

No. 37188/13.05.2021

Submitted for analysis and approval in the OGMS held on 17/18 June 2021

**Report on the approval of the form of the mandate contracts for the two provisional members to be appointed in the Board of Administration of the National Gas Transmission Company Transgaz and the empowerment of a representative of the public supervisory body to sign the mandate contract**

## SUMMARY

This Report includes the request for the approval of the form of the mandate contract for the two provisional members to be appointed in the Board of Administration, contract to be concluded between the General Meeting of the Shareholders of SNTGN Transgaz SA, through the representative appointed by it, and each provisional member of the Board of Administration of SNTGN Transgaz SA

## PROPOSAL

***Based on Art. 15 (3) (d) of the updated Articles of Incorporation of SNTGN Transgaz SA, corroborated with Art. 29 (11) of GEO 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, the Nomination and Remuneration Committee established at the level of the Board of Administration of SNTGN Transgaz SA proposes the approval by the General Meeting of the Shareholders of SNTGN Transgaz SA of the following:***

- a) the form of the mandate contract concluded with the two provisional members to be appointed in the Board of Administration of the National Gas Transmission Company Transgaz and***
- b) the empowerment of a representative of the shareholders to sign on behalf of the General Meeting of the Shareholders of SNTGN Transgaz SA the mandate contracts with the provisional members of the Board of Administration of SNTGN Transgaz S.A.***

## **DETAILED CONTENT OF THE REPORT**

By Letter no. 20/11558/T.H.G./13.05.2021, the General Secretariat of the Government notified SNTGN TRANSGAZ S.A. on the vacating of some positions in the Board of Administration following termination of the mandates of the interim administrators – Mr Mircea Abrudean and Ms Laura Raluca Alina Dragotă, the representatives of the shareholder the Romanian State, through the General Secretariat of the Government.

Considering the above, GEO 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, and the details included in Annex 1b `Mandatory elements of the mandate contract` of GR 722/2016 on the approval of the Methodological rules for applying some provisions of Government Emergency Ordinance 109/2011 on the corporate governance of public enterprises, the Nomination and Remuneration Committee of SNTGN Transgaz SA recommends the approval of the draft mandate contract prepared by the administrators in office of SNTGN Transgaz SA (Annex 1).

The draft contract of mandate for the interim administrators of the Board of Administration of SNTGN Transgaz SA is enclosed to the draft mandate contract.

### **Nomination and Remuneration Committee**

**Petru Ion Văduva**

**Nicolae Minea**

## MANDATE CONTRACT

### Considering the provisions of:

- Company Law 31/1990 republished, as further amended and supplemented, hereinafter referred to as Law 31/1990
- Government Emergency Ordinance 109/2011 on the corporate governance of public companies, as further amended and supplemented, hereinafter referred to as GEO 109/2011
- Government Decision 722/2016 on the approval of the methodological norms for the application of some provisions of GEO 109/2011, hereinafter referred to as GD 722/2016
- Government Ordinance 26/2013 on strengthening financial discipline at the level of some economic operators where the state or administrative-territorial units are unique or majority shareholders or hold directly or indirectly a majority share, as further amended and supplemented
- Art. 1913 and the subsequent articles, and Art. 2009 and the subsequent articles of Law 287/2009 on the Civil Code, as further amended and supplemented

as well as the following:

By the Decision of the Ordinary General Meeting of the Shareholders of the Company no... .. dated ....., in accordance with the provisions of GEO no. 109/2011 on the corporate governance of public companies, as subsequently amended and supplemented, a decision was taken to appoint Mr./Ms. .... as **interim administrator**, and he/she has expressly agreed to be a provisional member of the Board of Administration of the Company;

Pursuant to art. 142 of the Companies Law no. 31/1990, republished, as subsequently amended and supplemented, the Board of Administration is responsible for all necessary and practical measures to achieve the company's scope of business, except for such measures assigned by the law to the General Meeting of the Shareholders;

The form of the mandate contract, including the fixed gross monthly allowance to be granted to the administrators, was approved by the Resolution no. of the General Ordinary Meeting of the Shareholders held on ..... according to GD no. 722/2016 on the approval of the Methodological Norms for the application of provisions of the GEO no. 109/2011 on the corporate governance of state-owned companies, as subsequently amended and supplemented and under the provisions of Company Law no. 31/1990, republished, as subsequently amended and supplemented;

The General Meeting of the Shareholders from ..... decided that the present mandate contract be signed by Mr./Mrs. ...., representative of the shareholders;

## Art. 1 Contracting Parties

(1) The National Gas Transmission Company "Transgaz" S.A., headquartered in Medias, no. 1, C. I. Motas Sq., Sibiu County, phone/fax. .... / ....., e-mail: ....., registered with the Trade Register, Sibiu Court of Law under no. J32/301/2000, VAT no. RO/13068733, by the General Meeting of the Shareholders, represented by Mr./Mrs. ...., appointed based on Decision no. .... of the General Ordinary Meeting of the Shareholders, hereinafter referred to as **COMPANY/MANDATOR**,

and

(2) Mr./Mrs. .... Romanian citizen, born on ....., in ....., residing in Romania, ..... str. .... no....., bldg....., entrance..., apt....., county....., bearer of ID series ..... no..... issued by SPCLEP ..... on ....., CNP ....., tel./fax. .... / ....., e-mail: ....., (hereinafter referred to as „**Interim Administrator**” or „**Administrator**”) as **MANDATARY**,

have agreed the conclusion of the present contract, undertaking its terms and conditions.

In this Contract, the terms below shall have the following meanings:

- a) Applicable legal framework - the set of Romanian legal norms included in Law no. 31/1990, Civil Code, GEO no. 109/2011, GD no. 722/2016, GO no. 26/2013, the Fiscal Code, as well as in any other normative acts applicable to this contract;
- b) Conflict of interest - any situation or circumstance determined/determinable according to the applicable legal framework, as well as any close relationship (including cohabitation), in which the personal interest, direct or indirect, of the Administrator, contradicts the interest of the Company, so it affects or could affect his/her independence and impartiality in making business decisions or the timely and objective fulfillment of his/her duties in the exercise of his/her mandate for the Company;
- c) Contract - means both this mandate contract, to which any other name is applicable, resulting from the statutory provisions (eg administration contract) or from the provisions of the applicable Legal Framework (eg administration contract, management contract);
- d) Significant event - means a situation, a change at the level of the Company that could attract the public interest, in a negative or positive sense and that could be taken over by the press and the public critically and for which a point of view from the shareholders could be requested. Significant Events within the meaning of this contract are considered, including, but not limited to:
  - (i) change of the Director General (either by resignation or by revocation by the Board of Administration),
  - (ii) the waiver of the term of office of any member of the Board of Administration, from

- the date of notification,
  - (iii) fraudulent acts committed by members of the Board of Administration, the Director General, directors, that have been discovered by the internal auditor, internal control or a public authority,
  - (iv) criminal complaint filed against the members of the Board of Administration, the Director General, the directors,
  - (v) restructuring decisions that affect more than 20% of the Company's activity (turnover, staff structure, etc.),
  - (vi) purchases or sales of goods (other than those which, according to the law, are made only with the approval of the general meeting of the shareholders) with individual impact greater than 5% of the Company's turnover from the last annual financial statement approved by the general meeting of the shareholders,
  - (vii) work or environmental accidents that are reported to public authorities,
  - (viii) litigations brought by other companies or public authorities against the Company with an individual impact value greater than 5% of the Company's turnover in the last annual financial statement approved by the general meeting of the shareholders.
- d) Definitive impossibility to exercise the mandate/legal impediment - any circumstance that creates an unavailability with a duration greater than or equal to 90 consecutive calendar days, depriving the Administrator of the possibility to fulfill his/her attributions, personally or through representation, such as judicial control, preventive arrest or arrest of the Administrator, the medical condition of the administrator, incompatibility, annulment of the decision of the ordinary general meeting of the shareholders for the appointment of the Administrator, etc.
- e) Remuneration - consists of a fixed monthly allowance established, according to the provisions of the law, by the General Meeting of the Shareholders, under the terms of this Contract, and does not contain a variable component.

## **Art. 2 Scope of the Contract**

2.1 By this Contract, the Interim Administrator undertakes to ensure the administration of the Company, in exchange for a Remuneration, in accordance with the provisions of the Articles of Incorporation and the applicable Legal Framework.

2.2 In order to achieve the scope of this Contract, the Administrator will perform all the necessary acts for the administration of the Company in its interest and for the fulfillment of the object of activity and will exercise the attributions established by the Applicable Legal Framework, the Articles of Incorporation and the Contract.

## **Art. 3 Duration of the Contract**

**The contract is valid for a period of ..... months/years, as of ....., with the possibility of extension, for good reasons, for another two months, but not later than the date of completion of the selection procedure of the members of the Board of Administration, under the conditions of art. 64<sup>1</sup> of GEO no. 109/2011, if it is completed**

**within this interval.**

#### **Art. 4 The rights, obligations and statements of the Administrator**

**4.1** The rights of the Administrator are mainly the following, but not limited to them:

**4.1.1** to benefit from the Remuneration established by decision of the general meeting of shareholders, according to the provisions of the Applicable Legal Framework;

**4.1.2** to be reimbursed the expenses related to the execution of the mandate, on the basis of supporting documents, but not limited to them: accommodation, daily allowance, transport, attendance fees for courses, seminars and any other types of expenses related to the execution of the mandate; regardless of whether they were caused by traveling within the country or abroad, as well as the use of inventory items/fixed assets necessary to carry out the activity (all these expenses will be settled at the level specified in the Collective Labor Agreement signed by the Company);

**4.1.3** to benefit from a professional liability insurance policy paid by the Company. The payment of the premium related to this insurance will be done by the Company and will not be deducted from the Remuneration payable to the Administrator;

**4.1.4** to have access to any information related to the Company, in compliance with the obligation of confidentiality and the provisions related to access to trade secrets, respectively classified national information;

**4.1.5** the conditions for contracting assistance at the level of the Board of Administration will be negotiated by the parties and will be included in the mandate contract by concluding an addendum.

**4.2** The obligations of the Administrator, which will be exercised together with the other members of the Board of Administration, are the obligations related to the attributions established in the competence of the Board of Administration, the General Meeting of the Company's Shareholders, the Applicable Legal Framework and the following, but without being limited to these:

**4.2.1** to participate in the elaboration of the administration component part of the administration plan;

**4.2.2** to approve the management component and the management plan in its entirety within the Board of Administration, within the legal term;

**4.2.3** to participate in the advisory committees set up at the level of the Board of Administration, in accordance with the Applicable Legal Framework;

**4.2.4** to attend vocational training and continuing development programs in the areas established in accordance with the Applicable Legal Framework;

**4.2.5** to delegate the management of the Company to one or more directors, appointing one of them as director general manager, to establish their remuneration, at the recommendation of the Nomination and Remuneration Committee and to revoke the directors, within the framework of Law no. 31/1990;

**4.2.6** to approve the level of the professional liability insurance policy for directors;

**4.2.7** to evaluate the activity of the director general both in terms of the execution of the mandate contract and in terms of compliance and implementation of the management component of the management plan;

- 4.2.8** to verify the functioning of the internal managerial control system;
- 4.2.9** to approve the conclusion of contracts, within the limits provided by the Articles of Incorporation, by decisions of the General Meeting of the Shareholders, as well as by the Applicable Legal Framework;
- 4.2.10** to convene / or as the case may be to approve the convening of the General Meeting of the Shareholders in accordance with the statutory provisions and of the Applicable Legal Framework, to organize the General Meetings of the Shareholders, to attend the meetings of the shareholders and to implement the decisions of the general meetings of shareholders, to inform all shareholders regarding any act or event likely to have a significant influence on the situation of the Company;
- 4.2.11** to make recommendations on profit sharing;
- 4.2.12** to approve the draft budget of revenues and expenditures of the Company for the current year;
- 4.2.13** to present to the General Meeting of the Shareholders of the Company, within the legal term, all the reports provided by the Applicable Legal Framework;
- 4.2.14** to verify compliance with the law, the Articles of Incorporation and the decisions of the general meeting of the Company's management operations;
- 4.2.15** to exercise his/her mandate with loyalty, prudence and diligence of a good administrator in the exclusive interest of the Company, and not to assume any special obligations towards one or another shareholder of the Company in connection with the activity of the Company. The administrator does not breach the above obligation if, at the time of making a business decision, he is reasonably entitled to consider (i) that he is acting in the interest of the Company and (ii) has made the decision on the basis of appropriate information;
- 4.2.16** to adopt all the necessary measures for the protection of the Company's patrimony;
- 4.2.17** to avoid and inform the Board of Administration and shareholders, in writing, of conflicts of interest in relation to the Company and to refrain from participating in debates and voting on issues related to the Conflict of Interest;
- 4.2.18** not to conclude legal documents with the Company, except under the conditions established by the Applicable Legal Framework;
- 4.2.19** to comply with the confidentiality rules provided in annex no. 1 of the Contract;
- 4.2.20** to comply with the non-compete obligations provided in annex no. 2 of the Contract;
- 4.2.21** to comply with the integrity criteria provided in annex no. 3 of the Contract;
- 4.2.22** to inform the shareholders within a maximum of 24 hours from the occurrence of any significant event;
- 4.2.23** to loyally defend the prestige of the Company and of the Company's bodies, as well as to refrain from any act or fact that may harm their image or legal interests;
- 4.2.24** not to express in public appreciations inconsistent with the reality in connection with the Company's activity, with its policies and strategies or with the draft regulations or individual documents;
- 4.2.25** not to make unauthorized assessments in connection with disputes pending and in which the Company is a party;
- 4.2.26** not to provide assistance and advice to individuals or legal entities in order to promote legal or other actions against the Company;

**4.2.27** In his/her relations with the Company, the directors, shareholders and employees of the Company and the other members of the Board of Administration, the administrator undertakes to behave in a manner based on respect, good faith, fairness and kindness, without prejudice to their honor/reputation/dignity, as well as to that of the natural and legal persons with whom he/she comes into contact in the exercise of his/her mandate, through the use of offensive expressions, the formulation of slanderous notifications or complaints or the disclosure of aspects of privacy;

**4.2.28** to ensure equal opportunities and treatment for the Company's employees and directors, not to favor or disfavor access or promotion within the Company on grounds of discrimination, kinship, affinity or other criteria inconsistent with the Applicable Legal Framework.

**4.2.29** to attend and cast his/her vote in any and all meetings of the Board of Administration;

**4.2.30** to sign the minutes of the meetings of the Board of Administration he/she attends personally or as a proxy, drawn up by the Secretariat of the Board of Administration;

**4.2.31** to submit to the Company, in the form and within the terms specified by it, the documents and information requested by the Company for the execution of various legal or statutory obligations regarding the Administrator;

**4.2.32** to submit to the Company within 5 days from the signing of the mandate contract a declaration on his/her own responsibility regarding his/her independence in accordance with the provisions of Law no. 31/1990;

**4.3** Administrator's statements. The administrator declares that:

- a. is aware of the provisions of the Articles of Incorporation;
- b. is not in any of the situations of incompatibility or competition, provided by the Applicable Legal Framework or in Annex 1 to the Contract;
- c. has full capacity to conclude this Contract and to perform his/her obligations under and in accordance with its provisions;
- d. meets the requirements provided in the Applicable Legal Framework and the Articles of Incorporation for holding the position of Administrator within the Board of Administration of the Company;
- e. agrees to the processing by the Company, if applicable, of personal data provided by the Administrator and/or obtained from third parties, including, but not limited to, the personal numerical code and other personally identifiable data, for the purpose of conducting legal relationships directly or indirectly related to this Contract between the Company and third parties, as well as for statistical or marketing purposes. This agreement is also given in connection with the possible transfer abroad of the personal data of the Administrator. By this agreement, the Administrator declares that he/she has been informed about the provisions of Law no. 677/2001 for the protection of individuals with regard to the processing of personal data and on the free movement of such data, in particular with regard to the right of access to data, the right to intervene in data and the right to object. The administrator declares that, at the end of the processing operations, he/she agrees that his/her personal data will be subject to further processing by the Company, shareholders and, where applicable, other public authorities. The administrator states that he/she has been informed that



he/she has the right to withdraw at any time his/her consent to the processing of personal data, their use for statistical or marketing purposes, their transfer abroad and the receipt of commercial communications by written request, addressed to the Company.

#### Art. 5 The rights and obligations of the Company

##### 5.1 The rights of the Company are mainly the following, but not limited to:

**5.1.1** to evaluate quarterly, half-yearly and annually the activity of the members of the Board of Administration of the Company through the General Meeting of Shareholders;

**5.1.2** to request, in writing, any information regarding the activity of the members of the Board of Administration and to receive a written response within maximum 10 days from the request.

##### 5.2 The obligations of the Company are mainly the following, but not limited to:

**5.2.1** to pay the Remuneration provided by this Contract and by the Applicable Legal Framework, including to withhold and transfer on time the income tax and all other obligatory contributions, fiscal or of any other nature, which fall on the Administrator, in his/her name and on his/her behalf.

**5.2.2** to ensure to the Administrator the full freedom and the necessary conditions in order to fulfill the mandate/attribution/obligations, in compliance with the statutory provisions and the Applicable Legal Framework.

#### Art. 6 Remuneration

**6.1** The administrator receives a remuneration that consists of a fixed monthly allowance and a variable component.

**6.2** According to the applicable Legal Framework, the maximum value of the gross monthly fixed allowance is in the amount of **17 674 RON**, respectively the allowance established by Decision no. .... from ..... of the Ordinary General Meeting of the Shareholders for the other administrators.

**6.3** The mechanism for granting the fixed monthly allowance is as follows:

**6.3.1** The Chairman of the Board of Administration and the members of the Board of Administration who work in at least 2 advisory committees set up at the board level, benefit from a fixed monthly allowance at the maximum amount.

**6.3.2** The members of the Board of Administration who work in an advisory committee set up at the level of the board, benefit from a fixed monthly allowance representing 90% of the fixed monthly allowance at the maximum value.

**6.3.3** The members of the Board of Administration who do not work in the advisory committees set up at the board level, benefit from a fixed monthly allowance representing 85% of the fixed monthly allowance at the maximum value.

**6.4** The remuneration is paid once a month, regardless of the number of meetings in that month. The payment of the remuneration will be made in the following month, on the date on which the payments of the salary balance are made for the company's employees.

**6.5** The variable component is established on the basis of key financial and non-financial performance indicators negotiated and approved by the general meeting of shareholders according to the provisions of the applicable legal framework.

#### Art. 7 Liability of the parties

**7.1** Failure to fulfill and/or improper fulfillment of the obligations undertaken by any of the

signatory parties to this Contract shall result in the liability of the party in default.

- 7.2** The Party that caused the termination of this Contract due to non-performance and/or improper performance of the obligations undertaken, is liable to the other party by covering all damages that have been generated by the termination of the Contract.
- 7.3** The Administrator is liable for culpable non-compliance with the provisions of this Contract, the provisions of the decisions adopted by the General Meeting of the Shareholders of the Company and the provisions of the Articles of Incorporation.
- 7.4** The Administrator does not violate the duty of prudence and diligence and will not be liable if, at the time when making a business decision, he/she is reasonably entitled to consider that he/she is acting in the interest of the Company and on the basis of appropriate information, and if a fortuitous event does not occur, as defined by the Civil Code.
- 7.5** The company is liable for the culpable breach of the obligations assumed by this Contract and will cover the damages that were thus caused.

#### **Art. 8 Force majeure and fortuitous event**

- 8.1** The parties undertake to notify each other, in writing, within maximum 5 (five) days of the occurrence of any cause of force majeure or fortuitous event and, in general, to inform each other in a timely manner of any impediments that lead to difficulties in achieving the object of this Contract.
- 8.2** If the party invoking force majeure or fortuitous event has not complied with the obligation to notify, respectively the deadline set out in 8.1, then the party will not be exonerated.
- 8.3** In case of force majeure or fortuitous event, the parties will make joint efforts in order to reduce any damages that would result from the occurrence of such a cause.

#### **Art. 9 Termination of the Contract**

- 9.1** This Contract terminates by:
- a) waiver of the term of office by the Administrator for reasons not attributable, by sending by the Mandatary of a notification at least 15 days before the date on which the termination will take effect, the Mandant having the possibility to waive this term;
  - b) revocation of the Administrator by the Company, without giving prior notice and without payment of damages.
  - c) expiration of the term of office;
  - d) by law, in other cases provided for within the Applicable Legal Framework;
  - e) withdrawal / non-granting of the ORNISS authorization;
  - f) the agreement of the parties.
- 9.2** If the Administrator is in Final Impossibility to Exercise the Mandate/Legal Impediment, the termination will take effect from the date of expiration of the term of 90 consecutive days of incapacity. In this regard, the Mandatary is obliged to notify the Company of the state of physical incapacity/impossibility and to attach the related evidence on the day immediately following the expiration of this term.
- 9.3** In case of revocation of the administrator, the Company does not owe him/her any compensation for the period not performed during the mandate.

**Art. 10 Applicable Law and Jurisdiction**

- 10.1** This Contract is governed by and construed in accordance with the provisions of Romanian law.
- 10.2** Disputes arising from the conclusion, execution, modification, termination and interpretation of the terms of this Contract shall be settled by the competent courts.

**Art. 11 Notifications**

- 11.1** All notifications/requests/communications regarding this Contract, addressed by one party to the other, will be considered validly fulfilled if they are sent to the latter party by registered letter with acknowledgment of receipt or fax/e-mail to the addresses provided in art. 1 of the Contract or to those addresses that will be notified by any of the other parties, according to art. 11.2.
- 11.2** If a party changes its attributes mentioned in par. 1, it will have the obligation to communicate to the other party, within 5 (five) working days, the new coordinates. Failure to notify does not trigger any liability of the party using the attributes mentioned in the Contract or the last notified attributes.

**Art. 12 Final Provisions:**

- 12.1** This Agreement may be amended only by written agreement of the signatory parties, in the form of a written amendment..
- 12.2** This Contract is not an employment contract and is not governed by labor law.
- 12.3** If certain clauses of this Agreement become legally ineffective, the validity of the other provisions of this Agreement will not be affected. In such cases, the parties agree to renegotiate in good faith any clause that has become legally ineffective, adding the clause thus renegotiated to the provisions of this Agreement.
- 12.4** If, at any time during the term of this Contract, one of the parties does not expressly insist on imposing a particular provision of the Contract, it does not mean that that party has waived such provisions or has waived its right to impose such provisions.
- 12.5** This Contract represents the agreement of the parties and supersedes any other prior written or oral agreement between the parties regarding the subject matter of this agreement and there are no secondary elements on which they have not agreed.
- 12.6** Annexes 1, 2 and 3 are a part of this Contract.

IN WITNESS WHEREOF we have concluded today, \_\_\_\_\_ in 2 (two) original counterparts, this Contract, the parties declaring, at the same time, that they have each received, on the occasion of signing this Contract, one original counterpart.

**SNTGN TRANSGAZ S.A**

**Administrator**

**By: Mr/Mrs.....**

**Mr. ....**

\_\_\_\_\_

**empowered by the Decision of the  
General Meeting of the Shareholders no. \_\_\_\_ dated \_\_\_\_**

## Annex 1

### CONFIDENTIALITY RULES

#### 1. Definition

The term "Confidential Information" means and includes any information regarding the economic activity of the Company that is not public, according to (i) the law, (ii) the decisions of the General Meeting of the Shareholders, (iii) the decisions of the Board of Administration and (iv) the internal regulations of the Company.

Not limited to the above, confidential information includes:

- a) the contractual terms and any information regarding the business partners, customers, agencies, employees, entrepreneurs, investors or suppliers of the Company, as well as the conditions under which the Company carries out economic activities with each of these persons;
- b) computer programs (including source code and object code) or software developed, modified or used by the Company;
- c) information of any kind compiled by the Company, including, but not limited to, information related to products and services, advertising and marketing, as well as existing or potential customers, suppliers and/or business partners;
- d) algorithms, procedures or techniques, or essential ideas and principles underlying such algorithms, procedures or techniques developed by or those used by the Company or otherwise known to the Company (except for any algorithm, procedure or technique in the public domain), whether or not these algorithms, procedures, techniques are part of a computer program, including, but not limited to techniques for:
  - identifying potential customers;
  - effective communication with existing or potential customers;
  - reducing operating costs or increasing system efficiency.
- e) the fact that the Company uses, has used or evaluated as a possibility to use any particular database, data sources, algorithms, precedents or techniques or ideas developed or provided by a person other than the Company (including any algorithm, procedure or technique in the public domain), whether or not such algorithms, procedures or techniques are part of a computer program;
- f) marketing strategies, developed, investigated, acquired (from a third party or otherwise), evaluated, modified, tested or used by the Company, or any information about or that could reasonably lead, in a reasonable manner, to the development of such a strategy;
- g) information on the Company's future plans, including, but not limited to, geographic expansion plans, market segments or services;
- h) information which will be disclosed exclusively under the conditions laid down in point 5;
- i) any other information acquired by the Administrator during the exercise of his/her mandate, which could reasonably be considered to reflect the Company's vulnerabilities, and which would help a competitor or potential competitor of the Company to compete

successfully against the Company;

- j) any information received by the Company from third parties who, in turn, have an obligation of confidentiality, on the existence of which they notify the Company;
- k) any information deriving from all the above and
- l) any copies of all the information mentioned above, except where such copies are requested by a court or other public authority, under the conditions provided by law.

## 2. Use and Disclosure of Confidential Information

The Administrator acknowledges that he/she has acquired and/or will acquire Confidential Information during or in connection with the exercise of the mandate within the Company, as well as that the use of this Confidential Information for the purpose of competing with the Company, by himself/herself by other persons, would severely endanger the Company's ability to continue its economic activity.

Therefore, the Administrator agrees that, directly or indirectly, at any time for the duration of the Contract concluded with the Company or at any time after its termination, and regardless of when and for what reason this contract will terminate, will not use or cause the use of any Confidential Information in connection with any activities or businesses, except the economic activities of the Company, and will not disclose or cause the disclosure of any Confidential Information to any natural person, company, association, group or any other entity, unless such disclosure has been duly authorized in writing by the Company, or unless required by any applicable law, or ordered by a competent court or arbitral tribunal, or by any public authority empowered by law to receive such information.

In addition, the Administrator undertakes to notify the Company, promptly, of any act of a court or arbitral tribunal, or of another public authority, of the nature specified in the preceding paragraph, so that the Company may adopt, in accordance with the law, protection measures or other appropriate solution, and shall continue to provide any assistance that the Company may reasonably request to guarantee such measures or solutions, if the protection measures referred to in the preceding paragraph are not sufficient, the Administrator shall provide only that section of the Confidential Information which is lawfully required by the public authority concerned and shall make all reasonable and legally grounded efforts to obtain the confidential treatment of any Confidential Information so disclosed.

## 3. Use and disclosure of information about third parties

The Administrator understands that the Company sometimes receives information from third parties, which the Company must treat confidentially and use only for limited purposes, ("Information about third parties").

The Administrator agrees that, directly or indirectly, at any time, for the duration of the Contract concluded with the Company, or at any time after its termination, and regardless of when and for what reason this Agreement will terminate, he/she

will not use or cause the use of any Third Party Information, unless permitted by a written agreement between the Company and the third party, unless required by any applicable law or by the decision of a competent court or arbitral tribunal or by any other public authority which by law it is empowered to receive such information. In addition, the Administrator undertakes to notify the Company, promptly, of any act of a court or arbitral tribunal, or of another public authority, of the nature specified in the preceding paragraph, so that the Company may adopt, in accordance with the law, protection measures or other appropriate solution. If the protection measures are not sufficient, the Administrator will only provide that section of the Third-Party Information, as legally required.

#### 4. Protection of trade secrets

Nothing in this Contract shall affect the Company and shall not in any way affect its rights to protect its business secrets, by any means provided by law.

#### 5. Disclosure of information by the Company

For the duration of the Contract and on the date of termination of this Contract, the Administrator shall promptly disclose and deliver to the Company, to the extent that such disclosure is reasonably deemed to be in the Company's interest, in writing, or in any form and manner, reasonably requested by the Company, the following information, ("Information to be disclosed"):

- (i) all and any algorithms, procedures or techniques relating to the economic activities of the Company or the activity of the Administrator within the Company, the essential ideas and principles underlying such algorithms, procedures or techniques designed, original, adapted, discovered, developed, acquired ( from a third party or otherwise), evaluated, tested or applied by the Administrator during his/her activity within the Company, regardless of whether such algorithms, procedures or techniques have been incorporated into a computer program;
- (ii) any and all marketing strategies, the essential ideas and principles underlying these strategies and any information that could reasonably lead to the development of such strategies designed, original, adapted, discovered, developed, acquired (from a third party or otherwise), evaluated, tested or applied by the Administrator during his/her activity within the Company;
- (iii) information on all and any products and services, ideas and essential principles underlying these products and services, designed, original, adapted, discovered, developed, acquired (from a third party or otherwise), evaluated, tested or applied by the Administrator during his/her activity within the Company and
- (iv) any other ideas or information conceived, original, adapted, discovered, developed, acquired (from a third party or otherwise), evaluated, tested or applied by the Administrator during his/her activity within the Company, if these ideas or information may reasonably be held to be useful or valuable to the Company.

#### 6. Confidentiality of Information to be Disclosed

The parties agree that the Information that will be disclosed, according to point 5 is, in turn, subsumed to the scope of Confidential Information, as defined in

point 1 of this Annex, and the Administrator undertakes to use and keep all the Information that will be disclosed in accordance with point 5 in the same manner as the Confidential Information, while respecting the provisions of point 3 of this Annex regarding the confidentiality of Third Party Information.

7. Duration of compliance with confidentiality obligations

The obligations of confidentiality incumbent on the Administrator under this Annex, an integral part of the Contract, shall remain applicable after the termination of this Contract and shall take effect for an unlimited period of time or until the date on which they become public.

8. Upon termination of the mandate contract, regardless of the reason for termination, the administrator will return to the company any confidential documents or will destroy them.

**SNTGN TRANSGAZ S.A**

**Administrator**

**By: Mr/Mrs.....**

**Mr. ....**

\_\_\_\_\_

**empowered by the Decision of the  
General Meeting of the Shareholders no. \_\_\_\_ dated \_\_\_\_\_**



**Annex 2**

**NON - COMPETITION OBLIGATIONS**

- I. For the duration of his/her mandate in the Company, the Administrator, directly or indirectly, either in his own name or as an employee, agent, administrator, director, associate, shareholder, investor or in any other capacity, agrees and undertakes:
  - a) not to engage in any activity or business that is in competition with the activity or business of the Company;
  - b) not to assist in any way, any person whose activities are in competition with or who in any other way brings prejudice to the commercial activities of the Company.
- II. For the duration of his/her mandate in the Company, the Administrator, directly or indirectly, with or without commission, either in his own name or as an employee, agent, consultant, administrator, director, associate, shareholder, investor or in any other capacity, will not:
  - a) cause or attempt to cause any employee, consultant, supplier, purchaser or independent contractor of the Company to cease its relationship with the Company;
  - b) use, retain as a consultant or contractor, or determine the employment or retention of any employee, the employment/conclusion of a contractual relationship with any agent, consultant, service or product provider, buyer or independent contractor of the Company so that the action causes damage to the company.
- III. Any breach of the obligations contained in this Annex by the Administrator entitles the Company to claim compensation for damages caused to the Company and constitutes a cause for revocation as an Administrator.

**SNTGN TRANSGAZ S.A**

**Administrator**

**By: Mr/Mrs.....**

**Mr. ....**

\_\_\_\_\_

**empowered by the Decision of the  
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## Annex 3

### INTEGRITY CRITERIA

Considering the following:

The members of the Board of Administrators have the obligation to declare any personal interests that may contradict the objective exercise of the attributions they exercise in fulfilling their mandate;

The members of the Board of Administration are obliged to take all necessary measures to avoid situations of conflict of interest and incompatibilities;

Early identification and timely removal of the premises of corruption are a priority and imperative;

Ethics refers to individual behavior, in an organizational or non-organizational context, which can be appreciated or evaluated from the perspective of values, principles and ethical rules at the level of the company;

Integrity behavior is that behavior that is appreciated or evaluated ethically as correct. Integrity, as an individual value, refers to this ethical correctness, which cannot be delimited by legal and professional correctness;

Behavior lacking integrity is a form of undermining society's mission, leading to a toxic organizational climate for employees and third parties, and affecting the legitimate interests of all involved, including the public interest.

The Company's administrator undertakes the following integrity criteria:

1. Is a person who is competent, fair and eager to contribute to the development of company;
2. Adheres to the values and principles of the company's code of ethics;
3. Makes decisions only in the interests of Company (decisions are not made to gain financial benefits or other material benefits for themselves, their family or loved ones);
4. Has no business or contracts with the company for which he/she acts as a member of the Board of Administration, or with a partner company;
5. Ensures compliance with the principle of transparency regarding his/her decisions and actions;
6. Has a duty to declare any particular interests related to the fulfillment of the specific responsibilities of the mandate and to take action in order to resolve any conflicts of interest that may arise, so as to protect the interest of Company;
7. Is responsible for his/her decisions and actions in front of the shareholders and is subject to any evaluation of the performance in fulfilling the mandate;
8. Must not create financial or other obligations towards organizations or natural or legal persons that would influence the way in which he/she carries out the duties specific to the mandate received from shareholders;

9. Does not have any personal debts towards the state budget;
10. No criminal investigation has been initiated against him/her, he/she has not been prosecuted or convicted for committing an act of corruption or an act related to non-compliance with the regime of interdictions, incompatibilities, conflict of interest or declaration of assets, embezzlement, tax evasion, deeds that are related to the exercise of administrator duties, or for any other deeds provided by criminal law;
11. The National Integrity Agency did not order a final act of finding, regarding the violation of the legal obligations regarding the unjustified assets, the conflict of interests or the regime of incompatibilities;
12. He/she was not been found, by a final court decision, to have been a collaborator or worker of the Securitate, as a political police, according to the law, and did not promote/does not promote extremist ideas or actions (racism, xenophobia, anti-Semitism, etc.);
13. Did not obtain degrees and diplomas through plagiarism, or intellectual theft proven by a final court decision;
14. Is not under judicial control for any type of crime, as well as under pre-trial detention or house arrest;
15. He did not show insulting, aggressive or inappropriate behavior towards his/her colleagues;
16. He/she is effectively involved in promoting the integrity of the Company and provides his/her own example of integrity by sanctioning or properly managing violations of the rules, from the smallest, such as administrative misconduct, to the most serious, such as criminal offences.

**SNTGN TRANSGAZ S.A**

**Administrator**

**By: Mr/Mrs.....**

**Mr. ....**

\_\_\_\_\_

**empowered by the Decision of the  
General Meeting of the Shareholders no. \_\_\_\_ dated \_\_\_\_\_**