based on the applicable legal framework, comprising:

- International Standards on Auditing-ISA 260-18, 2005-CAFR; Law on Commercial Companies, Law 31/1990;
- NBR Regulation No. 5/17.09.2013 on the framework for the management of credit institutions' activities, the internal process for assessing capital adequacy to risks and the conditions for the outsourcing of their activities;
- BT's Rules of Organization and Administration.

Risk Management Committee

The Risk Committee is subordinated to the Board of Directors.

Structure: 4 directors

Responsibilities:

- Advises the Board of Directors regarding the risk appetite and the global strategy concerning the management of the current and future risks of BT;
- Provides competent and independent opinions on the institution's risk management policies and practices, capital adequacy, risk appetite;
- Assists the Board of Directors in overseeing the implementation of the risk strategy by the Leaders' Committee.
- Exercises of the duties mandated by the Board of Directors for this segment of activity.

The general responsibility for risk management remains with the Board of Directors.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee is subordinated to the Board of Directors.

Structure:

- Chairman of the Board of Directors
- Members of the Board of Directors

Responsibilities:

- Analyzes and makes sure that the general principles and policies on remuneration, benefits for the bank's employees, are in line with the long-term business strategy, values and objectives of Banca Transilvania
- Issues competent and independent opinions on the:
 - remuneration policies and practices;
 - remuneration of employees dealing with risk management;
 - bank's capital adequacy and liquidity;
 - nomination policies;
 - exercise of the duties mandated by the Board of Directors for this segment of activity.

Leaders' Committee

The bank's leaders are appointed by the Board of Directors, in accordance with the applicable legal provisions, and are authorized by the NBR prior to the actual exercise of their functions.

The rules and procedures of the Leaders' Committee are approved by the Board of Directors.

The Leaders' Committee, as a joint body, ensures the executive management, based on the mandate received, forming together with the BoD the governance structure of the bank according to the relevant law.

Main duties:

- Draws up the bank's strategy and ensures its implementation in the form approved by the Board of Directors;
- Implements the strategic decisions of the Board of Directors and of the Audit Committee, respectively;
- Ensures an adequate risk management and control in the bank;
- Coordinates and oversees the operations, acting in the best interest of the bank and committing to increase the bank's value.

Assets and Liabilities Committee (ALCO)

ALCO is appointed by BT's Leaders' Committee and ensures the development and management of the bank's assets and liabilities in line with the bank's strategic plan, the budget of revenues and expenditures and the income statement.

The Committee ensures the operative monitoring of the dynamics of the bank's resources and investments, ensures their proper balance, receives informative materials and reports from the specialized departments within the bank, it analyzes them and adopts decisions with respect to the management of the interest risk / FX risk / liquidity risk / price risk and the related activity segments, for the purpose of an adequate management of the bank's assets and liabilities.

Credit Policy and Approval Committee (CPAC)

CPAC is appointed by the Leaders' Committee, the main purpose of which is to define the bank's lending policy and to approve the loans which exceed, in terms of amount and conditions, the competencies of other structures or persons in the bank.

The Committee sets the objectives of the lending activity based on BT's strategy, seeks to improve the bank's lending policy, including in terms of the restructuring of credit facilities, reviews the development of special projects, i.e. the implementation of loans granted from external borrowed sources, sets limits on credit risk exposures and monitors the compliance with such limits.

Human Resources Committee (HRC)

The Human Resources Committee is a body created to develop and enhance the efficiency of the decision-making process regarding BT's employees.

Duties:

- Appointments for: agency director, head of agency/work point, head of department, head of office, deputy operations manager;
- Endorses appointments for: Deputy Manager - Companies, Deputy Manager - Commercial companies; Deputy Manager - Company Loans; Branch Manager, Regional Manager, Department Manager and submits them to the Leaders' Committee/Board of Directors for approval;
- Approves the salary and benefits policy, which will then be submitted to the Remuneration and Nomination Committee for approval;
- Approves the award of bonuses for the achievement of the monthly/quarterly targets Approves the salary changes related to retention/promotion, above the authority limit of the HR Department + Deputy CEO / responsible manager;
- Approves the bonuses and other benefits for employees, in accordance with Banca Transilvania's Remuneration Policy approved by the Remuneration and Nomination Committee; validates the results of annual employee performance appraisals.

THE CREDIT AND RISK COMMITTEES OF BANK'S HEAD OFFICE AND BRANCHES

THE FINANCIAL INSTITUTIONS CREDIT COMMITTEES

THE COMMITTEES SPECIFIC TO REMEDIATION AND WORKOUT ACTIVITIES

THE COMMITTEE FOR MONITORING DEBT ENFORCEMENT AND ASSET REALIZATION

THE SPECIAL COMMITTEE FOR THE APPROVAL OF FORECLOSURES / LITIGATIONS

THE OPERATIONAL RISK COMMITTEE

THE PROCUREMENT COMMITTEE, THE DATA MONITORING AND BUSINESS INTELLIGENCE COMMITTEE etc.

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