

Translation from Romanian

Letterhead of the GENERAL SECRETARIAT OF THE GOVERNMENT

No. 20/30180/M.N.

Date: 30.08.2023

SNTGN TRANSGAZ SA
ENTRY NO. 63990 DATED 30.08.2023

To: **THE NATIONAL GAS TRANSMISSION COMPANY "TRANSGAZ" S.A. MEDIAS**

Attn: **Mr. Ion STERIAN, Director-General**

CC: **To the Chairman of the Board of Directors Petru-Ion VĂDUVA**

Dear Sirs,

In view of the provisions of:

Art. 11 para. (6) of GEO no. 68/2019 on the establishment of some measures at the level of central public administration and for the amendment and completion of some normative acts, according to which the exercise of rights and the fulfilment of obligations arising from the status of state shareholder in the National Natural Gas Transport Company "Transgaz" S.A. is carried out by the General Secretariat of the Government;

Art. 105 para. (3) of Law no. 24/2017 on issuers of financial instruments and market operations, republished, in conjunction with the provisions of Article 1171 of Company Law no. 31/1990, republished, as amended,

art. IX para. (1) of Law no. 187/28 June 2023 amending and supplementing Government Emergency Ordinance no. 109/2011 on corporate governance of public undertakings,

taking into account the items included on the agenda of the Ordinary General Meeting of Shareholders on 20/21 September 2023,

The General Secretariat of the Government requests that the following items be placed on the agenda of the Ordinary General Meeting of Shareholders convened for 20/21 September 2023:

1. "Approval of the Profile of the Board of Administration of Transgaz S.A."

2. "Approval of the Profile of the candidate for the position of member of the Board of Administration of Transgaz S.A."

Draft resolutions:

On item 1 of the agenda, with ____ votes **For** representing ____ % of the total number of votes cast, with votes **Against** representing ____ % of the total number of votes cast, **approves/does not approve** the Profile of the Board of Directors of the National Company for Natural Gas Transport "Transgaz" S.A., as proposed by the shareholder Romanian State, through the General Secretariat of the Government, as per address no. 2 0 / ____ / __.__. 2023, attached to this resolution. A number of ____ shareholders, having voted, adopted the "Abstention" position on this item. "

On item 2 of the agenda, with ____ votes **For** representing ____ % of the total number of votes cast, with ____ votes **Against** representing ____ % of the total number of votes cast, approves/does not approve the Profile of the candidate for the position of member of the Board of Directors of the National Company for Natural Gas Transmission "Transgaz" S.A., as proposed by the shareholder Romanian State, through the General Secretariat of the Government, according to the address no. 20 / __ / __ . ____ . 2 0 2 3 , attached to this resolution. A number of __ shareholders, having voted, adopted the "Abstention" position on this item. "

In the context of the above, we request that you take all steps to make available to shareholders the materials necessary for the adoption of resolutions, as requested and transmitted, with the completion of the publication procedure in accordance with the capital market regulations in force.

Please find attached the proposals for the Profile of the Board of Directors of the National Natural Gas Transport Company "Transgaz" S.A. and the Profile of the candidate for the position of member of the Board of Directors of the National Natural Gas Transport Company "Transgaz" S.A..

Yours sincerely,

**For the GENERAL SECRETARY OF THE GOVERNMENT
DEPUTY SECRETARY GENERAL OF THE GOVERNMENT**

Adrian ȚUȚUIANU

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Translation from Romanian

**THE PROFILE OF THE BOARD OF ADMINISTRATION
OF THE NATIONAL GAS TRANSMISSION COMPANY TRANSGAZ S.A.**

Translation from Romanian

1. Introduction

According to art. 1 point (18) of Annex no. 1 to GD no. 722/2016, the board profile is the process of identifying the capabilities, traits and requirements that the Board of Administration shall collectively possess, taking into account the organisational context, mission, expectations expressed in the letter of expectations and the elements of organisational strategy existing or to be developed. The profile also contains the Board matrix, which gives an expression of these capabilities that the Board must collectively possess, through a set of competencies, skills, other qualifying conditions, to be fulfilled individually and collectively by Board members.

According to Art. 20 para. (1) of the same act, the public supervisory authority shall develop a personalised profile of the board in a transparent, systematic and rigorous manner to ensure that the necessary capacities are identified to form the best board and the best candidates for it. In addition, according to Article 19, the following aspects may be taken into account when drawing up the profile of the Board:

- a) the minimum knowledge, skills and experience required for the proper performance of the duties of a member of the Management Board;
- b) the responsibilities of the position for the development of the medium and long-term vision;
- c) ability to take responsibility for the whole Board, integrity and independence;
- d) the necessary knowledge, skills and experience in constructive criticism, teamwork, communication, financial literacy, decision making and pattern detection to contribute to the work of the Board as a whole.

pursuant to Article 23 para. (1) of Annex no. 1 to GD no. 722/2016, this draft profile of the Board of Administration is based on the following components:

- a) analysis of the contextual requirements of the company in general and of the Council in particular;
- b) the matrix of the board profile.

These components shall be matched with requirements related to skills, knowledge, experience and other established measurable indicators so as to meet all the needs for the selection of individual board members or board positions (Art. 23, para. 2 of Annex no. 1 to GD no. 722/2016).

Translation from Romanian

2. Analysis of the contextual requirements

"**TRANSGAZ**" **S.A.** is the technical operator of the National Natural Gas Transmission System (NTS) ensuring the fulfillment under conditions of efficiency, transparency, safety, non-discriminatory access and competitiveness of the national strategy for the domestic and international transport of natural gas, natural gas dispatching, as well as research and design in its core business, in compliance with the requirements of the European and national legislation, quality, performance, environment and sustainable development standards.

Vision of Transgaz S.A.

in the near future, the Company will become a transmission operator recognized on the international natural gas market, a leader on the energy market in the region, with a modern national natural gas transmission system, integrated at European level and a high-performance management system.

Mission

In accordance with the requirements of the European energy policy, the mission of S.N.T.G.N. Transgaz S.A. represents the fulfilment under conditions of efficiency, transparency, safety and competitiveness of the national energy strategy established for domestic and international transport of natural gas, dispatching of natural gas and research-design in the field of natural gas transmission.

The mission of S.N.T.G.N. Transgaz S.A. consists in:

- safe and economically efficient operation of the NTS;
- the rehabilitation, upgrading and development of the NTS on the main consumption routes;
- interconnection of the NTS with the natural gas transmission systems of neighbouring countries;
- development of new natural gas transmission infrastructure to Western Europe;

Translation from Romanian

- ensuring non-discriminatory access to the NTS;
- implementation of participatory management in all areas of the company;
- development of organisational culture and professional performance;
- implementation of European and national gas regulations;
- improving the computerisation of natural gas transmission activities, drafting draft legislation and supporting actions;
- integrating the principles of good corporate governance into business practice

Romania's energy strategy

In order to ensure convergence with the European Union's energy policy, "Romania's Energy Strategy for 2022-2030 time horizon 2050" (draft) sets the following strategic objectives:

- Ensuring access to electricity and heating for all consumers;
- Clean energy and energy efficiency;
- Modernisation of the corporate governance system;
- Protecting vulnerable consumers and reducing energy poverty;
- Competitive energy markets, the basis of a competitive economy;
- Increasing the quality of energy education and continuous training of human resources;
- Romania, regional energy security provider;
- Increasing Romania's energy contribution to regional and European markets by capitalizing on national primary energy resources

Translation from Romanian

The Administration strategy of S.N.T.G.N. Transgaz S.A. during 2021-2025

The company's management strategy for 2021-2025 aims at both carrying forward with responsibility, efficiency, transparency and professionalism towards all stakeholders, the open actions for the construction and development of a solid and efficient future of the Romanian energy sector, as well as the achievement of new objectives that respond to the European and national energy vision, presented in the Government Program 2023-2024, Romania's Energy Strategy 2022-2030, time horizon 2050 - draft, Integrated National Energy and Climate Change Plan 2021-2030, European Ecological Pact, National Recovery and Resilience Plan.

The strategic objectives, grouped according to the directions of action provided for in the Management Component of Transgaz' **Administration Plan for 2021-2025** refer to the following:

STRATEGIC ACTION DIRECTIONS	STRATEGIC OBJECTIVES
ENERGY SAFETY AND SECURITY	Strengthening of Transgaz' role as a natural gas transmission operator on the European and national energy market, as a result of EU requirements for the development of the interconnections between the NTS and the similar neighbouring transmission systems, of the potential to exploit substantial natural gas fields discovered in the Black Sea Preparation of the National Gas Transmission System Development Strategy to allow for the implementation of the European Green Deal.

Translation from Romanian

Starting/completing strategic investment projects included in the NTS Development Plan 2022-2031:

- Development of the National Natural Gas Transmission System on the Bulgaria-Romania-Hungary-Austria - BRUA Corridor in Romania;
- Development on the Romanian territory of the Southern Transmission Corridor to take over natural gas from the Black Sea shore;
- Developments of the NTS in the North-East area of Romania in order to improve the natural gas supply of the area as well as to ensure transmission capacities to the Republic of Moldova;
- Extension of the Bulgaria-Romania-Hungary-Austria bi-directional natural gas transmission corridor (BRUA Phase 3);
- Project on new developments of the NTS to take over gas from the Black Sea shore;
- Romania-Serbia Interconnection;
- Development/Upgrading of the natural gas transmission infrastructure in the North-West area of Romania;
- Increasing the natural gas transmission capacity of the Romania-Bulgaria interconnection in the Giurgiu-Ruse direction;
- Easting-Romania;
- Monitoring, control and data acquisition system for cathodic protection stations related to the National Natural Gas Transmission System;
- Development of the SCADA system for the National Natural Gas Transmission System;
- Upgrading GMS Isaccea 2 and GMS Negru Voda 2 for bidirectional flow on T2 pipeline;

Translation from Romanian

- Upgrading GMS Isaccea 3 and GMS Negru Voda 3 for bidirectional flow on T3 pipeline;
- NTS interconnection to the LNG Terminal located on the Black Sea shore.

Continue to work towards the conclusion of agreements for the development of interconnection of the NTS with similar transmission systems in neighbouring countries.

Develop the business by optimising the absorption of European funds and maintaining an efficient and flexible financing structure.

COMPETITIVITY

Optimising and streamlining the company's management systems and processes, the quality of the execution of operational processes and aligning them with the requirements of the Integrated Quality Environment Management System (IQEMS) and modern performance and competitiveness standards.

Increasing scientific design and research in the field of natural gas transmission.

Development of the research activity on the possibility of accepting the hydrogen mix in the NTS and ways of introducing it into the NTS.

Improving the quality of implementation of upgrading and development investment programs, and NTS repair, rehabilitation and maintenance programs.

Monitoring the efficient operation of the SCADA control and data acquisition system.

Optimal sizing of human resource requirements in relation to the real needs of the company's future activity and development, improving the process of training, instruction and professional development of staff.

Translation from Romanian

SUSTAINABLE DEVELOPMENT

Optimising the quality of implementation of good corporate governance principles

Upgrading and strengthening the corporate governance system

Strengthening and diversifying the internal and external cooperation relations of S.N.T.G.N. Transgaz S.A.

Optimisation of the risk management process that may affect the company's activity.

Modernization of the Internal Management Control System

Optimising human resource management processes.

Increasing energy efficiency and reducing the negative environmental impact of technological processes, aligning with the requirements of the European Green Deal

Maintaining financial balance and operational and functional stability

Increasing the company's adaptability and responsiveness to permanent changes in the environment in which it operates; addressing issues related to the NTS infrastructure (e.g. East-West system, upstream metering and regulating stations not connected to the transmission system, etc.).

Improving occupational safety and security.

improving the company's general internal and external communication activity, reputation and image capital.

Translation from Romanian

The tasks of the Board of Administration of S.N.T.G.N. Transgaz S.A.

The Board of Administration of S.N.T.G.N. Transgaz S.A. has, mainly, the following tasks:

- sets the main directions for the company's activities and development;
- draws up the administration plan, which includes the administration strategy for the duration of the mandate in order to achieve the objectives and performance criteria laid down in the mandate contracts;
- approves the internal rules on the organization and operation of the advisory committees set up at the level of the Board of administration and their composition;
- establishes accounting policies and the financial control system and approves financial planning;
- approves the organisational structure and rules of organisation and operation of S.N.T.G.N. Transgaz SA;
- to appoint and revoke the Director-General of S.N.T.G.N. TRANSGAZ S.A. and to determine his remuneration;
- to approve the management plan during the mandate and for the first year of mandate of the Director-General of S.N.T.G.N. Transgaz S.A.;
- to supervise the activity of the Director-General;
- to prepare the annual report, to organize the general meetings of the shareholders and to implement the decisions thereof;
- to file of insolvency of S.N.T.G.N. TRANSGAZ S.A., in accordance with the applicable law;
- to approve the quantum of guarantees for persons who hold the position of warehouse keeper/administrator;
- to conclude legal acts whereby acquiring, selling, renting, exchanging or pledging assets in the property of TRANSGAZ S.A., subject to the approval of the general meeting of the shareholders if the law so stipulates;
- to approve the competences of the branches by field of activity (economic, commercial, technical, administrative, financial, legal etc.) in order to achieve the object of activity of S.N.T.G.N. Transgaz S.A.;
- to approve the change of the secondary object of activity of S.N.T.G.N. Transgaz S.A.;
- to approve the incorporation or dissolution of working units-facilities part of the NTS;
- to approve the conclusion of any agreements for which it did not delegate the competence to the Director-General of S.N.T.G.N. Transgaz S.A.
- to submit annually to the general meeting of the shareholders, after the end of the financial year, the activity report of S.N.T.G.N. Transgaz S.A., the balance sheet and the profit and loss account for the previous year;

Translation from Romanian

- to submit to the general meeting of the shareholders the activity schedule and the income and expenditure budget plan for the following year;
- to convene the general meeting of the shareholders whenever necessary;
- to determine the rights, obligations and responsibilities of TRANSGAZ S.A. personnel, in accordance with the organizational chart approved
- to take decisions with regard to bank loans, including external loans, to determine the competences and the level of contracting of bank loans on the internal and external market, of commercial credits and of guarantees, including by pledging the shares pertaining to the holdings in other companies in accordance with the law; to approve the issuance of the guarantee;
- to approve the number of positions and the norms of establishment of the functional and production sectors;
- to approve the production, research, development and investment programs;
- to approve policies for environmental protection and occupational protection, in accordance with the applicable law;
- to approve, within the limits of the income and expenditure budget as approved by the general meeting of the shareholders, changes in its structure, to the extent of the competences for which it has received a mandate;
- to negotiate the collective labour agreement by mandating the Director-General and to approve the personnel status;
- to ensure and be liable for the execution of any duties and tasks assigned by the general meeting of the shareholders or provided by the law;
- to decide on behalf and for the General Shareholders' Assembly of the limited liability company on the territory of the Republic of Moldova;
- to adopt any other decisions regarding the activity of the company, except those that are in the competence of the general meeting of the shareholders.

Legal regulations and good practice in the structuring of the Board of Administration of S.N.T.G.N Transgaz S.A

S.N.T.G..N Transgaz S.A. has a unitary management system and is managed by a Board of Administration. It has the general competence to carry out all acts necessary for the successful fulfilment of the company's activity, except for those matters which are the competence of the General Meeting of Shareholders according to the provisions of the updated Articles of Incorporation, or the applicable laws.

Translation from Romanian

S.N.T.G.N. Transgaz S.A. is managed by a Board of Administration composed of a majority of non-executive and independent administrators, within the meaning of Article 138 of Company Law no. 31/1990, republished, as subsequently amended and supplemented.

The Board of Administration is composed of 5 members who guarantee the efficiency of the supervision, analysis and evaluation of the company's activity and the fair treatment of shareholders. It is the main supervisory body of the company's activity and acts as a buffer between the company's executive management represented by the directors and its shareholders.

The structure of the Board of Administration of S.N.T.G.N. Transgaz S.A. ensures a balance between executive and non-executive members, so that no one person or small group of persons can dominate the decision-making process of the Board of Administration.

Decision-making within the company will remain the collective responsibility of the Board of Administration, which will be held jointly and severally liable for all decisions taken in the exercise of its powers. Any resignation from office by independent administrators shall be accompanied by a detailed statement of the reasons for such resignation.

Board members will continuously update their skills and improve their knowledge of the company's business as well as of corporate governance best practices to fulfil their role.

According to Law 31/1990, the relationship between the members of the Board of Administration and the company is governed by the provisions relating to the mandate and the special rules included in the relevant legislation.

The Nomination and Remuneration Committee is established within the Board of Administration of the company, which coordinates the appointment process of the members of the Board of Administration and makes recommendations both for the position of administrator and for the filling of vacancies within the Board, in accordance with GEO no. 109/2011 on corporate governance in public companies, as amended and supplemented.

Translation from Romanian

If a vacancy occurs on the Board of Administration, a new member shall be elected in accordance with the law. The period for which the new administrator is elected to fill the vacancy shall be equal to the period remaining until the expiry of his predecessor's term of office.

At the same time, not more than two members may be appointed to the Board of Administration from among civil servants or other categories of personnel of the public authority or other public authorities or institutions.

Moreover, candidates may be nominated who do not hold simultaneously more than 2 offices of administrator and/or member of the board of administration/supervisory board in companies or public undertakings, for the cases regulated by the provisions of Article XII (1) of GEO 34/2023 on some fiscal-budgetary measures, extension of some deadlines, as well as for the amendment and supplementation of some normative acts, namely 3 mandates in the case of the provisions of Article 33 of GEO no. 109/2011

Also, in accordance with good corporate governance practices, ensuring a mix of professional skills of the members of the Board of Administration makes the Board's decision-making more efficient and optimises its managerial capacity to respond competitively to the diverse and complex needs of S.N.T.G.N. Transgaz S.A., given that the context in which it operates is constantly changing..

3. The profile of the Board of Administration of S.N.T.G.N TRANSGAZ S.A.

The profile of the members of the Board of Administration of S.N.T.G.N. Transgaz S.A. is established by reference to the contextual requirements presented above, as well as to the provisions of corporate governance legislation.

The analysis of the contextual requirements of S.N.T.G.N. Transgaz S.A. reveals the need for the members of the Board of Administration:

^ To know and understand very well the role they have in the management of the company and to act with all their skill, professional training and determination in order to undertake and successfully carry out the mandate of administrator,

- ✓ To act competently, professionally and in accordance with the legislation applicable to the company's sector of activity,

Translation from Romanian

- ✓ Act in the best interests of the company and to achieve the performance set,
- ✓ To supervise and control the performance of executive management and the work of the company,
- ✓ Through their expertise and skill, guide executive management in the effective performance of their tasks and duties,
- ✓ To act independently and critically, constructively in relation to management, complementing each other and interacting with each other on an ongoing basis.

At the same time, the composition of the Board shall be balanced in terms of professional experience and technical expertise specific to the company.

Distribution of positions on the Board of Administration of SNTGN TRANSGAZ SA

By the OGMS Resolution 2/22.04.2021 the mandate of 3 members of the Board of Administration of S.N.T.G.N. Transgaz S.A. was renewed, 2 positions of administrator being filled in accordance with the provisions of Art. 641 (3) of GEO 109/2011.

The distribution of positions on the Board of Administration of S.N.T.G.N. Transgaz S.A. is as follows::

Board of Administration position	Position 1	Position 2	Position 3	Position 4	Position 5
Profile	Non-independent technical profile	Independent economic profile	Non-independent economic profile	Independent general management profile	Independent general management profile
Status	Filled	Filled	Filled	Vacant	Vacant

This selection procedure is therefore being conducted to fill two vacancies for members of the Board of Administration with a general profile.

Mandatory minimum eligibility criteria and optional criteria

Translation from Romanian

Mandatory minimum eligibility criteria:

- ✓ have Romanian citizenship or citizenship of other EU Member States, provided that they are established or reside in Romania;
 - ✓ have a very good knowledge of the Romanian language (written and spoken);
 - ✓ higher education completed with a bachelor's degree;
 - ✓ have at least 10 years' general work experience;
 - ✓ at least 5 years' experience in the management/administration/coordination/management of a company/companies, autonomous companies or other entities in the public or private sector, with at least 500 employees and a turnover/income and expenses budget of at least 5 000 mil. EUR or equivalent in LEI;
 - ✓ no criminal or tax records;
 - ✓ use at least B2 level of an international language (English).
 - ✓ no conflict of interest;
- no incompatibility with the exercise of membership in the Board of Administration of SNTGN TRANSGAZ SA;
- ✓ is not in any of the situations referred to in Art. 30 (9) and Art. 36 (7) of GEO 109/2011;
 - ✓ they have not been convicted by a final court decision for committing an offence against humanity, against the state or against authority, corruption and service offences, offences against the administration of justice, forgery, offences against property, offences provided for by Law 656/2002 on the prevention and sanctioning of money laundering, as well as for the establishment of measures to prevent and combat the financing of terrorism, as amended, or for offences under Law 85/2014 on insolvency prevention and insolvency proceedings, committed with intent that would make him/her incompatible with the exercise of his/her office;
 - ✓ have not engaged in political policing as defined by law;
 - ✓ they have full capacity to practise;
 - ✓ are medically fit;
 - ✓ are independent according to Article 138 ind.2 of Companies Law 31/1990;
 - ✓ they prove their integrity by assuming the conditions for obtaining the ORNISS certificate at the level requested by the company - strictly secret (Law 182/2002 on the protection of classified information, the national standards for the protection of classified information in Romania, approved by

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Government Resolution 585/2002, and the rules on the protection of classified information of the North Atlantic Treaty Organization in Romania, approved by Government Resolution 353/2002).

Optional criteria:

- ✓ Previous experience in the energy sector.

The optional criterion may be considered in the event of a need to differentiate between candidates who obtain the same score following the assessment of the minimum mandatory eligibility criteria.

Board of Administration Profile Matrix

In application of the provisions of Article 28 (3) and Art. 29 of GR 722/2016, the purpose of the numerical analysis within the matrix is to clarify the advantages and disadvantages, strengths, areas for development and dimensions of the council's activity that can be improved, even temporarily, and must contain the following:

- a) definition of criteria and specification of indicators for them;
- b) b) identification of mandatory and optional criteria;
- c) definition of a common assessment grid for all criteria;
- d) weights for each criterion, according to their importance;
- e) grouping criteria for comparative analysis;
- f) specification of a collective minimum threshold for each criterion, if it exists or applies;
- g) sub-totals, totals, weighted totals and weights, for criteria and for individual members.

In addition, in accordance with the provisions of Articles 31-33 and Annex 1a of the same normative act, the board profile matrix differentiates between mandatory and optional criteria required for a competency-based board, identified following the analysis of contextual requirements, and contains a collective minimum threshold level of competency indicators.

**MATRIX OF THE BOARD OF ADMINISTRATION
OF SNTGN TRANSGAZ SA (2 POSITIONS)**

Rating 1 - beginner; Rating 2 - intermediary, Rating 3 - Competent, Rating 4 - advanced, Rating 5 - expert

Criteria	Mandatory/Optional	Mandatory/Optional conditions	Defining criteria and specifying indicators for them	weight (0 - 1)	Minimum competence grade/criterion	Maximum competence grade/criterion	current administrator 4 - general management vacant	administrator 5 general management vacant	Candidate evaluation model	Total minimum score for BoA candidate	Maximum competence grade/criterion	Total maximum score		
STAGE OF FILE APPLICATION SELECTION	2 positions for general management	University degree completed with a bachelor's degree	Mandatory	YES	accepted/rejected									
		General work experience of at least 10 years.	Mandatory	YES	accepted/rejected									
		No criminal or tax records	Mandatory	YES	accepted/rejected									
		At least 5 years' experience in the leadership/administration/coordination/management of trading company/companies, autonomous companies or other public or private sector entities with at least 500 employees and a turnover/incom and expences budget of at least EUR 5 million or equivalent in lei	Mandatory		YES	accepted/rejected								
		In in a conflict of interest	Mandatory		NO	accepted/rejected								
		Is in an incompatibility with the position of member of the Board of Administration of SNTGN TRANSGAZ SA	Mandatory		NO	accepted/rejected								
		Is in any of the situations referred to in Art. 30 para. (9) and Article 36 para. (7) of GEO no. 109/2011	Mandatory		NO	accepted/rejected								
		Has been convicted by a final court decision for committing a crime against the humanity, against the state or against the authority, corruption and duty crimes, crimes against the justice system, forgery, crimes against property, for the crimes provided for by Law no. 656/2002 on preventing and sanctioning money laundering, as well as for the establishment of measures to prevent and combat the financing of terrorism, as amended, or for the offences provided for by Law no. 85/2014 on preventative insolvency proceedings and insolvency proceedings, committed with intent that would make him/her incompatible with the performance of his/her position	Mandatory		NO	accepted/rejected								
		Was a political police member, as defined by law	Mandatory		NO	accepted/rejected								
		Has full legal capacity	Mandatory		YES	accepted/rejected								
		Assumption of meeting ORNISS certification requirements at the level requested by the company strictly secret.	Mandatory		YES	accepted/rejected *assumption in private signed form								
		Has the Romanian or other EU Member State citizenship, subject to having domicile or residence in Romania;	Mandatory		YES	accepted/rejected								
		Very good knowledge of the Romanian language (writing / reading / speaking)	Mandatory		YES	accepted/rejected								
		Independence according to Art. 138 ind.2 of Law 31/1990 (yes/no) eliminatory	Mandatory		YES	DA								
		Health condition appropriate to the position, certified by a medical certificate issued by the general practitioner or the relevant health units.	Mandatory		YES	accepted/rejected								
		At least B2 level of an international language (English) - minimum intermediate level.	Mandatory		YES	accepted/rejected *assumption in private signed form								
		Previous experience in the energy sector.	Optional											
		Accepted in the Long list												
		Skills	Specifica sectorului de activitate	Expertise in managing/leading/coordinating activities in trading companies, autonomous companies or other public or private sector entities;	Mandatory	He/she has clear vision, expertise and knowledge of leadership and general management. As a result of practical experience and expertise in his/her field of activity, the member of the Board of Administration is able to perform a facilitating, supervisory, guiding and controlling role in permanent liaison with the executive management of SNTGN TRANSGAZ SA, the other members of the Board of Administration and the shareholders.	1	3	5				3	5
				Knowledge in corporate administration and management	Mandatory	The board member is well acquainted with the national development strategies and policies relevant to SNTGN TRANSGAZ SA's field of activity, has the ability to detect business opportunities and the skill to interact personally and institutionally in order to solve problems and overcome difficult situations for the company, with the aim of promoting the economic interests of the company and its shareholders.	1	3	5				3	5
Knowledge in the company's area of activity.	Mandatory			The board member responsible for and in control of this area of interest to the company's business has management knowledge and expertise appropriate to the specifics of the company. He/she has the ability to assess the potential impact of technological developments and the skill to make the best decisions for the reliability, efficiency and profitability of the company's business.	1	3	5				3	5		
Previous experience in the energy sector.	Optional			The board member has knowledge of the national energy sector and can provide an objective, constructive, medium and long-term perspective on how the company should be managed to support the energy sector.	0.8	3	5				2.4	4		

**THE PROFILE OF THE CANDIDATE FOR THE POSITION
OF MEMBER OF THE BOARD OF ADMINISTRATION**

OF THE NATIONAL GAS TRANSMISSION COMPANY TRANSGAZ S.A.

- 2 POSITIONS-

Translation from Romanian

1. Introduction

According to art. 1 point (17) of Annex no 1 to GD no 722/2016 The profile of the candidate for the position of administrator covers the description of the role to be performed by the candidate, based on the specific contextual requirements of the role, as well as the technical competencies and behavioural attributes, experience and specificity to be demonstrated by the candidate, in line with the mission, objectives and targets of the public enterprise and its stage of development. When drawing up the profile, the mandatory criteria and qualification levels shall be specified, on the one hand, and optional criteria and qualification levels, on the other hand, at both individual and collective level for the whole board, in the form of minimum competence thresholds.

The profile of the candidate is made up of two components (Article 35 of the above-mentioned act):

- a) description of its role, derived from the contextual requirements of the public enterprise;
- b) definition of a candidate-specific combination of a set of criteria derived from the board profile matrix

At the same time, according to Art. 34 (b) and Art. 36 para. (1) of Annex no. 1 to G.D. no. 722/2016, the profile of the candidate is approved by the general meeting of shareholders, after having been approved by the board on the recommendation of the nomination and remuneration committee or, as the case may be, by the public supervisory authority.

According to Article 37, the following shall be taken into account in determining the role of the candidate, but not limited to:

- a) organisational context;
- (b) the objectives and expected results of the public enterprise as derived from the letter of expectations;
- (c) the strategy of the public enterprise and the key elements required of the board to ensure a successful operation of the public enterprise;
- (d) the duties of the board.

Translation from Romanian

2. Organisational context, objectives and expected results

In defining the role of the vacant administrator positions within the Board of Administration of S.N.T.G.N. Transgaz S.A. (hereinafter referred to as "the Company"), we started from the contextual requirements of the Company and the strategic objectives that the Company has set to achieve

Vision of Transgaz S.A.

in the near future, the Company will become a transmission operator recognized on the international natural gas market, a leader on the energy market in the region, with a modern national natural gas transmission system, integrated at European level and a high-performance management system.

Mission

In accordance with the requirements of the European energy policy, the mission of S.N.T.G.N. Transgaz S.A. represents the fulfilment under conditions of efficiency, transparency, safety and competitiveness of the national energy strategy established for domestic and international transport of natural gas, dispatching of natural gas and research-design in the field of natural gas transmission.

The mission of S.N.T.G.N. Transgaz S.A. consists in:

- safe and economically efficient operation of the NTS;
- the rehabilitation, upgrading and development of the NTS on the main consumption routes;
- interconnection of the NTS with the natural gas transmission systems of neighbouring countries;
- development of new natural gas transmission infrastructure to Western Europe;

Translation from Romanian

- ensuring non-discriminatory access to the NTS;
- implementation of participatory management in all areas of the company;
- development of organisational culture and professional performance;
- implementation of European and national gas regulations;
- improving the computerisation of natural gas transmission activities, drafting draft legislation and supporting actions;
- integrating the principles of good corporate governance into business practice

Translation from Romanian

The strategic objectives of S.N.T.G.N. Transgaz S.A.

The strategic objectives, grouped according to the directions of action provided for in the Management Component of Transgaz' **Administration Plan for 2021-2025** refer to the following:

STRATEGIC ACTION DIRECTIONS	STRATEGIC OBJECTIVES
ENERGY SAFETY AND SECURITY	<p>Strengthening of Transgaz' role as a natural gas transmission operator on the European and national energy market, as a result of EU requirements for the development of the interconnections between the NTS and the similar neighbouring transmission systems, of the potential to exploit substantial natural gas fields discovered in the Black Sea</p> <p>Preparation of the National Gas Transmission System Development Strategy to allow for the implementation of the European Green Deal.</p>

Translation from Romanian

Starting/completing strategic investment projects included in the NTS Development Plan 2022-2031:

- Development of the National Natural Gas Transmission System on the Bulgaria-Romania-Hungary-Austria - BRUA Corridor in Romania;
- Development on the Romanian territory of the Southern Transmission Corridor to take over natural gas from the Black Sea shore;
- Developments of the NTS in the North-East area of Romania in order to improve the natural gas supply of the area as well as to ensure transmission capacities to the Republic of Moldova;
- Extension of the Bulgaria-Romania-Hungary-Austria bi-directional natural gas transmission corridor (BRUA Phase 3);
- Project on new developments of the NTS to take over gas from the Black Sea shore;
- Romania-Serbia Interconnection;
- Development/Upgrading of the natural gas transmission infrastructure in the North-West area of Romania;
- Increasing the natural gas transmission capacity of the Romania-Bulgaria interconnection in the Giurgiu-Ruse direction;
- Eastring-Romania;
- Monitoring, control and data acquisition system for cathodic protection stations related to the National Natural Gas Transmission System;
- Development of the SCADA system for the National Natural Gas Transmission System;
- Upgrading GMS Isaccea 2 and GMS Negru Voda 2 for bidirectional flow on T2 pipeline;

Translation from Romanian

- Upgrading GMS Isaccea 3 and GMS Negru Voda 3 for bidirectional flow on T3 pipeline;
- NTS interconnection to the LNG Terminal located on the Black Sea shore.

Continue to work towards the conclusion of agreements for the development of interconnection of the NTS with similar transmission systems in neighbouring countries.

Develop the business by optimising the absorption of European funds and maintaining an efficient and flexible financing structure.

COMPETITIVITY

Optimising and streamlining the company's management systems and processes, the quality of the execution of operational processes and aligning them with the requirements of the Integrated Quality Environment Management System (IQEMS) and modern performance and competitiveness standards.

Increasing scientific design and research in the field of natural gas transmission.

Development of the research activity on the possibility of accepting the hydrogen mix in the NTS and ways of introducing it into the NTS.

Improving the quality of implementation of upgrading and development investment programs, and NTS repair, rehabilitation and maintenance programs.

Monitoring the efficient operation of the SCADA control and data acquisition system.

Optimal sizing of human resource requirements in relation to the real needs of the company's future activity and development, improving the process of training, instruction and professional development of staff.

Translation from Romanian

SUSTAINABLE DEVELOPMENT

Optimising the quality of implementation of good corporate governance principles

Upgrading and strengthening the corporate governance system

Strengthening and diversifying the internal and external cooperation relations of S.N.T.G.N. Transgaz S.A.

Optimisation of the risk management process that may affect the company's activity.

Modernization of the Internal Management Control System

Optimising human resource management processes.

Increasing energy efficiency and reducing the negative environmental impact of technological processes, aligning with the requirements of the European Green Deal

Maintaining financial balance and operational and functional stability

Increasing the company's adaptability and responsiveness to permanent changes in the environment in which it operates; addressing issues related to the NTS infrastructure (e.g. East-West system, upstream metering and regulating stations not connected to the transmission system, etc.).

Improving occupational safety and security.

improving the company's general internal and external communication activity, reputation and image capital.

Translation from Romanian

SNTGN Transgaz SA's management strategy for the period 2021-2025 focuses on operational efficiency, performance optimization and sustainable development in line with its mission and vision.

The Board of Administration aims to implement the management strategy of SNTGN Transgaz SA for the period 2021-2025 and to achieve the expected results in terms of the performance criteria and objectives undertaken according to the Management Plan of SNTGN Transgaz SA for the period 2021-2025.

3. Roles and responsibilities

In order for the Company's mission and vision to be achieved and its strategic objectives to be attained, it is essential that the Company's top management adopts policies that are aligned with the current domestic and international energy and natural gas transmission context and that ensure sustainable success in a complex and constantly changing environment.

The roles and responsibilities of the two vacant administrator positions subject to the selection procedure derive from an analysis of both good governance practices regarding the way the Board of Administration is structured and the distribution of positions within the Board.

In accordance with good governance practices, ensuring a mix of professional skills of the members of the Board of Administration makes its decision-making more efficient and optimises the managerial capacity to respond competitively to the diverse and complex needs of S.N.T.G.N. Transgaz S.A., given that the context in which it operates is constantly changing.

At the same time, decision-making within the company will remain a collective responsibility of the Board of Administration, which will be held jointly and severally liable for all decisions taken in the exercise of its powers. Any resignation from office by independent directors will be accompanied by a detailed statement of the reasons for such resignation.

Furthermore, the Board of Administration guarantees, in a unified manner, the efficiency of the supervision, analysis and evaluation of the company's activity and the fair treatment of shareholders.

Furthermore, the structure of the Board of Directors of S.N.T.G.N. Transgaz S.A. ensures a balance between executive and non-executive members, so that no single person or small group of persons can dominate the decision-making process of the Board of Administration.

The distribution of positions on the Board of Administration of S.N.T.G.N. Transgaz S.A. is as follows:

Board of Administration position	Position 1	Position 2	Position 3	Position 4	Position 5
Profile	Non-independent technical profile	Independent economic profile	Non-independent economic profile	Independent general management profile	Independent general management profile
Status	Filled	Filled	Filled	Vacant	Vacant

This selection procedure is therefore being conducted to fill two vacancies for members of the Board of Administration with a general profile.

The analysis of the contextual requirements of S.N.T.G.N. Transgaz S.A. reveals the need for members of the Board of Administration:

^ To know and understand very well the role they have in the management of the company and to act with all their skill, professional training and determination in order to assume and successfully carry out the mandate of administrator

^ To act competently, professionally and in accordance with the legislation applicable to the company's sector of activity,

^ Act in the best interests of the company and to achieve the performance set,

^ To supervise and control the performance of executive management and the work of the Company.

^ Through their expertise and skill, guide executive management in the effective performance of their duties and tasks.

^ Act independently and critically, constructively in relation to management, complementing each other and interacting with each other on an ongoing basis.

At the same time, the composition of the Board shall be balanced in terms of professional experience and technical expertise specific to the company.

Furthermore, candidates may be nominated who do not simultaneously hold more than two offices as administrator and/or member of the administration/supervisory board in public companies or undertakings, for the situations covered by the provisions of Article XII para. (1) of GEO no. 34/2023 on some fiscal-budgetary measures, extension of some deadlines, as well as for the amendment and completion of some normative acts, respectively 3 mandates in the case of the provisions of art. 33 of GEO no. 109/2011.

4. Candidate profile

Mandatory minimum eligibility criteria and optional criteria

Mandatory minimum eligibility criteria

are Romanian citizens or citizens of other EU Member States, provided they have their residence resident in Romania;

- have a very good knowledge of Romanian (written and spoken);
- higher education completed with a bachelor's degree;
- ✓ - have at least 10 years' general work experience;
- experience of at least 5 years in the management/administration/coordination/management of a company/companies, autonomous regii or other public or private sector entity with at least 500 employees and a turnover/budget of at least 5 thousand euros or equivalent in lei;
- no criminal or tax records;
- use at least B2 level of an international language (English).
- no conflict of interest;
- is not incompatible with membership of the Board of Administration of S.N.T.G.N. Transgaz S.A.;
- is not in any of the situations referred to in Art. 30 para. (9) and art. 36 par. (7) of O.U.G. no. 109/2011;
- they have not been convicted by a final court decision for committing a crime against humanity, against the state or against authority, corruption and service offences, offences against the administration of justice, forgery, offences against property, offences provided for by Law no. 656/2002 for the prevention and sanctioning of money laundering, as well as for the establishment of measures to prevent and combat the financing of terrorism, as subsequently amended and supplemented, or for offences provided for by Law no. 85/2014 on insolvency and insolvency proceedings, committed with intent that would make him/her incompatible with the exercise of his/her office;
- have not engaged in political policing as defined by law;
- they have full capacity to practise;
- are medically fit;

- ✓ are independent according to Article 138 ind. 2 of the Companies Law no. 31/1990;
- z demonstrate integrity by undertaking the conditions for obtaining the ORNISS certificate at the level requested by the company - strictly secret (Law No 182/2002 on the protection of classified information, the National Standards for the protection of classified information in Romania, approved by Government Decision No 585/2002, and the Norms on the protection of classified information of the North Atlantic Treaty Organization in Romania, approved by Government Decision No 353/2002).

Optional criteria:

- / previous experience in the energy sector.

The optional criterion can be taken into account in the event of the need to differentiate between candidates who obtain the same score following the assessment of the minimum mandatory eligibility criteria.

Candidate profile matrix

Candidate profile matrix - table that must fit into the board matrix, if all incumbent board members are also candidates for a future board configuration, if only some of the board members are to be selected and not all, then the candidate profile matrix contains a narrower set of criteria, requirements or elements of the board matrix, the fulfilment of which would ensure complementarity with the profile of the incumbent board members.

Categories of criteria	Competences	Description of competences
specific to the sector of activity	Expertise in managing/leading/coordinating activities in companies, autonomous companies or other public or private sector entities	He has clear vision, expertise and knowledge of leadership and general management. As a result of practical experience and expertise in his/her field of activity, the Board Member is able to perform a facilitating, supervisory, guiding and controlling role in permanent liaison with the executive management of S.N.T.G.N. Transgaz S.A., the other members of the Board of Administration and the shareholders.

	<p>Knowledge of administration and corporate management</p>	<p>The member of the Board is well acquainted with national development strategies and policies relevant to Transgaz S.N.T.G.N. S.A.'s field of activity, has the ability to identify business opportunities and the skill to interact personally and institutionally to solve problems and overcome difficult situations for the company, in order to promote its economic interests and those of its shareholders.</p>
	<p>Knowledge of the sector in which the company operates</p>	<p>The board member responsible for and in control of this area of interest to the company's business has management knowledge and expertise appropriate to the specifics of the company. Has the ability to assess the potential impact of technological developments and the skill to make the best decisions for the reliability, efficiency and profitability of the company's business.</p>
	<p><i>Previous experience in the energy sector - optional</i></p>	<p>The board member is knowledgeable about the national energy sector and can provide an objective, constructive, medium- to long-term perspective on how the company should be managed to support the energy sector.</p>
<p>Professional of strategic importance</p>	<p>Specific economic/legal/management/administration skills</p>	<p>The member of the board of administration knows information about the market in which the company operates, about how tariffs are set in the regulated market for the services provided.</p>

	Knowledge of general financial management (budget analysis, cash flow, labour productivity)	The board member must have knowledge in this sector of activity and the ability to identify opportunities to make the company's facilities more efficient in order to promote and exploit the potential of the services offered by SNTGN TRANSGAZ SA..
	Experience in negotiations, social dialogue, institutional and interpersonal communication	The Board member demonstrates good communication skills and brings concrete examples from professional experience on institutional communication, negotiations, etc..
	Knowledge of performance monitoring	The board member shall have professional knowledge and experience in establishing, tracking and measuring company performance through financial, non-financial, specific and governance indicators
	Skills to identify and manage risks specific to the management of public enterprises	The board member must also have experience in risk management including incident management related to the company's business.
Corporate governance	Knowledge of best practices and corporate governance principles	The board member will also have experience in corporate governance and institutional communication, corporate social responsibility.
	Knowledge of listed companies	The board member will have knowledge of the BSE Governance Code and how it applies to the company.
Social and personal	Communication skills, ethics and integrity	Board member will demonstrate very good

		communication skills and principles of ethics and integrity
	Minimum communication in English	The member of the Board of Administration will have a minimum intermediate knowledge of English