

No. 106118/10.12.2025

Submitted for approval in the OGMS of 28/29.01.2026

REPORT

on the approval of the overall limits of the variable component of the SNTGN Transgaz S.A. directors' remuneration.

SUMMARY

In the meeting held on 22 May 2025, by Resolution No. 14, Art. 1, the Board of Administration approved the initiation of the procedure for the selection and appointment of the Director - General and the Chief Financial Officer of SNTGN TRANSGAZ SA, in accordance with GEO 109/2011 on the corporate governance of public enterprises, as further amended and supplemented. The selection and appointment procedure was performed by the Board of Administration together with the members of the Nomination and Remuneration Advisory Committee between 22 May and 23 July 2025 and was finalized by the approval of the Final report of the Nomination and Remuneration Advisory Committee on the appointments for the position of Director-General and Chief Financial Officer of SNTGN TRANSGAZ SA, under the Board of Administration Resolution no. 19 of 23.07.2025.

Also, in accordance with the provisions of GEO 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, Art. 38, the remuneration of the directors is established by the Board of Administration and consists in a fixed allowance and a variable component.

According to the provisions of Art. 153¹⁸ (2) of Law 31/1990 - the Companies Law, republished, as further amended and supplemented, the remuneration of the directors, in the unitary system, is established by the Board of Administration and the General Meeting of the Shareholders sets the general limits of the remuneration.

Following the conclusion of the selection procedure, by Resolution 20/24.07.2025 of the Board of Administration, Mr. Ion Sterian was appointed Director - General of SNTGN TRANSGAZ SA, and Mr. Marius Vasile Lupean was appointed Chief Financial Officer.

The directors' remuneration consists of a fixed monthly allowance and a variable allowance calculated in accordance with the provisions of Article 37(3) of GEO No. 109 on the corporate governance of public enterprises, as amended. The variable component is based on the achievement of key performance indicators, including those specific to the activity of the public enterprise, negotiated and approved by the supervisory public authority, which differ from those approved for non-executive administrators. The variable component is granted annually and may not exceed twice the average gross monthly salary for the last 12 months for the activity carried out in accordance with the main object of activity registered by the company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment, only if the company cumulatively meets at least the following conditions:

- a) has no outstanding debts to the general consolidated budget;
- b) has no outstanding debts to suppliers and other creditors;
- c) has investment programs implemented according to the execution schedules;
- d) has no previous accounting losses and does not record current accounting losses;
- e) the profitability ratio determined as the ratio between net profit and turnover is greater than 5%;
- f) the increase in turnover in the current year compared to the previous year is greater than 2.5%;

By Letter No. 14445 dated 15 May 2025 sent by the National Institute of Statistics, registered with SNTGN TRANSGAZ S.A. under No. 41081 dated 15 May 2025 the available data on the average gross monthly salary for the activity carried out in accordance with the main object of activity registered by the company, at class level, according to the national economic activity classification, was provided. The average for the last 12 months prior to the appointment is 13.473. The annual variable component **is 2 X 13.473 = 26.946 lei gross.**

PROPOSAL

We submit for approval to the General Ordinary Meeting of the Shareholders of the National Gas Transmission Company TRANSGAZ SA, in line with the provisions of art 15, paragraph (3) point d of the company's updated Articles of Incorporation, in conjunction with the provisions of art.153[^]18, paragraph (2) of the Law no.31/1990- Companies' Law, republished, as subsequently amended and supplemented,

the overall limits of the variable component of the remuneration of Transgaz' Director General and Chief Financial Officer, as follows:

- 1. Director-General - The variable component up to the maximum amount of LEI 26.946 gross/year;**
- 2. Chief Financial Officer - The variable component up to the maximum amount of LEI 26.946 gross/year;**

Detailed content of the report

Considering:

- the provisions of Companies' Law no. 31/1990, republished as subsequently amended and supplemented art.153[^]18, para (2) "Additional remuneration of the members of the board of administration or of the supervisory board with specific functions within the respective body as well as the remuneration of the directors in the unitary system, or the remuneration of directors, in the dual system, are determined by the board of administration, respectively by the supervisory board. The Articles of Incorporation or the General Meeting of Shareholders sets the general limits of all remuneration granted in this manner";
- The provisions of the company's updated Articles of Incorporation, art.15, para.(3), point d, according to which Transgaz' General Ordinary Meeting of the Shareholders, approves the general limits of the directors' remuneration;

- the provisions of GEO no.109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented, art.38, paragraph (2) the directors' remuneration consists of a monthly fixed allowance and a variable component;
- the provisions of GEO no.79/08.11.2017 for the amendment and supplementing of Law no. 227/2015 on the Fiscal Code;

The Nomination and Remuneration Advisory Committee recommends the Board of Administration of SNTGN TRANSGAZ SA to endorse:

- **the general limits of the remuneration of the Director General and of the Chief Financial Officer of the National Gas Transmission Company TRANSGAZ SA, as follows:**

1. Director-General - the variable component within the limit of the amount of LEI 26.946 gross/year;

2. Chief Financial Officer - the variable component within the limit of the amount of LEI 26.946 gross/year.

Chairman of the Board of Administration

Nicolae Minea