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Submitted to the OGMS dated 19/20.11.2025 for analysis and approval

REPORT **on the approval of the Financial, Non-financial and Non-commercial** **Performance Indicators for the period 2025-2029**

SUMMARY

The measurement of the performance of the public enterprise is a process of improving the activities carried out and the use of the resources earmarked in order to efficiently meet the strategic objectives assumed by the administrators and the management under the company's Administration Plan, a plan that includes the administration component, the management component and the financial and non-financial key performance indicators.

The strategic objectives and the directions of action for the management of the company during the period 2025-2029 are correlated with the Letter of Expectations of the majority shareholder, the Romanian State, through the General Secretariat of the Government, and with the ones of the other shareholders and follow the goals regarding **the continuity of the operational and investment activity, energy safety and security, operational effectiveness and stability, sustainable development**, in order for SNTGN TRANSGAZ SA to maintain its role as a natural gas transmission operator with recognition on the international natural gas market, a leader on the energy market in the region, thus contributing to Romania's being defined as an important energy corridor in the field of natural gas to Europe.

The financial, non-financial and non-commercial key performance indicators are defined in compliance with the criteria provided for in Annexes 2a and 2b, Ch. II - *Methodology for the establishment of the financial and non-financial key performance indicators* - of GD no. 639/27.07.2023 **for the approval of the methodological rules for the application of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises.**

PROPOSAL

In accordance with the provisions of Chapter IV, Article 15, point 3 paragraph (a1) of the Articles of Incorporation of SNTGN Transgaz SA, updated, with the provisions of Article 30, paragraph (3) and paragraph (4) of GEO no. 109/2011 on the corporate governance of public enterprises, as amended, we submit for approval to the Ordinary General Meeting of Shareholders the financial, non-financial and non-commercial performance indicators for the period 2025-2029.

Detailed content

The measurement of the performance of the public enterprise is a process of improving the activities carried out and the use of the resources earmarked in order to efficiently meet the strategic objectives assumed by the administrators and the management under the company's Administration Plan, a plan that includes the administration component, the management component and the financial and non-financial key performance indicators.

The company's administration plan is governed by a responsible, professional and ethical attitude towards all stakeholders (shareholders, employees, partners, community, state authorities and institutions, media, etc.) and includes the measures by which Transgaz' management will act to meet the objectives and achieve the financial and non-financial performance indicators, in accordance with the strategic vision of the administrators regarding activity carry-over and the directions of strategic redefinition and streamlining the company's activity.

The strategic objectives and the directions of action for the management of the company during the period 2025-2029 are correlated with the Letter of Expectations of the majority shareholder, the Romanian State, through the General Secretariat of the Government, and with the ones of the other shareholders and follow the goals regarding **the continuity of the operational and investment activity, energy safety and security, operational effectiveness and stability, sustainable development**, in order for SNTGN TRANSGAZ SA to maintain its role as a natural gas transmission operator with recognition on the international natural gas market, a leader on the energy market in the region, thus contributing to Romania's being defined as an important energy corridor in the field of natural gas to Europe.

Proceeding with the same responsibility, efficiency, transparency, and professionalism towards all stakeholders, the road paved during the 2021-2025 mandate for the construction and development of a solid and successful future for the Romanian energy sector, the Board of Administration, together with the company's management, undertakes for the new 2025-2029 mandate, ambitious strategic objectives that will respond with maximum efficiency to the aspirations expressed in the Letter of Expectations of TRANSGAZ' Shareholders.

The financial, non-financial and non-commercial key performance indicators are defined in compliance with the criteria under Annexes 2a and 2b, Ch. II - *Methodology for the establishment of the financial and non-financial key performance indicators* - of GD no. 639/27.07.2023 for the approval of the methodological rules for the application of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises as amended.

The indicators included in the company's Administration Plan measuring the company's financial and non-financial performance during 2025-2029 are the following:

A. ECONOMIC and FINANCIAL PERFORMANCE INDICATORS - Standard performance indicators
Commissioned investments
EBITDA
Labour output
Outstanding payments
Outstanding receivables
Technological consumption
OPEX at lei 1000 operating revenue
Profitability indicators
Liquidity indicators
Risk indicators
Management indicators

B. KEY PERFORMANCE INDICATORS					
<i>(17 indicators: 7 financial indicators, 8 non-financial indicators and 2 non-commercial indicators)</i>					
FINANCIAL	NON-FINANCIAL				NON-COMMERCIAL
	Customer indicators	Indicators oriented towards public services	Employee indicators	Indicators related to corporate governance	Job creation
1. Capital expenditure ratio	1. Customer Satisfaction Score	2. Development Strategy Monitoring*	4. Average number of training hours per employee	6. Rate of independent members on the board of administration	1. Full-time equivalent
2. Current liquidity ratio		3. Performance indicators of the natural gas transmission service	5. Establishment of an employee safety system	7. Number of meetings of the Board of Administration Committee	2. Proportion of women in senior management
3. Debt/EBITDA ratio				8. Establishing risk management policies	
4. Asset turnover ratio					
5. Return on Assets (ROA)					

6. Net profit margin					
7. Dividend Payout Ratio					

A. ECONOMIC AND FINANCIAL PERFORMANCE INDICATORS

The value estimates of the proposed standard economic and financial performance indicators for the period 2025-2029 are as follows:

Tag No.	Performance criterion	Performance Objective	M.U	Weighting factor	2025	2026	2027	2028	2029
1.	Commissioned Investments	Achievement of the planned level	thous and lei	0,15	3.037.503	1.427.934	1.346.890	1.032.705	431.281
2.	EBITDA	EBITDA oncrease	thous and lei	0,15	936.403	900.491	1.176.317	1.297.362	1.411.170
3.	Labour output	Increasing labour output in value units (turnover / average number of employees);	thous and lei/ Perso n	0,15	668	669	734	817	896
4.	Outstanding payments	Making payments to the contractual deadline (in current prices)	thous and lei	0,15	0	0	0	0	0
5.	Outstanding receivables	Reduction of the volume of outstanding receivables (in current prices)	thous and lei	0,1	635.429	603.658	573.475	544.801	517.561
6.	Technological consumption	Compliance with the quantities of natural gas representing technological consumption	%	0,15	100%	100%	100%	100%	100%
7	Operating expenses per 1000 lei operating revenue	Reduction of operating expenses per 1000 lei operating revenue	Lei	0,15	851	863	829	865	879

Table 1– Standard performance criteria and objectives 2025-2029

The estimation of SNTGN Transgaz SA's performance in the period 2025-2029 in terms of profitability, liquidity, risk and management indicators is presented in the table below:

CRT No.	Indicators	Calculation formula	2025	2026	2027	2028	2029
1.	Profitability indicators						
	EBITDA in total sales	EBITDA	41,31%	42,43%	51,02%	49,95%	50,64%
		Turnover					
	EBITDA in equity	EBITDA	25,17%	25,02%	30,94%	31,77%	32,92%
		Equity					
	Gross Profit Rate	Gross profit	17,25%	18,67%	22,17%	21,34%	21,61%
		Turnover					
	Rate of return on capital	Net profit	8,83%	9,24%	11,29%	11,40%	11,80%
		Equity					
2.	Liquidity indicators						
	Current liquidity indicator	Current assets	1,10	1,10	1,10	1,10	1,10
		Short-term debts					
	Immediate liquidity indicator	Current Assets - Inventories	1,03	0,97	1,05	1,09	1,13
		Short-term debts					
3.	Risk indicators						
	Leverage indicator	Borrowed capital	87,35%	108,67%	123,18%	128,80%	124,51%
		Equity					
	Interest coverage ratio	EBIT	340,85%	300,28%	304,43%	227,95%	215,63%
		Interest expenses					
4.	Management indicators						
	Flow rotation speed - customers	Average customer balance x 365 days	63,21	69,04	66,92	67,66	69,28
		Turnover					
	The rotational speed of loans - suppliers	Average supplier balance x 365 days	95,51	92,76	84,31	65,07	39,67
		Turnover					

Table 2– Estimates of profitability, liquidity, risk and management indicators for the period 2025-2029

B. KEY PERFORMANCE INDICATORS

Key performance indicators – financial

No. Crt.	Financial objectives	Category of financial indicators	Financial indicators	Calculation formula	M.U.	2025	2026	2027	2028	2029	Instrument of check
Public Enterprise Strategy											
1.	Carrying out the investment projects included in the company's development program in compliance with the incident legal framework and the principles of efficiency, aiming to ensure security in the supply of natural gas and to increase the degree of interconnection of the national gas transmission network to the European network	Investment policy	Capital expenditure rate	Capital Expenditure Ratio = (Capital Expenditure) / (Total Assets) x100	%	11,52	11,55	10,32	5,62	3,88	Audited Annual Financial Statements
2.		Financing	Current liquidity ratio	Current Liquidity Ratio = Current Assets (Current)/Current Liabilities	Number	1,10	1,10	1,10	1,10	1,10	Audited Annual Financial Statements
3.			Debt/ Ratio EBITDA	Debt/ Ratio EBITDA = Total Liabilities / EBITDA = Net Profit + Interest Expense + Tax Expense + Depreciation Expense + Depreciation Expense	Number	6,09	6,81	5,75	5,45	4,95	Audited Annual Financial Statements
4.	Ensuring sustainable financial and economic	Operations	Asset turnover rate	Asset turnover rate = Net	%	25,35	23,22	22,91	22,42	22,43	Audited Annual

No. Crt.	Financial objectives	Category of financial indicators	Financial indicators	Calculation formula	M.U.	2025	2026	2027	2028	2029	Instrument of check
	performance and operational stability			turnover/Average value of all assets							Financial Statements
5.		Cost-effectiveness	Return on assets	ROA = Net Profit/Total Assets	%	3,36	3,42	4,06	4,17	4,53	Audited Annual Financial Statements
6.			Net profit margin	Net profit margin = Profit net_t/Turnover netă_t	%	13,61	15,68	18,62	17,92	18,15	Audited Annual Financial Statements
7.		Dividend policy*	Dividend Payout Rate	Dividend payout rate = {Dividends paid (year-on-year) / Net profit (year-on-year) } x 100	%	50,00	50,00	50,00	50,00	50,00	Audited Annual Financial Statements

Table 3 – Estimates of financial key performance indicators for the period 2025-2029

Key performance indicators – non-financial

No.	Non-financial objectives	Category of non-financial indicators	Non-financial indicators	Calculation formula	M.U.	2025	2026	2027	2028	2029	Verification tool
Strategy of the public enterprise											
1.	Increasing customer, business partner, and supplier satisfaction	Customer-related indicators	Customer satisfaction score	Customer satisfaction score_t = total number of evaluations of 4 and 5_t/ total number of evaluations_t-1	%	95	95,2	95,4	95,6	95,8	Annual customer satisfaction assessment report

No.	Non-financial objectives	Category of non-financial indicators	Non-financial indicators	Calculation formula	M.U.	2025	2026	2027	2028	2029	Verification tool
2.	and the quality of services provided	Oriented towards public services	Development Strategy Monitoring*	Implementation of FID projects from the 10-year development plan = actions completed + actions started / actions proposed	%	100	100	100	100	100	Report submitted to ANRE annually on March 15 10-year development plan approved by ANRE -Report issued by the Board of Administration(Annex 3-Objectives)
3.			Performance indicators for natural gas transmission services	Achievement of the targets set out in the Performance Standard for Natural Gas Transmission System Services for the indicators $IP_0^1 \geq 90\%, IP_1^1 \geq 90\%, IP_1^2 \geq 95\%, IP_1^3 \geq 95\%, IP_1^4 \geq 95\%, IP_1^5 \geq 95\%, IP_1^6 \geq 95\%$ $IP_{1,3}^1 \geq 95\%, P_3^2 \geq 95\%, IP_4^1 \geq 95\%, IP_5^1 \geq 98\%, IP_5^2 \geq 98\%, IP_6^1 \geq 98\%, IP_6^2 \geq 98\%$	%	100	100	100	100	100	Report in accordance with ANRE Order 140/2021 (relevant indicators for natural gas transmission services may be modified upon amendment of the ANRE Order)
4.	Improving the process of training, education, and professional development of staff.	Employee-related indicators	Average number of training hours per employee	Average number of training hours per employee = Total number of training hours_t/Total number of employees_t	Number	21	22	23	24	25	Report issued by the Board of Administration
5.	Responsible management, sustainable strategies, and maintaining Integrated Management certification for Quality, Environment,		Establishment of an employee safety system	YES/NO	Confirmation of the establishment of the system	YES	YES	YES	YES	YES	Report issued by the Board of Administration

No.	Non-financial objectives	Category of non-financial indicators	Non-financial indicators	Calculation formula	M.U.	2025	2026	2027	2028	2029	Verification tool
	Health, and Occupational Safety										
6.	Optimizing the implementation process of corporate governance, ethics, and integrity principles	Governance-related indicators	Percentage of independent members on the board of administration	Percentage of independent members on the board of administration_t = Total number of non-executive and independent members on the board of administration_t / Total number of members on the board of administration_t	%	60	60	60	60	60	Report issued by the Board of Administration
7.			Number of meetings of the board of administration	Number of meetings of the board of administration_t = Number of meetings of the board of administration held throughout the year_t	Număr	12	12	12	12	12	Report issued by the Board of Administration
8.	Optimization of the risk management process		Establishing risk management policies	YES/NO	Confirmation of the establishment of the policies	YES	YES	YES	YES	YES	Annual risk management report (prepared in accordance with the Order)

Table 4 – Estimates of key non-financial performance indicators for the period 2025-2029

Key performance indicators – non-commercial

No.	Non-financial objectives	Category of non-financial indicators	Non-financial indicators	Calculation formula	M.U.	2025	2026	2027	2028	2029	Verification tool
Strategia întreprinderii publice											
1.	Optimal sizing of human resource requirements in relation to the actual activity and development needs of the company	Creating jobs	Equivalent number of full-time employees	Number of full-time equivalent employees _t = Total number of working hours for all employees according to contract _t / Number of working hours for a full-time employee _t	Number	4.005	4.010	4.015	4.020	4.025	Report issued by the Board of Administration
2.		Gender equality	Proportion of female senior managers	Proportion of female senior managers = Number of female senior managers _t /Number of senior managers _t	%	31	31,50	32	32,50	33	Report issued by the Board of Administration

Table 5 – Estimates of key non-commercial performance indicators for the period 2025-2029

The financial and non-financial performance indicators for the period 2025-2029 were established in accordance with the provisions of Government Decision No. 639/2023 approving the methodological norms for the application of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, in conjunction with the provisions of Order No. 651/24.12.2024 of the Agency for Monitoring and Evaluating the Performance of Public Enterprises on establishing the minimum level of performance indicators for public enterprises, published in the Official Gazette of Romania No. 187/04.03.2025, taking into account their relevance to the company's activity.

Allocation of key performance indicators for executive and non-executive administrators

Financial indicators

No.	Category of indicators	Indicators	Executive	Non-executive
1	Investment policy	Capital expenditure ratio	10%	
2	Financing	Current liquidity ratio		20%
3		Debt/EBITDA ratio	15%	
4	Operations	Asset turnover ratio	10%	
5	Rentability	Return on assets		10%
6		Net profit margin	15%	
7	Dividend policy	Dividend payout ratio		20%
TOTAL			50%	50%

Non-financial and non-commercial indicators

No.	Category of indicators	Indicators	Executive	Non-executive
1	Customer-related indicators	Customer satisfaction score	10%	
2	Oriented towards public services	Development Strategy Monitoring*		10%
3		Performance indicators for natural gas transmission services	10%	
4	Employee-related indicators	Average number of training hours per employee		10%
5		Establishment of an employee safety system	10%	
6	Governance-related indicators	Percentage of independent members on the board of administration		10%
7		Number of meetings of the board of administration		10%
8		Establishment of risk management policies	10%	
9	Job creation	Equivalent number of full-time employees	10%	
10	Gender equality	Percentage of female senior managers		10%
TOTAL			50%	50%

Annual variable component of executive administrators' remuneration

Key performance indicators are assessed annually, based on audited annual financial statements and other verification tools.

In accordance with the provisions of Article 34(4) of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented (Government Emergency Ordinance No. 109/2011), the variable component of the remuneration of the executive members of the board of administration and of the administrators shall be reviewed annually, depending on the level of achievement of the objectives included in the management plan and the degree of fulfilment of the key performance indicators approved by the general meeting of shareholders, annexed to the mandate contract. At the same time, in accordance with the provisions of Article 38(2)-(3) of GEO No. 109/2011, the variable component shall be based on financial and non-financial performance indicators, negotiated and approved by the supervisory public authority, which are different from those approved for non-executive administrators. The approved key performance indicators are elements used to determine the variable component of remuneration for the company's administrators.

Also, in accordance with the provisions of Annex No. 2, Chapter III, Article 17 of Government Decision No. 639/2023 approving the methodological norms for the application of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, the following shall be taken into account when determining the variable remuneration of executive administrators:

- a) the responsibilities of executive administrators regarding the implementation of the public enterprise's strategy;
- b) implementation of government policies;
- c) profitable management of public enterprises;
- d) establishing efficient and effective operational processes.

Description of key performance indicators

1 Key financial performance indicators

1.1 Capital expenditure ratio

Indicator name	Capital expenditure ratio					
Minimum level according to AMEPIP Order No. 651/24.12.2024	3,36%					
Level proposed by the Management Plan	2025	2026	2027	2028	2029	
	11,52%	11,55%	10,32%	5,62%	3,88%	
Verification method	Annual financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the year under review, audited in accordance with the law – Statement of Financial Position, Statement of					

	Comprehensive Income, Note 7 to the financial statements, Note 9 to the financial statements
Indicator formula	Capital expenditure ratio = (Capital expenditure) / (Total assets) x100
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: <ul style="list-style-type: none"> - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan. - 0% - if the achieved level is below the level approved in the Management Plan.

1.2 Current liquidity ratio

Indicator name	Current liquidity ratio				
Minimum level according to AMEPIP Order No. 651/24.12.2024	1,00				
Level proposed by the Management Plan	2025 1,10	2026 1,10	2027 1,10	2028 1,10	2029 1,10
Verification method	Annual financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union, for the year in question, audited in accordance with the law – Statement of financial position				
Indicator formula	Current liquidity ratio = Current assets (current)/Current liabilities				
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: <ul style="list-style-type: none"> - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan. - 0% - if the achieved level is below the level approved in the Management Plan 				

1.3 Debt/EBITDA ratio

Indicator name	Debt/EBITDA ratio				
Minimum level according to AMEPIP Order No. 651/24.12.2024	>0				
Level proposed by the Management Plan	2025 6,09	2026 6,81	2027 5,75	2028 5,45	2029 4,95
Verification method	Annual financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the year in question, audited in accordance with the law – Statement of financial position, Statement of comprehensive income.				
Indicator formula	Debt-to-EBITDA ratio = Total debt/EBITDA				

	EBITDA = Net profit + Interest expense + Tax expense + Depreciation expense + Amortization expense
Calculation method	<p>The degree of achievement of the key performance indicator can be 0% or 100% as follows:</p> <ul style="list-style-type: none"> - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan. - 0% - if the achieved level is below the level approved in the Management Plan.

1.4 Asset turnover ratio

Indicator name	Asset turnover ratio
Minimum level according to AMEPIP Order No. 651/24.12.2024	19%
Level proposed by the Management Plan	2025 2026 2027 2028 2029 25,35% 23,22% 22,91% 22,42% 22,43%
Verification method	Annual financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the year under review, audited in accordance with the law – Statement of financial position, Statement of comprehensive income.
Indicator formula	Asset turnover ratio = Net turnover/Average value of all assets Average value of all assets = (Total assets t1 + Total assets t0)/2
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: <ul style="list-style-type: none">- 100% - if the achieved level is greater than or equal to the level approved in the Management Plan.- 0% - if the achieved level is below the level approved in the Management Plan.

1.5 Return on assets

Indicator	Return on assets				
Minimum level according to AMEPIP Order No. 651/24.12.2024	1,52%				
Level proposed by the Management Plan	2025 3,36%	2026 3,42%	2027 4,06%	2028 4,17%	2029 4,53%
Verification method	Annual financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the year in question, audited in accordance with the law - Statement of financial position, Statement of comprehensive income.				
Indicator formula	ROA = Net profit/Total asstes				
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows:				

	<p>- 100% - if the achieved level is greater than or equal to the level approved in the Management Plan.</p> <p>0% - if the achieved level is below the level approved in the Management Plan.</p>
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1.6 Net profit margin

Indicator	Net profit margin
Minimum level according to AMEPIP Order No. 651/24.12.2024	6,21%
Level proposed by the Management Plan	2025 2026 2027 2028 2029 13,61% 15,68% 18,62% 17,92% 18,15%
Verification method	Annual financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union, for the year in question, audited in accordance with the law - Statement of comprehensive income and Form 20 of the ANAF financial statements
Indicator formula	Net profit margin = Net profit_t/Net turnover_t
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan. 0% - if the achieved level is below the level approved in the Management Plan.

1.7 Dividend payout ratio

Indicator	Dividend payout ratio				
Minimum level according to AMEPIP Order No. 651/24.12.2024	50%				
Level proposed by the Management Plan	2025	2026	2027	2028	2029
	50,00%	50,00%	50,00%	50,00%	50,00%
Verification method	Annual financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the year in question, audited in accordance with the law - Statement of comprehensive income and Statement of dividends paid to Depozitarul Central				
Indicator formula	Dividend payout ratio = {Dividends paid (for year t) / Net profit (for year t) } x 100				

Calculation method	<p>The degree of achievement of the key performance indicator can be 0% or 100% as follows:</p> <ul style="list-style-type: none"> - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan. 0% - if the achieved level is below the level approved in the Management Plan.
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2 Non-financial key performance indicators

2.1 Customer satisfaction score

Indicator	Customer satisfaction score				
Minimum level according to AMEPIP Order No. 651/24.12.2024	72%				
Level proposed by the Management Plan	2025 95%	2026 95,2%	2027 95,4%	2028 95,6%	2029 95,8%
Verification method	Annual customer satisfaction assessment report				
Indicator formula	Customer satisfaction score _t = total number of ratings of 4 and 5 _t /total number of ratings _{t-1}				
Calculation method	<p>The degree of achievement of the key performance indicator can be 0% or 100% as follows:</p> <ul style="list-style-type: none"> - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan. 0% - if the achieved level is below the level approved in the Management Plan.. 				

2.2 Development Strategy Monitoring

Indicator	Monitoring of FID projects in the NTSDP
Minimum level according to AMEPIP Order No. 651/24.12.2024	-
Level proposed by the Management Plan	100% Monitoring
Verification method	NTSDP report sent to ANRE

Indicator formula	Implementation of FID projects in the 10-year development plan = actions completed + actions started / actions proposed
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.

2.3 Performance indicators for natural gas transmission services

Indicator	Performance indicators for natural gas transmission services
Minimum level according to AMEPIP Order No. 651/24.12.2024	-
Level proposed by the Management Plan	100% Monitoring
Verification method	Annual report prepared by Transgaz in accordance with ANRE Order 161/26.11.2015
Indicator formula	See Annex 1 Achievement of the targets set out in the Performance Standard for Natural Gas Transmission and System Services (ANRE Order 161/26.11.2015, which came into force on 1 October 2016) – for relevant indicators of natural gas transmission services.
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.

2.4 Average number of training hours per employee

Indicator	Average number of training hours per employee				
Minimum level according to AMEPIP Order No. 651/24.12.2024	18				
Level proposed by the Management Plan	2025 21	2026 22	2027 23	2028 24	2029 25

Verification method	Report issued by the Board of administration
Indicator formula	Average number of training hours per employee = Total number of training hours_t/Total number of employees_t
Calculation method	<p>The degree of achievement of the key performance indicator can be 0% or 100% as follows:</p> <ul style="list-style-type: none"> - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.

2.5 Establishment of an employee safety system

Indicator	Establishment of an employee safety system
Minimum level according to AMEPIP Order No. 651/24.12.2024	YES
Level proposed by the Management Plan	YES
Verification method	Report issued by the Board of administration
Indicator formula	Confirmation of the establishment of the system
Calculation method	<p>The degree of achievement of the key performance indicator can be 0% or 100% as follows:</p> <ul style="list-style-type: none"> - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.

2.6 Percentage of independent members on the Board of Administration

Indicator	Percentage of independent members on the Board of Administration				
Minimum level according to AMEPIP Order No. 651/24.12.2024	> 50%				
Level proposed by the Management Plan	2025 60%	2026 60%	2027 60%	2028 60%	2029 60%

Verification method	Report issued by the Board of administration
Indicator formula	Proportion of independent members on the Board of Administration_t = Total number of non-executive and independent members on the Board of Administration_t/Total number of members on the Board of Administration_t
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.

2.7 Number of board meetings

Indicator	Number of board meetings
Minimum level according to AMEPIP Order No. 651/24.12.2024	4
Level proposed by the Management Plan	Report issued by the Board of administration
Verification method	2025 2026 2027 2028 2029 12 12 12 12 12
Indicator formula	Number of board meetings_t= Number of board meetings held during the year_t
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.

2.8 Establishing risk management policies

Indicator	Establishing risk management policies
Minimum level according to AMEPIP Order No. 651/24.12.2024	YES
Level proposed by the Management Plan	YES

Verification method	Annual risk management report (prepared in accordance with the Order)
Indicator formula	Confirmation of policy establishment
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.

3 Non-commercial key performance indicators

3.1 Equivalent number of full-time employees

Indicator	Equivalent number of full-time employees				
Minimum level according to AMEPIP Order No. 651/24.12.2024	Monitoring				
Level proposed by the Management Plan	2025 4.005	2026 4.010	2027 4.015	2028 4.020	2029 4.025
Verification method	Report issued by the Board of administration				
Indicator formula	Number of full-time equivalent employees _t = Total number of working hours for all employees according to contract _t /Number of working hours for a full-time employee _t				
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.				

3.2 Percentage of female senior managers

Indicator	Percentage of female senior managers				
Minimum level according to AMEPIP Order No. 651/24.12.2024	30%				
Level proposed by the Management Plan	2025 31%	2026 31,50	2027 32%	2028 32,50%	2029 33%
Verification method	Report issued by the Board of administration				
Indicator formula	$\text{Proportion of female senior managers} = \text{Number of female senior managers}_t / \text{Number of senior managers}_t$				
Calculation method	The degree of achievement of the key performance indicator can be 0% or 100% as follows: - 100% - if the achieved level is greater than or equal to the level approved in the Management Plan; - 0% - if the achieved level is below the level approved in the Management Plan.				

Annex 1

Performance indicators related to the gas transmission service – according to ANRE Order 161/26.11.2015 into force as at 1 October 2016 – indicators relevant for the gas transmission service

Indicator calculation formula	Definition of terms in the formula	Target
IPO Recording of requests/complaints regarding the gas transmission system service		
$IP_0^1 = \frac{N_{T0} + N_{T2}}{N_{inreg} - N_{clasate}} \times 100 \%$	a) N_{T0} – no. of recordings the registration no. of which was sent acc. to Art. 7 (3) (a); b) N_{T2} – no. of recordings the registration no. of which was sent within a period of time shorter than the one established at Art. 7 (3) (b); c) N_{inreg} – total no. of requests/complaints registered acc. to Art. 7 (1); d) $N_{clasate}$ - total no. of requests/complaints classified acc. to Art. 7 (6).	$IP_0^1 \geq 90\%$
IP1 Compliance with the gas delivery-acceptance conditions		
$IP_1^1 = \frac{N_{Rparametrii10}}{N_{TRparametrii} - N_{RCLparametrii}} \times 100\%$	a) $N_{Rparametrii10}$ – no. of requests/complaints regarding non-compliance with the technological parameters agreed, requests/complaints answered/solved within less than 10 days from registration;	$IP_1^1 \geq 95\%$

	b) $N_{TRparametrii}$ - total no. of received requests/complaints regarding non-compliance with the technological parameters agreed; c) $N_{RCLparametrii}$ - total no. of classified requests/complaints regarding non-compliance with the technological parameters agreed.	
$IP_1^2 = \frac{N_{verificareP24}}{N_{TverificareP}} \times 100\%$	a) $N_{verificareP24}$ - no. of agreed technological parameter value verifications made by the TSO within less than 24 hours from registration of requests/complaints; b) $N_{TverificareP}$ - total no. of requests/complaints regarding non-compliance with the technological parameters.	$IP_1^2 \geq 95\%$
$IP_1^3 = \frac{N_{Rcalitate15}}{N_{TRcalitate} - N_{RCLcalitate}} \times 100\%$	a) $N_{Rcalitate15}$ - no. of requests/complaints regarding gas quality, requests/complaints answered/solved within less than 15 days from registration; b) $N_{TRcalitate}$ - total no. of received requests/complaints regarding gas quality; c) $N_{RCLcalitate}$ - total no. of classified requests/complaints regarding gas quality.	$IP_1^3 \geq 95\%$
$IP_1^4 = \frac{N_{Rmăsurare15}}{N_{TRmăsurare} - N_{RCLmăsurare}} \times 100\%$	a) $N_{Rmăsurare15}$ - no. of requests/complaints regarding gas metering answered/solved within less than 15 days from registration; b) $N_{TRmăsurare}$ - total no. of received requests/complaints regarding gas metering; c) $N_{RCLmăsurare}$ - total no. of classified requests/complaints regarding gas metering.	$IP_1^4 \geq 95\%$
$IP_1^5 = \frac{N_{Vmăsurare2}}{N_{TRmăsurare} - N_{RCLmăsurare}} \times 100\%$	a) $N_{Vmăsurare2}$ - no. of verified gas metering systems/devices at the place of operation, within less than 2 working days from request/complaint registration; b) $N_{TRmăsurare}$ - total no. of received requests/complaints regarding gas metering; c) $N_{RCLmăsurare}$ - total no. of classified requests/complaints regarding gas metering.	$IP_1^5 \geq 95\%$
IP2 Transmission system access		
$IP_2^1 = \frac{N_{acces}}{N_{TCacces}} \times 100\%$	a) N_{acces} - no. of transmission system access approvals or denials issued within a shorter period of time than foreseen by the applicable gas law; b) $N_{TCacces}$ - total no. of received requests for transmission system access.	$IP_2^1 \geq 95\%$
IP3 Connection to the transmission system		

$IP_3^1 = \frac{N_{racordare}}{N_{TCracordare}} \times 100\%$	<p>a) $N_{racordare}$ – no. of technical transmission system connection approvals and refusals, issued within a shorter period of time than foreseen by the applicable gas law;</p> <p>b) $N_{TCracordare}$ – total no. of received transmission system connection.</p>	$IP_3^1 \geq 95\%$
$IP_3^2 = \frac{N_{Rracordare15}}{N_{TRracordare} - N_{RCLracordare}} \times 100\%$	<p>a) $N_{Rracordare15}$ – no. of requests/complaints regarding transmission system connection, requests/complaints answered/solved by the TSO within less than 15 days from registration;</p> <p>b) $N_{TRracordare}$ – total no. of received requests/complaints regarding transmission system connection;</p> <p>c) $N_{RCLracordare}$ – total no. of classified requests/complaints regarding transmission system connection.</p>	$IP_3^2 \geq 95\%$
IP4 Habilitation of land/assets affected by execution of works regarding the transmission system		
$IP_4^1 = \frac{N_{Rrefacere15}}{N_{TRrefacere} - N_{RCLrefacere}} \times 100\%$	<p>a) $N_{Rrefacere15}$ – no. of requests/complaints answered/solved within less than 15 days from registration;</p> <p>b) $N_{TRrefacere}$ – total no. of received requests/complaints regarding the habilitation of lands and/or assets affected by the execution of works regarding transmission system facilities;</p> <p>c) $N_{RCLrefacere}$ – total no. of classified requests/complaints regarding the habilitation of lands and/or assets affected by the execution of works regarding transmission system facilities.</p>	$IP_4^1 \geq 95\%$
IP5 Notification of unforeseen limitations and/or interruptions and resuming of gas transmission service		
$IP_5^1 = \frac{N_{U6}}{N_{Uafectati}} \times 100\%$	<p>a) N_{U6} – no. of transmission system users affected by the unplanned interruption, notified as soon as possible, but not later than 6 hours from occurrence of interruption;</p> <p>b) $N_{Uafectati}$ – total no. of transmission system users affected by the unplanned interruption.</p>	$IP_5^1 \geq 98\%$
$IP_5^2 = \frac{N_{U24}}{N_{Uafectati}} \times 100\%$	<p>a) N_{U24} – no. of transmission system users affected for a period longer than 24 hours, notified accordingly;</p> <p>b) $N_{Uafectati}$ – total no. of transmission system users affected by the unplanned interruption.</p>	$IP_5^2 \geq 98\%$
IP6 Notification of planned limitations and/or interruptions and resuming of gas transmission service		
$IP_6^1 = \frac{N_{U5}}{N_{Uafectati}} \times 100\%$	<p>a) N_{U5} – no. of transmission system users affected by the unplanned interruption, notified within more than 5 working days before the limitation/interruption;</p> <p>b) $N_{Uafectati}$ – total no. of transmission system users affected.</p>	$IP_6^1 \geq 98\%$

$IP_6^2 = \frac{N_{Ureluare}}{N_{Uafectati}} \times 100 \%$	<p>a) $N_{Ureluare}$ - no. of transmission system users affected for which the provision of the gas transmission system was resumed at the time mentioned in the notification;</p> <p>b) $N_{Uafectati}$ - total no. of transmission system users affected by the unplanned interruption.</p>	$IP_6^2 \geq 98\%$
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CHAIRMAN OF THE BOARD OF ADMINISTRATION
MINEA NICOLAE