IAR-110-26— 6130S/13.11.2026

EXPLANATORY NOTE

AMENDMENT OF THE CONSTITUTIVE ACT OF IAR SA COMPANY

We would like to inform you that, in accordance with:

- *The provisions of Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented;*
- *AMEPIP communication no. 14093/01.10.2026 regarding the need to update and align the constitutive act of IAR SA with the legal provisions currently in force concerning the corporate governance of public enterprises;*
- *The current constitutive act of IAR SA;*

it is necessary to update and align the constitutive act of IAR SA with the applicable legal provisions and to submit the updated version of the Articles of Incorporation to the Agency for the Monitoring and Evaluation of the Performance of Public Enterprises (AMEPIP) by December 20, 2026.

It is proposed to amend the constitutive act of IAR SA as follows:

Chapter IV – GENERAL MEETING OF SHAREHOLDERS:

***Art. 12** paragraph (4), letter i):"the conversion of registered shares into bearer shares or of bearer shares into registered shares;"*

is deleted, in accordance with art 54 pct 10 Law no. 129/2019 for the prevention and combating of money laundering and terrorist financing, as well as for the amendment and supplementation of certain normative acts.

***Chapter V – BOARD OF DIRECTORS**:*

***Art. 16 paragraph (2)** is amended to read as follows: "The majority of the members of the Board of Directors shall consist of non-executive and independent directors, within the meaning of Art. 138² of Law no. 31/1990, republished, as subsequently amended."*

***Art. 16 paragraph (7)** is amended to read as follows: "In the event that one or more director positions become vacant, the Ordinary General Meeting of Shareholders shall appoint the interim directors, following the submission of candidate proposals to AMEPIP and their subsequent evaluation by AMEPIP."*

***Art. 16 paragraph (8)** is amended to read as follows: "In the event that the selection and nomination procedure for permanent directors is completed before the expiration of the term for which an interim director was appointed, the permanent director(s) shall be immediately designated by the General Meeting of Shareholders, and the mandate of the interim director(s) shall terminate."*

***Art. 16 paragraph (19)** is amended to read as follows: "A Nomination and Remuneration Committee, a Risk Management Committee, and an Audit Committee shall be established within the Board of Directors. In the case of boards consisting of 3 members, the functions of the Risk Management Committee may be delegated to the Audit Committee, subject to notification of the public supervisory authority."*

Art. 16 paragraph (20) *is amended to read as follows: "The Audit Committee shall perform the duties provided for in Art. 65 of Law no. 162/2017, as subsequently amended."*
Art. 16 paragraph (22) *is amended to read as follows: "The Nomination and Remuneration Committee organizes training sessions for the members of the Board, formulates proposals regarding the remuneration of directors and executive managers—in compliance with the remuneration policy issued by the Agency for the Monitoring and Evaluation of the Performance of Public Enterprises—and supports the Board in evaluating its own performance, as well as the performance of the executive management.*
The Risk Management Committee ensures that control activities are aligned with the risks arising from the activities and processes subject to such control; it identifies, analyzes, evaluates, monitors, and reports on the identified risks, the plan of measures to mitigate or anticipate them, and other measures taken by the executive management."

Please note that the approval by the Board of Directors of IAR SA of the proposals to amend the Articles of Association is subject of Decision No. 34 CA / 12.11.2026.

Taking into consideration the above mentioned and taking into account the powers granted by law and the company's constitutive act to the extraordinary general meeting of shareholders, the board of directors of IAR SA submits for your consideration and approval the following:

- the proposal to amend Chapter IV – GENERAL MEETING OF SHAREHOLDERS, Article 12 – Powers of the General Meeting of Shareholders
- the proposal to amend Chapter V – BOARD OF DIRECTORS, Article 16 – Organization.

Bogdan COSTAȘ

CHAIRMAN OF THE BOARD OF DIRECTORS

SOCIETATEA COMERCIALĂ „I.A.R." S.A. BRAȘOV - ROMÂNIA