

No. 19032/13.03.2023

Submitted for approval in the EGMS to be held on 26/27 April 2023

REPORT
on the approval of the affiliation of SNTGN TRANSGAZ SA to the
Romanian American Institute for Smart Energy - RAISE

SUMMARY

Whereas:

- **SNTGN Transgaz S.A., as the sole natural gas transmission operator in Romania and as a European natural gas transmission operator, pursues continuous, sustainable development and the creation of partnerships and working relationships with other national and international organizations**
- **To this end, over the years, the company has joined and maintained its membership in several national and international bodies relevant to the energy sector and the capital market**
- **The mission of the Romanian American Institute for Energy Intelligence (RAISE) is to help identify opportunities for cooperation between the energy industries of the two countries to enhance the energy prosperity and security of Romania and the U.S.**
- **Transgaz has a positive track record of cooperation with U.S. industry representatives through its affiliation with the Eastern European Natural Gas Partnership (EE-NGP) managed by the United States Agency for International Development (USAID) and the United States Energy Association (USEA);**

- **SNTGN Transgaz SA and the US Trade and Development Agency (USTDA) signed a \$956,000 grant agreement for the BRUA Phase 1 project;**
- **Transgaz has been working since 1976 with SOLAR TURBINES, a gas turbine manufacturing company, for the installation and commissioning throughout this period of twenty natural gas compressor units, built and equipped with installations and technologies made to the highest standards, including here, the CS within Transgaz's strategic investment projects, BRUA phase 1 - Jupa, Podișor, Bibești, NTS developments in the NE part of the country - CS Onești 1, CS Siliștea, CS Onești 2, CS Gherăești.**
- **Since 2014, Transgaz has been collaborating as a member and participating in various activities carried out by the American Chamber of Commerce in Romania (AmCham)**

PROPOSAL

According to Article 15(4) lit. (i) in conjunction with art. 32 of the updated Articles of Incorporation, we submit for the approval of the Extraordinary General Meeting of Shareholders the affiliation of SNTGN Transgaz SA, as a Corporate Member, to the Romanian American Institute for Smart Energy – RAISE.

the Romanian American Institute for Smart Energy (RAISE) is a non-profit organization, registered in Washington, DC.

The mission of RAISE is to contribute to the energy prosperity and security of Romania and the United States by identifying opportunities for cooperation between the energy industries in Romania and the United States through projects that will:

- (i) facilitate the visibility of the Romanian industry on the American market
- (ii) strengthen American trust and validation of Romanian skills
- (iii) raise the level of technological performance and sustainability of the Romanian industry at regional level

The activity of the Institute is guided by principles such as:

Competence, quality, and professional excellence

The Institute's commitment to all its activities reflects its members' investment in performance standards. As a result, the Romanian energy industry presents itself as a partner capable of ensuring results at the highest level of quality.

Responsibility and business ethics

Responsible conduct is the only way to build trust and performance. The Institute applies the highest standards of representativeness and compliance with the rules of business governance, meetings, events, and all professional activities.

Efficiency and competitiveness

The Institute's actions have a clearly defined purpose of contributing to the realization of successful projects in transparent conditions of efficiency. Furthermore, all members' interests are to ensure the best conditions for the competitiveness of the operations carried out in partnership.

The strategy of RAISE is focused on:

- Identification of opportunities for cooperation between the energy industries in Romania and the United States.
- Strengthen American trust and understanding of Romanian skills.
Raise the technological performance and sustainability of the Romanian industry regionally.

The institute focuses on five areas to promote the profile of the Romanian energy industry in the USA.:

1. Facilitate joint energy ventures and opportunities

The Institute focuses on developing a network of contacts within the American energy industry and facilitating the direct exchange of ideas and business ventures. This includes connecting with major representatives of the American energy industry across all sectors, participation in relevant events in the United States, organizing conferences, seminars, and meetings to stay informed of current energy discussions and developments, and organizing visits of Romanian companies to the USA and American ones to Romania to encourage direct contacts and develop a portfolio of concrete projects.

2. Promote the capabilities of the Romanian energy industry

The Institute acts to establish and elevate the reputation of the Romanian energy industry as a capable and trustworthy partner in the American business, professional, and governmental environments. This includes supporting large-scale commercial projects, promoting the interests and policies of regional and

Euro-Atlantic energy entities, and facilitating cooperation in the Romanian-American bilateral dynamics.

RAISE provides a platform for interaction, consultation, and discussion for key players in the energy field in the American, Romanian, and European public and private systems. It also supports efforts to promote the Romanian-American industry and partnership in American specialized media.

3. Conduct research and analysis

The Institute connects with the US centers for research and analysis to develop a strategic approach to energy. By initiating research in specific areas, the Institute is able to publish reports on the energy market, the impact of the energy transition, and the potential for Romanian-American cooperation in Southeast Europe and the Euro-Atlantic region.

The Institute explores partnerships with US government institutions and laboratories, and facilitates research scholarships for Romanian experts.

4. Facilitate technology transfer and promote clean-tech innovation

RAISE facilitates technology transfer and collaboration between Romanian and American energy companies. By fostering partnerships and promoting the exchange of ideas and expertise, RAISE promotes the development of clean technology innovations and advances in the sustainable energy sector in both countries. RAISE encourages the growth of clean energy solutions and supports the transition towards sustainable energy practices.

The Institute works with partners in the government, private sector, and academic institutions to foster collaboration and drive the development of cutting-edge clean energy technologies. By promoting the advancement of clean-tech and clean energy solutions, RAISE helps reduce the negative impact of energy production on the environment, and contributes to a more sustainable future.

5. Education and training programs – for energy professionals

RAISE supports the education and training programs needed to advance the sustainable energy sector in Romania and the United States. The Institute facilitates various programs for students, researchers, and professionals, including workshops, seminars, and training sessions that cover a range of topics related to renewable energy, energy efficiency, and smart energy

systems. RAISE facilitates internships and fellowships to provide hands-on experience to energy professionals and students.

The Institute works with universities and research institutions to develop and deliver energy-related curricula and degree programs that prepare the next generation of energy leaders. Through these various education and training programs, RAISE supports building a highly-skilled workforce that can drive the growth of the smart energy industry in Romania and the United States.

The CORPORATE membership package is aimed at companies with a global annual turnover of more than \$5 million. Within RAISE, Corporate members enjoy all the basic member benefits, from access to RAISE's advocacy platform to the opportunity to run for a position on the RAISE Board of Directors:

- Attendance at events at membership prices and a 20% discount on the participation fee for more than three participants per company
- Opportunity for company guests to attend events at member prices
- Two free invitations to the Annual Gala
- Eligibility for election to the Board of Directors
- Exposure opportunities through sponsorship or partnerships
- Possibility to provide speakers for workshops/presentations organized or hosted by RAISE
- The opportunity to present their experience and knowledge at special RAISE meetings/events
- Free participation of company representatives in the working sessions of the RAISE Committees
- Inclusion of the company profile in the "Members" section of the RAISE website homepage
- Publishing news about the company in the "Member News" section on the homepage and in the "Monthly Updates" section of the RAISE website
- Services in the company's area of activity offered to other members with special discounts - *Members2Members*
- The right to use the RAISE trademark in publications and on the company's website
- All other services at membership price (events, publications, advertising)

Annual membership fee for 2023 for CORPORATE membership is \$25,000.

In accordance with the provisions of Art. 15(4) lit. (i) in conjunction with art. 32 of the updated Articles of Incorporation, we submit for approval at the Extraordinary General Meeting of Shareholders the affiliation of SNTGN

**Transgaz SA, as a Member of the Romanian American Institute for Smart Energy
– RAISE.**

**Chairman of the Board of Administration,
Văduva Petru Ion**