



Related party transaction policy for Purcari Wineries Public Company Limited

Updated as of: December 12, 2018

According to the regulations of the Bucharest Stock Exchange Corporate Governance Code, Purcari Wineries Public Company Limited ("the Company") has elaborated a Policy to address any relevant related party transactions. This Policy describes the regulations related to treatment, disclosure and approval of transactions with such related parties.

Definitions

A related party transaction is defined as a transfer of resources, services or obligations between the reporting entity and a related party. The definition of a related party is in line with respective terms of International Accounting Standard 24 and applicable legislation.

Treatment

The Company will ensure that all related party transactions are considered on their merits, on an arm's length basis, ensuring protection of the interests of the Company, compliant with the restrictions set out in related legislation and, if applicable, transparently disclosed to shareholders and potential investors.

Employees, managers and board members are strictly required to act only in the interest of the Company and its shareholders, not targeting any personal financial interest that may be harmful to the position of the Company or its shareholders. All applicable persons, including employees, members of the Board of Directors and executive managers are required to make a formal disclosure to the Company's management when they, members of their families, or related entities have a major interest in a transaction negotiated by the Company. The Company shall maintain a register of related parties and update it promptly when new information on such parties emerges.

Approval

Any transaction of the Company with any closely related entity or person, for an amount equal to or higher than 5% of the company's net assets, must be approved by the Board of Directors based on the mandatory opinion issued by the Audit Committee. The Company reserves the right to set additional internal approval limits and procedures for related party transactions, provided that such limits are below the above-mentioned mandatory threshold and in line with applicable law.

Disclosure

The Company will promptly report all qualifying related party transactions as required by applicable regulations. Current reports concerning information on the related party transactions requiring disclosure will be publicly available in the Investor Relations section of the Company's website and filed with applicable authorities.

This related party transaction policy is be made available to public in the Investor Relations section of the Company's website.