



Shareholder consultation questionnaire

Dear Shareholders

In the spirit of the shareholders communication's enshrined transparency, we want to emphasize that your opinions are reference elements in the substantiation of our approaches, in the organizational and operational plan.

In the context of the elaboration and implementation of the Corporate Governance Code (CGG) we give a special attention of how to approach the investment policy decision process. All of the above taken under consideration, that SIF Moldova has as main target, obtaining superior investment performance for its shareholders. In accordance with the approaches presented in the CGG, SIF Moldova is a medium to long-term investor, the time horizon for its investments being more than a year.

The investment policy complies with the prudential rules, legal provisions and valid regulations and is based on the proper structuring of the portfolio, for a prudent, economical and profitable administration, offering investors an investment instrument characterised as markets average in risk exposure terms.

In this context your opinions/experience concerning the method of implementing the principles of the CGC in SIF Moldova current activity and setting up the development directions, are very important to us, and as a result will bring attention the following themes/questions:

- 1. The investment policy is establishing asset portfolios, where further potential improvement on their market value, ensures the targeted return approved by the shareholders, with respect to the risk constraints determined by the asset allocation. Do you consider this type of approach/strategy is corresponding to industry's standard established practices?*

YES	
NO	
Comments	

- 2. Do you consider advisable this kind of approach when assets optimisation process is dynamic, with controlled risk and has in its view the identification of opportunities on flexible principles of strategic and tactical investments, in accordance with the evolution of the macroeconomic environment and financial markets?*

YES	
NO	
Comments	

3. *From the perspective of ensuring the financial equilibrium, do you consider useful and necessary the approach whereby is necessary to maintain an optimal level of assets with high liquidity level, while diminishing the exposure on the non-quoted financial instruments, or those with reduced liquidity?*

YES	
NO	
Comments	

4. *Do you consider that SIF Moldova has a balanced approach in terms of cash flow management, given that it is proposed to achieve optimal structure of monetary investments, on the basis of rigorous selection of terms and incurred expenses? That approach ensures both the achievement of investment opportunities with the regular payment of dividends to shareholders and the financial resources necessary for company's operational activity.*

YES	
NO	
Comments	

5. *Do you consider that the processes implemented by SIF Moldova regarding:*

- *The strategic allocation* – is establishing objectives and policy investment, than, the structure of portfolio is allocated among different asset classes on long-term view, using primarily portfolio diversification procedures in order to reduce the risk exposure.
- *The measurement of portfolio's global risk* – is performed using the VaR method that assess the optimal allocation ratio and its adjustment based on market's sentiment.
- *The tactical allocation* – is a permanent portfolio optimisation process in order to cash in short-term opportunities. The structure of the portfolio will always stay similar to the initial one, established in the strategic allocation terms.

comply with international standard industry practices?

YES	
NO	
Comments	

6. According the Corporate Governance Code, the securities selection process requires that within each category of assets there will be achieved optimal selection, according to the established procedures. In this stage there are applied various *methods of assets evaluation and optimisation* (fundamental, technical and risk).

The three steps analyses are:

- *analysis of macroeconomic indicators*, events and fundamental information within a targeted time frame (based on data provided by certified sources) and *setting trends limits* that may improve or preserve the portfolio value;

- *analysis of the portfolio and its assets potential and limits constraints* (profitability, regulated investment restrictions, investment risk management, dividend policy, strategic objectives).
- the correlation of measurement effects to the targeted objectives on the budget of income and expenditure.

do you consider that the asset selection procedure used by SIF Moldova, is optimal in terms of maximizing performance procedures?

YES	
NO	
Comments	

7. Do you consider optimal the current organization of SIF Moldova, *combining the basic principle of the “dual system”*, namely the separation of the management functions from the control functions, with *the advantage of the integrated system*, having as result a reduced amount of *financial and human resources*?

YES	
NO	
Comments	

8. From the information made constantly available to you (periodically reports, organizational structure, internal regulations, etc.) *do you appreciate that SIF Moldova is ensuring the division of management and control responsibilities, in relation to the functions of the executive management?*

YES	
NO	
Comments	

9. Do you consider that *the collective responsibility of the Board* relating to financial reporting and long-term success is *one of the main premises for an efficient management of the company?*

YES	
NO	
Comments	

10. Do you consider useful the creation of the Board Committees with specific competencies, made up exclusively of non-executive members, who evaluates the activity of the Executive Board, and make recommendations to the Board of Directors?

YES	
NO	
Comments	

11. Do you appreciate as appropriate, the equal voting participation of the CEO and Deputy CEO in committees composed of experts from the company, with distinct responsibilities in: investments and trading, financial analysis and risk control, financial accounting activities?

YES	
NO	
Comments	

12. Are you aware of the fact that SIF Moldova has adopted and implemented the *Ethical standards and the Code of Conduct*?

YES	
NO	
Comments	

13. Do you consider efficient dividing the management and control responsibilities (provided in organizational chart and internal regulations), in terms of eliminating the potential abuses of the Executives?

YES	
NO	
Comments	

14. Do you consider appropriate to assess the implementation of the Corporate Governance Code from the prospective interaction between shareholders, directors and managers?

YES	
NO	
Comments	

15. *Do you appreciate that the managerial performance based on selected scoring indicators accordingly European practices, applies to the current structure of the organizational development of SIF Moldova?*

YES	
NO	
Comments	

16. *The methodology of the assessment system involves the implementation of algorithms for measuring and evaluating the performance through quantitative and qualitative analysis based scoring procedures. Do you consider that this is the best approach? Please suggest/recommend us, from your experience, other approaches.*

YES	
NO	
Comments	

Thank you and we look forward to your answers, *in the period of april 04, 2013 and may 20, 2013, by clicking www.sifm.ro/questionnaire CGC.*