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PRESS RELEASE

BVB and EBRD to review Romanian market's corporate governance code. Revised code to be released by end-2024

- **Romanian market's corporate governance code is to be reviewed**
- **Bucharest Stock Exchange (BVB) and European Bank for Reconstruction and Development (EBRD) will work together on the review**
- **Revised code to be released by end-2024**

The Bucharest Stock Exchange ([BVB](#)) and European Bank for Reconstruction and Development ([EBRD](#)) will work together to review the Romanian market's corporate governance code, aligning it with recent regulatory changes and updated global standards.

This joint initiative is designed to help listed companies improve their governance and reporting quality, by aligning with EU regulatory changes affecting governance structures, the latest G20/OECD Corporate Governance Principles and best practice in the field. The updated code is expected to provide guidance on emerging issues in governance and reflect the evolving priorities of stakeholders and enhancing their corporate resilience in a rapidly changing world.

The revised version of the Code is meant to be released by the end of 2024, so the first year of reporting compliance with the new Code is 2026 for the financial year 2025. The process of reviewing the Code will take into account the input and insights of all market participants.

"Corporate governance is paramount for investors, who rely on robust governance frameworks to assess the integrity and performance of companies, make informed investment decisions and allocate capital efficiently. By promoting disclosure, oversight, and shareholder rights, effective governance enhances investor confidence, lowers the cost of capital, and reduces agency conflicts," said Victoria Zinchuk, EBRD Head of Romania.

"These updates are not only about compliance, but also about common sense, about aligning governance practices with evolving regulatory frameworks, industry standards, and societal expectations. By applying the good governance principles, companies can enhance

transparency, accountability, and risk management, fostering investor trust and safeguarding long-term sustainability,” said Radu Hanga, Chairman of the BVB Board.

Adrian Tanase, BVB CEO added: *“Strong governance signals management’s commitment to long-term value creation, including sustainability, aligning shareholder interests with corporate objectives and fostering sustainable shareholder returns. This underscores the crucial role of the Code in the investment landscape, making it a key area of interest for investors.”*

The EBRD has a close and long-established relationship with BVB, including joint work on the environmental, social and governance reporting guidelines which BVB published in 2022, with technical assistance from the EBRD, as well as the development of the current Corporate Governance Code adopted in 2015.

The EBRD and BVB are supported in the project by representatives of renowned institutions from the international governance landscape and from the Romanian private and public sector: the General Secretariat of the Romanian Government, the Agency for Monitoring and Evaluation of the Performance of Public Enterprises, the Financial Supervisory Authority, the Romanian Investor Relations Association, the promoter of investor relations concept in Romania, and the Envisia Boards of Elite, the business school for board members and C-level executives, actively promoting responsible corporate governance practices.

About the EBRD in Romania: In 2023, the EBRD invested €658 million in Romania. Since cooperation began in 1993, the Bank has committed almost €11 billion to 525 projects in the country, of which 81 per cent is in the private sector.

About the Bucharest Stock Exchange: BVB, a fundamental institution for the capital market, is the only securities market operator in Romania. BVB, listed on its own market since 2010, is part of the BVB Group which also includes the Central Depository, the institution responsible for the register and settlement operations in Romania; in October 2019, the central counterparty, i.e. CCP.RO, was established as an institution that is to take up the clearing of securities transactions in Romania and to contribute to the re-launching of the derivatives market.

BVB manages two separate markets, the Regulated Market and the Multilateral Trading System, which lists a variety of financial instruments such as stocks, bonds, fund units, certificates, structured products, preferential rights. By the end of 2023, the two BVB markets had listed 371 companies with capitalization in excess of 300 billion lei, the highest level in history. The main market index, BET, closed 2023 with a nearly 32 per cent advance and the BET-TR index with an advance of nearly 40 per cent compared to the start of 2023. The dynamics of recent years demonstrates that the BVB is able to sustain the capital that entrepreneurs and state institutions need. The efforts of BVB and its stakeholders to modernize and develop the capital market in Romania have also been acknowledged by its promotion to the Secondary Emerging Market status in 2020, by the global FTSE index

provider, Russel. In March 2024, 15 Romanian companies had been included in the FTSE indices for emerging markets. More information at www.bvb.ro.

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