

*Subject to endorsement in the BoD meeting dated 25.03.2025 and for approval at the OGMS meeting dated 29.04.2025*

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## THE COMPANY CONPET SA

### The Nomination and Remuneration Committee

No. 11975/ 25.03.2025

### ANNUAL REPORT

**on the remuneration, benefits and other advantages granted to CONPET SA's administrators and directors with mandate contract, for the financial year 2024**  
**(Remuneration report)**

The annual report of the Remuneration Consultative Committee regarding the remuneration, benefits and other advantages granted to CONPET SA's administrators and directors with mandate contract, for the financial year 2024 is prepared in accordance with the provisions of:

- Art. 107 of Law No. 24/ 2017 on issuers of financial instruments and market operations, namely: *the issuer prepares a clear and easy-to-understand remuneration report, which provides a comprehensive overview of the remuneration, including all benefits, regardless of form, granted or due during the last financial year, to individual managers, including newly recruited and former managers in accordance with the stipulated remuneration policy;* and
- Art. 55 Para. (2) and (3) of GEO No. 109/ 2011, namely: (2) *The Nomination and Remuneration Committee (Ro. CNR) of the Board of Directors shall prepare an annual report on the remuneration and other benefits granted to administrators and directors (...) during*



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*the financial year; (3) The report shall be presented to the GMS that approves the annual financial statements.*

to be presented and submitted for approval to the Ordinary General Meeting of Shareholders of CONPET SA which will be convened for 29.04.2025 and made available to shareholders on the website of CONPET, in compliance with the provisions of Art. 107 Para. (7) of Law No. 24/2017, following approval.

In compliance with Art. 107 Para. (6) of Law No. 24/2017, when preparing this Report, the vote expressed by the OGMS in the meeting dated 25.04.2024 was taken into account, in which the Annual Report of the Remuneration Consultative Committee on the remuneration and other benefits granted to CONPET SA's administrators and directors with mandate contract for the year 2023 was approved "For" votes 99.95% of the total number of votes cast).

The shareholders' opinion at the general meeting, resulting from the vote, was advisory as per the provisions of Art. 107 Para. (6) of Law 24/2017, the result of the vote being published on the Company's website at [www.conpet.ro](http://www.conpet.ro), section "Investor Relations/GMS Documents" - OGMS dated 25.04.2024.

This Report is supplemented with the information provided by the Report of Administrators for 2024 and the Financial Statements available on CONPET's website [www.conpet.ro](http://www.conpet.ro) in the Corporate Governance/Investor Relations/Documents GMS - OGMS section of 29.04.2025.



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## I. General information and premises for preparing the Report

### I. 1. The legal framework regarding the remuneration policy and criteria for the administrators and Directors with mandate contract of the company CONPET SA

The following were taken into account when preparing this Report

- **Applicable legal provisions**

- ✓ Art. 37 of GEO No. 109/2011 on the corporate governance of public enterprises, with subsequent amendments and additions, on the remuneration of the Board of Director's (BoD) members.
- ✓ Art. 38 of GEO No. 109/2011, on the remuneration of CONPET's directors.
- ✓ Art. 39 of GEO No. 109/2011 on the benefits and/or other advantages granted to the BoD members and to the directors
- ✓ Art. 34 of GEO No. 109/2011 which provides for the competence of the Nomination and Remuneration Committee to formulate proposals regarding the remuneration of directors and the remuneration structure
- ✓ Art. 106 and 107 of Law No. 24/2017
- ✓ Art. 55 Para. (2) and (3) of GEO No. 109/ 2011
- ✓ Art. 111, Art. 142, Art. 143 and Art. 153<sup>18</sup> of Law No. 31/ 1990 on companies, with reference to the establishment and approval of the remuneration due to administrators and/or directors

- **Applicable CONPET SA internal regulations**

- ✓ The Company's Articles of Incorporation, in the updated form and approved by the GMS Resolution No. 2 dated 27.04.2023
- ✓ Internal Regulations of the Consultative Committees, approved by the BoD Decision No. 32/ 23.10.2023
- ✓ The Corporate Governance Code of CONPET SA, in the updated form, approved by the Board of Directors' Decision No. 24/ 14.11.2024
- ✓ The Remuneration Policy approved by CONPET SA's OGMS on 25.04.2024 (update).

- **OGMS Resolutions regarding the members of the Board of Directors in office during 2024 and their mandates** – are included in Annex No. 1
- **The Decision of the Board of Directors regarding the Directors in office during 2024 and their mandates** – are included in Annex No. 2

Following the completion of the recruitment and selection procedures for Directors with mandate contract carried out in accordance with the provisions of GEO No. 109/ 2011 *on the corporate governance of public enterprises*, the Board of Directors appointed them to office by Board Decision, delegating to them the management of the company in accordance with the legal provisions in force, the Articles of Incorporation and the mandate contract. The duration of the mandate contracts spans until 19.10.2027.

**I. 2. The role and functions of the Nomination and Remuneration Committee**, established within the Board of Directors of CONPET SA, based on the Board of Directors' Decision No. 16/ 2013.

The Nomination and Remuneration Committee has the following main responsibilities:

a) In the field of nomination activity:

Depending on the person designated by the GMS to organize the selection procedure for administrators (the public guardianship authority or the Board of Directors), the Board coordinates the procedure or merely assists the public guardianship authority during the process at the times provided for by the legislation (...).

The Committee has an important role in the selection of directors whose appointment is the responsibility of the Board of Directors. Thus, the Nomination and Remuneration Committee establishes and submits to the Board for approval the selection procedure for directors, develops the terms of reference for the independent expert, establishes the selection criteria for directors, coordinates the selection process and develops the specific documents required by the applicable legislation in collaboration with the independent expert, carries out the final evaluation of the candidates for the position of directors in order to appoint and conclude the mandate contract, develops the form and content of the Directors' Mandate Contracts and proposes their completion/amendment through Addenda.



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b) In the field of remuneration activity:

The Nomination and Remuneration Committee formulates proposals regarding any policy on the remuneration of administrators and directors with mandate contract, in compliance with the remuneration policy transmitted by the Agency for the Monitoring and Evaluation of the Performances of Public Enterprises (*Ro. AMEPIP*), including proposals regarding the amount and conditions for granting fixed and variable compensation due to members of the Board of Directors, as well as the general limits of the remuneration of directors with mandate contract, in order to be approved by the Board of Directors and submitted for approval to the General Meeting of Shareholders, formulates proposals regarding the remuneration of directors within the general limits established by the GMS and by law, develops the Policy regarding the remuneration of administrators and directors that will be published on the company's website, develops an annual report regarding the remuneration and other benefits granted to administrators and directors which will be presented at the GMS meeting in which the annual financial statements are approved, analyzes, evaluates and proposes to the Board of Directors any payment or compensation commitment to be provided for in the Mandate Contracts of the administrators/directors.

c) In the field of the assessment activity:

The Nomination and Remuneration Committee assists the Chairman of the Board of Directors in the process of evaluating the performance of administrators, assists the Chairman of the Board of Directors in identifying the training and development needs of administrators, periodically or at least annually evaluates the independence of the members of the Board of Directors, proposes to the Board of Directors changes in the structure of the consultative committees when it finds changes in the statute of administrators or other relevant aspects, assists the Board of Directors in the process of assessing the performance of directors.

As of the date of this report, according to the declaration prepared by each BoD member, of a total of 7 administrators, 6 are independent non-executive administrators, this aspect having no impact on the makeup of the Consultative Committees, and their reconfiguration is not necessary.

d) Other attributions and responsibilities:



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The Nomination and Remuneration Committee submits quarterly activity reports to the Board of Directors, periodically reviews the Committee's Internal Regulations and submits for approval to the Board of Directors any changes it deems necessary, annually evaluates the Board's performance, analyzes proposals to amend the Collective Labor Agreement applicable within the Company, and exercises other duties provided for by law. To fulfill the required duties, it may, if necessary, call on the assistance of independent experts;

Following the selection procedures according to GEO No. 109/ 2011 and the appointment of the Board of Directors for a 4-year mandate, the makeup of the Nomination and Remuneration Committee, established by Board of Directors Decision No. 22/ 18.08.2023, remained unchanged throughout 2024 and is presented as follows:

#### **Nomination and Remuneration Committee makeup in 2024**

ZAMAN Andrei - Mihai – president, independent non-executive administrator;  
GHEORGHE Cristian - Florin – member, non-executive non-independent administrator;  
TĂNĂSICĂ Oana - Cristina – member, independent non-executive administrator;  
DĂNILĂ Alin - Mihael – member, independent non-executive administrator;  
KOHALMI - SZABO Luminița - Doina – member, independent non-executive administrator.

The Nomination and Remuneration Committee is a permanent committee with a consultative function, directly subordinated to the Company's Board of Directors. This committee has the task of evaluating, consulting and developing proposals in the field of nominating members of the Board of Directors and directors with mandate contracts, as well as supervising the implementation of the Remuneration Policy within the Company.

### **I. 3. Status of the mandates of administrators and Directors throughout 2024**

#### **Regarding the Board of Directors**

Following the completion of the recruitment and selection procedure for the administrators of CONPET, carried out in accordance with the provisions of GEO No. 109/ 2011 *on the corporate governance of public enterprises*, the OGMS approved the election of the BoD members (7



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administrators) and the mandate contract of the administrators as proposed by the majority shareholder, these being subsequently signed in the GMS by the representative of the Ministry of Energy and the administrators.

The duration of the administrators' mandate provided for in the mandate contracts is 4 years, starting 22.08.2023 until 21.08.2027.

**The makeup of the Board of Directors** is as follows: Mr. Gheorghe Cristian - Florin, Mr. Buică Nicușor – Marian, Ms. Kohalmi- Szabo Luminița - Doina, Ms. Tănăsică Oana - Cristina, Mr. Gavrilă Florin - Daniel, Mr. Zaman Andrei - Mihai, Mr. Dănilă Alin - Mihaiel.

From the analysis of the information contained in Annex No. 1, the following information regarding the year 2024 results:

- During the period 01.01.2024 – 31.12.2024, the Board of Directors was comprised of 7 administrators, appointed by the OGMS Resolution No. 4/ 18.08.2023, following the completion of the administrator selection procedure, as per the provisions of GEO No. 109/2011.
- The term of office of the administrators is 4 years, permanent status.
- The activity of the Board of Directors took place without any setbacks or dysfunctions throughout the entire period of 2024.
- For the mandate period related to the year 2024, the administrators benefit from the granting of a fixed gross monthly remuneration and a variable component of the remuneration – according to the OGMS Resolution and the provisions of the mandate contracts.
- During 2024, there were no cases of appointment of provisional administrators.

### **Regarding Directors with mandate contract**

Following the completion of the selection procedure for Directors with mandate contracts, by BoD Decision No. 31/ 19.10.2023, the Board of Directors appointed the Director General, the Deputy



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Director General and the Economic Director. The term of office of the directors provided for in the mandate contracts is 4 years, starting 20.10.2023 until 19.10.2027.

Following the selection procedure for a Director with mandate contract, by BoD Decision No. 1/ 12.01.2024, the Board of Directors appointed the Deputy Director General 3, with mandate for the period 15.01.2024 - 19.10.2027.

Between: **01.01.2024 – 31.12.2024** the executive management was provided by the Directors with mandate contract, namely:

Mr. Dorin Tudora - Director General
Ms. Anamaria Dumitache - Deputy Director General
Ms. Sanda Toader - Economic Director
Mr. Radu - Florentin Necșulescu - Deputy Director General 3 (starting 15.01.2024)

From the analysis of the information contained in **Annex No. 2**, the following information regarding the year 2024 ensues:

- Following the completion of the selection procedure for directors with mandate contract, the Board of Directors appointed 4 Directors with mandate contract, delegating to them the management and administration of the company according to the concluded contracts.
- The mandate of the Directors is 4 years, permanent status.
- For the term of office for the year 2024, the Directors benefit from the granting of a fixed gross monthly remuneration and a variable component of the remuneration - according to the Decision of the Board of Directors.
- During 2024, there were no cases of appointments of interim Directors.

**For the period of the definitive mandates**, CONPET shareholders approved the following by Resolution No. 6/19.12.2023:



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- financial and non-financial performance indicators resulting from the Administration Plan
- gross annual variable component of the administrators' remuneration
- Addendum No. 1 to the mandate contracts of administrators, concerning the performance indicators, the targets related to the performance indicators, the amount of the variable component of the administrators' remuneration, the period for which the variable component is granted, the method of calculation and granting.
- limits of the fixed gross monthly allowance of the remuneration of Directors with mandate contract
- the limits of the gross annual variable component of the remuneration of Directors with mandate contract.

**For the period of the definitive mandates**, CONPET's Board of Directors approved by BoD Decision. No. 42/ 19.12.2023 and BoD No. 4/ 02.02.2024 (for Deputy Director General 3) the following:

- the financial and non-financial key performance indicators, established following the GMS Resolution No. 6/ 19.12.2023
- the targets related to performance indicators, the level of the variable component of the administrators' remuneration, the period for which the variable component is granted, the method of calculating and granting thereof
- maintaining the Director's fixed gross monthly allowance at the level provided for in their mandate contract, within the limits established by the GMS.
- Addendum No. 1 to the Directors' mandate contracts.

Starting with the date of approval by CONPET's OGMS (for administrators), respectively by the BoD (for directors), of the Addendum establishing the variable component and until the termination of the Mandate Contract, for each year of mandate, the variable component will be granted pro-rata with the period one has worked in said year, based on the mandate contract.

The payment of the variable component is made annually, within a maximum of 15 days from the date of approval within the OGMS of the annual audited financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) and of the presentation of



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the annual report of the Nomination and Remuneration Consultative Committee regarding the total degree of fulfillment of the financial and non-financial key performance indicators approved by the OGMS Resolution No. 6/ 19.12.2023.

The remuneration and benefits granted as per the mandate contract to administrators and Directors are recorded in the annual financial statements, in the CNR Remuneration Report and in the Annual Report of the company's administrators, as per Art. 39 Para. (1) of GEO No. 109/ 2011.

For the year 2024, the values are detailed in Chapter II of the Remuneration Report.

The fixed allowance and the variable component of the remuneration of the company's administrative and executive management fell within the limits established by the decisions and resolutions of the Board of Directors and took into account the Remuneration Policy for administrators and directors with mandate contract approved by the OGMS Resolution No. 2/ 25.04.2024.

The Remuneration Policy provided for the possibility of its revision in the event of any significant change (appointment of administrators and directors with mandate contract following the selection and establishment of the variable component) and at least once every 4 years from the date of its approval, according to Art. 106 Para. (7) of Law No. 24/2017, in conjunction with the provisions of GEO No. 109/2011 *on the corporate governance of public enterprises*, with subsequent amendments and additions.

## II. Remuneration Report for 2024

### II. I. Structure of the report

As per the requirements of Art. 107 of Law No. 24/2017 in conjunction with the provisions of Art. 55 Para. (2) and (3) of GEO No. 109/2011, the information in the Remuneration Report is structured by categories, as follows:

- total remuneration broken down by components, the relative proportion of fixed and variable remuneration, including:



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- an explanation of how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the issuer
- information on how the performance criteria were applied;
- other rights, as benefits and/or advantages which, according to the law, are not part of the remuneration granted to managers for the execution of their mandate;
- the annual change in remuneration, the issuer's performance and the average remuneration based on the full-time equivalent of the issuer's non-executive employees over at least the last 5 financial years, presented together in a manner that allows comparison;
- any remuneration received from any entity belonging to the same group;
- information on the use of the possibility of recovering the variable remuneration;
- information regarding the duration of the contract, the negotiated notice period, the amount of damages for termination without just cause;
- the number of shares and share options granted or offered, as well as the main conditions for exercising the related rights, including the strike price and date, along with any changes thereto;
- considerations justifying any annual bonus scheme or non-monetary benefits;
- any additional or early pension schemes;
- information on any deviation from the procedure for implementing the Remuneration Policy and on any derogations applied, including explanations on the nature of the exceptional circumstances and indication of the specific elements from which the derogation was made.

## II.2. Report content

### II. 2.1. Total remuneration broken down by components, relative proportion of fixed and variable remuneration

Throughout 2024:



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- administrators and directors with mandate contract received, for the activity carried out, a remuneration comprised of a fixed gross monthly allowance and a variable component granted in accordance with the provisions of the mandate contract they concluded with the company
- the fixed allowance and the variable component for the company's administrators as well as the general limits of the remuneration of directors with mandate contract were approved by the OGMS
- the remuneration of directors with mandate contract (the gross fixed monthly allowance and the variable component granted annually for directors with a 4-year mandate) was established by the Board of Directors, in compliance with the general limits approved by the OGMS
- the variable component was granted to administrators and directors with mandate contract in 2024 for the activity related to 2023 (Director General, Economic Director and Deputy Director General) after the approval of the financial statements of the financial year ended on 31.12.2023, the pro-rata being calculated in correlation with the mandate period exercised in the reference year.

## **1. Fixed remuneration**

### **a) CONPET Administrators**

**For the period 01.01.2024 – 31.12.2024, the fixed gross monthly allowance of the administrators was equal to** 2 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the core business registered by the company (NACE code 4950), at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment, established by OGMS Resolution No. 4/ 18.08.2023 and according to the mandate contract valid for the period 22.08.2023 - 21.08.2027, namely in the amount of 21,398 RON/month.

The value of the gross monthly fixed allowance of the members of the Board of Directors complies with the limit regulated in Chapter VII of the Remuneration Policy, regarding the Remuneration of Administrators.



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The payment of the gross monthly fixed allowance is made once a month, namely on the 26<sup>th</sup> of the current month, regardless of the number of meetings per month for which the payment is made.

**The total net fixed allowance paid during the period 01.01.2024 - 31.12.2024 to the members of the Board of Directors was 1,051,428 RON.**

#### **b) Mandate contract Directors**

By the OGMS Resolution No. 6/ 19.12.2023, the following were established:

- the limits of the fixed gross monthly allowance of directors with mandate contract, namely between 5 and 6 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the core business registered by the company (NACE code 4950), at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.
- the limits of the gross annual variable component of Directors with mandate contract, namely between 6 and 12 gross monthly fixed allowances for each year of mandate.

**The amount of the gross fixed monthly allowance of directors with mandate contract** was established by Decisions of the Board of Directors, within the general limits established by OGMS Resolutions, as follows:

#### **The Director General**

For the period 01.01.2024 - 31.12.2024, the gross fixed monthly allowance of the Director General was established by BoD Decision No. 31/ 19.10.2023 and the mandate contract, namely it is 6 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the core business 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 - in the amount of 66,636 RON/month.



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### **Deputy Director General**

**For the period 01.01.2024 - 31.12.2024, the gross fixed monthly allowance of the Deputy Director General** was established by BoD Decision No. 31/ 19.10.2023 and the mandate contract, namely, it is 5 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the core business 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 - in the amount of 55,530 RON/month.

### **The Economic Director**

**For the period 01.01.2024 - 31.12.2024, the gross fixed monthly allowance of the Economic Director** was established by BoD Decision No. 31/ 19.10.2023 and the mandate contract, namely, it is 5 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the core business 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 - in the amount of 55,530 RON/month.

### **The Deputy Director General 3**

**For the period 15.01.2024 – 31.12.2024, the gross fixed monthly allowance of the Deputy Director General 3** was established by BoD Decision No. 1/ 12.01.2024 and the mandate contract, namely, it is 5 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to 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 - in the amount of 55,530 RON/month.

The value of the fixed gross monthly allowance of Directors complies with the limit regulated in Chapter VIII of the Remuneration Policy, regarding the Remuneration of Directors with mandate contract.

The payment of the fixed gross monthly allowance is made once a month, namely on the 11<sup>th</sup> of the month, at the latest, for the previous month.



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**The total net fixed allowance paid during the period 01.01.2024 - 31.12.2024 to directors with mandate contract was 1,668,097 RON.**

## **2. The variable component of the remuneration**

### **a) CONPET Administrators**

By the OGMS Resolution No. 6/ 19.12.2023, the amount of the gross annual variable component of the remuneration of the company's non-executive administrators was approved, namely 12 gross monthly fixed allowances for each year of mandate.

**According to the mandate contract**, the company's administrators benefit from a gross annual variable component, calculated pro-rata in relation to the mandate period, in the amount of 12 fixed monthly allowances, granted under the law, respectively within the provisions of the Revenues and Expenditure Budget approved in accordance with the applicable legal provisions in force and in compliance with the established methodology.

The variable component is determined and granted based on the achievement of the objectives included in the Administration Plan and the financial and non-financial performance indicators approved by the General Meeting of Shareholders.

The method of calculating and granting the variable component, as well as the conditions for reviewing the objectives and performance indicators, were established by Addendum No. 1 to the Administrators' Mandate Contract approved by OGMS Resolution No. 6/ 19.12.2023.

### **The method of calculating and granting the variable component of the administrators' remuneration is as follows:**

**The variable component** = Value of the variable component established by the addendum to the mandate contract x Total degree of fulfillment of key performance indicators (KPIs)

The total degree of achievement of key performance indicators (GT<sub>ICP</sub>) is the sum of the degree of achievement of each KPI (GI<sub>ICP</sub>) weighted by the weighting coefficient (W<sub>ICP</sub>) related to each KPI.

The calculation formula is as follows:

$$GT_{KPI (Ro. ICP)} = \sum_{i=1}^n GI_{i^{KPI}} \times W_{i^{KPI}}$$



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where:

$GT_{ICP}$  = Total annual KPI achievement rate

$W_{ICP}$  = Weighting Coefficient (weight) for each KPI

$GI_{ICP}$  = Individual KPI fulfillment degree

$I_i$  = individual indicator (Degree of Achievement %)

The degree of fulfillment of each KPI ( $GI_{ICP}$ ) is the degree of fulfillment of each KPI, taking into account the calculation method provided for each KPI, subsequently weighted with the weighting coefficient ( $W_i \cdot ICP$ ) related to each KPI.

The variable component of the remuneration due to the Trustee will be directly proportional to the  $GT_{ICP}$  for the corresponding financial year or part of the corresponding financial year.

Additionally, in the case that:

- $GT_{ICP} \geq 100\%$ , the variable component of the remuneration is granted in the amount of 12 gross monthly fixed allowances
- $80\% \leq GT_{ICP} < 100\%$ , the variable component of the remuneration is granted proportionally to  $GT_{ICP}$
- $GT_{ICP} < 80\%$ , the variable component of the remuneration is not paid.

**The variable component granted to the members of the BoD for 2023** amounted to a net total of 378,777 RON and was paid after having been approved by OGMS Resolution No. 2 dated 25.04.2024.

**For the variable component of the BoD members' remuneration for 2024**, which will be paid in 2025, after the approval of the granting thereof by the OGMS, a provision was established in the amount of 1,837,874 RON (including the employer's contribution), calculated based on the number of days served in office.

**The situation of the total net remuneration paid to administrators in 2024:**

	Name and Surname	Total net remuneration
<b>Year 2024</b>		
1.	Gheorghe Cristian - Florin	204,315 RON



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2.	Buică Nicușor – Marian	204,315 RON
3.	Gavrilă Florin – Daniel	204,315 RON
4.	Kohalmi - Szabo Luminița- Doina	204,315 RON
5.	Tănăsică Oana - Cristina	204,315 RON
6.	Zaman Andrei - Mihai	204,315 RON
7.	Dănilă Alin - Mihael	204,315 RON
	<b>TOTAL</b>	<b>1,430,205 RON, o/w:</b> Fixed allowance – 1,051,428 RON The variable component 378,777 RON

**The detailed structure of the net remuneration for each administrator in 2024 is as follows:**

No.	Name and Surname	Total net remuneration broken down by components, paid in 2024	Relative proportion of the fixed remuneration	Relative proportion of the variable remuneration
1.	Gheorghe Cristian Florin -	Total 204,315 RON, o/w: 150,204 RON fixed component and 54,111 RON variable component for 2023. The variable component to be paid in 2025 for the year 2024 after the approval of the granting thereof by the OGMS is 150,214 RON	73.52%	26.48%
2.	Buică Nicușor Marian -	Total 204,315 RON, o/w: 150,204 RON fixed component and 54,111 RON variable component for 2023. The variable component to be paid in 2025 for the year 2024 after the approval of the granting thereof by the OGMS is 150,214 RON.	73.52%	26.48%
3.	Gavrilă Florin Daniel -	Total 204,315 RON, o/w: 150,204 RON fixed component and 54,111 RON variable component for 2023. The variable component to be paid in 2025 for the year 2024 after the approval of the granting thereof by the OGMS is 150,214 RON.	73.52%	26.48%

No.	Name and Surname	Total net remuneration broken down by components, paid in 2024	Relative proportion of the fixed remuneration	Relative proportion of the variable remuneration
4.	Kohalmi Szabo Luminița Doina	- Total 204,315 RON, o/w: 150,204 RON fixed component and 54,111 RON variable component for 2023. The variable component to be paid in 2025 for the year 2024 after the approval of the granting thereof by the OGMS is 150,214 RON.	73.52%	26.48%
5.	Zaman Andrei Mihai	- Total 204,315 RON, o/w: 150,204 RON fixed component and 54,111 RON variable component for 2023. The variable component to be paid in 2025 for the year 2024 after the approval of the granting thereof by the OGMS is 150,214 RON.	73.52%	26.48%
6.	Tănasică Oana Cristina	- Total 204,315 RON, o/w: 150,204 RON fixed component and 54,111 RON variable component for 2023. The variable component to be paid in 2025 for the year 2024 after the approval of the granting thereof by the OGMS is 150,214 RON.	73.52%	26.48%
7.	Dănilă Alin - Mihael	- Total 204,315 RON, o/w: 150,204 RON fixed component and 54,111 RON variable component for 2023. The variable component to be paid in 2025 for the year 2024 after the approval of the granting thereof by the OGMS is 150,214 RON.	73.52%	26.48%

### **b) Mandate contract Directors**

The general limits of the remuneration for directors with mandate contract were set and approved by OGMS Resolution No. 6/ 19.12.2023, as follows:

- the limits of the fixed gross monthly allowance of directors with mandate contract, namely between 5 and 6 times the average over the last 12 months of the average gross monthly salary for

the activity carried out according to the core business registered by the company (NACE code 4950), at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.

- the limits of the gross annual variable component of Directors with mandate contract, namely between 6 and 12 gross monthly fixed allowances for each year of mandate.

**Starting 20.10.2023**, the Director General, the Deputy Director General and the Economic Director benefit from a variable component of remuneration, for each year of management, which will be granted pro-rata for the period worked in the year, from the date of appointment as Director by the Board of Directors. This will be included in the Budget of each financial year and will be paid after the approval of the financial statements of the previous financial year, in relation to the degree of achievement of the key performance indicators.

**Starting 15.01.2024**, the Deputy Director General 3 benefits from a variable component of remuneration, for each year of management, which will be granted pro-rata for the period worked in the year, from the date of appointment to the position of Director by the Board of Directors. This will be included in the Budget of each financial year and will be paid after the approval of the financial statements of the previous financial year, in relation to the degree of achievement of the key performance indicators.

The amount of the annual variable component of the Directors' remuneration (12 monthly gross fixed allowances), the calculation method and the conditions for granting it depending on the degree of fulfillment of the financial and non-financial performance indicators, in correlation with the general limits of the variable component of the directors' remuneration approved by the OGMS Resolution No. 6/ 19.12.2023 for directors with mandate contract were established by the Board of Directors through Bod Decision No. 42/ 19.12.2023, BoD Decision No. 4/ 02.02.2024 and through Addendum No. 1 to the Mandate Contracts, with the KPI as annex.

**Method of calculating and granting the variable component of the mandate contract directors' remuneration:**

**Variable component** = Value of variable component x Total degree of achievement of key performance indicators (GTICP)\*

\*) if the total degree of achievement (GTICP) is > 100%, the total degree of achievement is limited to 100%

**The total degree of achievement of key performance indicators (GTICP) is the sum of the degree of achievement of each KPI (GIICP) weighted by the weighting coefficient (WICP) related to each KPI.**

The calculation formula is as follows:

$$GT_{KPI} = \sum_{i=1}^n GI_{iKPI} \times W_{iKPI}$$

where:

GT<sub>KPI</sub> = Total annual KPI achievement rate

W<sub>KPI</sub> = Weighting Coefficient (weight) for each KPI

GI<sub>KPI</sub> = Individual KPI fulfillment degree

The degree of fulfillment of each KPI (GI<sub>KPI</sub>) is the degree of fulfillment of each KPI, taking into account the calculation method provided for each KPI, subsequently weighted with the weighting coefficient (W<sub>i KPI</sub>) related to each KPI.

The variable component of the remuneration due to the directors will be directly proportional to the GT<sub>KPI</sub> for the corresponding financial year or part of the corresponding financial year and is granted as follows:

In the event that:

- **GT<sub>KPI</sub> ≥ 100%**, the maximum variable remuneration component approved by the OGMS, for each director with mandate contract, is granted in the maximum amount approved by the OGMS;
- **80% ≤ GT<sub>KPI</sub> < 100%**, the maximum variable component of the remuneration approved by the OGMS for each director with mandate contract is granted proportionally to the total degree of achievement of the performance indicator;
- **GT<sub>KPI</sub> < 80%**, no variable component is granted to directors with mandate contract



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The variable component granted to directors for the year 2023 amounted to a net total of 591,762 RON; its granting was approved by the BoD Decision No. 8/ 20.03.2024, the payment being made by the company after the approval of the annual financial statements for the year 2023, accompanied by the OGMS Resolution No. 2/ 25.04.2024.

**For the variable component due to directors for 2024, which will be paid in 2025**, a provision was established in the amount of 2,838,971 RON (including the employer's contribution), calculated based on the number of days for the term of office.

**Statement of the total net remuneration paid to Directors in 2024:**

	Name and Surname	Total net remuneration
<b>Year 2024</b>		
1.	Tudora Dorin	859,780 RON
2.	Dumitrache Mihaela -Anamaria	556,291 RON
3.	Toader Sanda	466,783 RON
4.	Necșulescu Radu - Florentin	377,005 RON
	<b>TOTAL</b>	<b>2,259,859 lei o/w:</b> Fixed allowance – 1,666,097 RON Variable component 591,762 RON

**The detailed structure of the net remuneration for each director with mandate contract in the financial year 2024 is as follows:**



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Name and Surname	Total net remuneration broken down by components, paid in 2024	Relative proportion of the fixed remuneration	Relative proportion of the variable remuneration
Tudora Dorin Director General	Total 859,780, o/w: 467,964 RON fixed component and 391,816 RON variable component for the year 2023. The variable component to be paid in 2025 for the year 2024 is 467,785 RON.	54.43%	45.57 %
Dumitrache Mihaela Anamaria Deputy Director General	Total 556,291, o/w: 433,128 RON fixed component and 123,163 RON variable component for the year 2023. The variable component to be paid in 2025 for the year 2024 is 433,134 RON.	77.86%	22.14%
Toader Sanda Economic Director	Total 466,783, o/w: 390,000 RON fixed component and 76,783 RON variable component for the year 2023. The variable component to be paid in 2025 for the year 2024 is 389,821 RON.	83.55%	16.45 %
Necșulescu Radu Florentin Deputy Director General 3	Total 377,005, o/w: 377,005 RON fixed component and 0 RON variable component for the year 2023. The variable component to be paid in 2025 for the year 2024 is 376,826 RON.	100%	-

**The financial and non-financial key performance indicators that underpin the variable component of the remuneration of administrators and Directors with mandate contract and their degree of achievement in 2024 are detailed as follows:**

### **For CONPET's administrators**

According to the OGMS Resolution No. 6/ 19.12.2023, the administrators' financial and non-financial performance indicators (KPIs) were approved for the company's administrators, calculated in correlation with the Administration Plan for the period 2023 - 2027, which form the basis for establishing and granting the variable component of the administrators' remuneration during the term of the mandate contract, starting with 2023.

The financial and non-financial performance indicators (KPIs) for the company's administrators were approved by OGMS Resolution No. 6/ 19.12.2023 calculated in correlation with the Revenues and Expenditure Budget for 2023 and the Administration Plan for the period 2023 - 2027 are the basis for establishing and granting the variable component of the administrators' remuneration during the term of the mandate contract.

The performance indicators, targets and their degree of achievement may be amended under the law and in compliance with the procedures provided for the approval thereof.

### **For Directors with Mandate Contract**

According to the OGMS Resolution No. 6/ 19.12.2023, the company's financial and non-financial performance indicators (KPIs) were approved, calculated in correlation with the Administration Plan for the period 2023 - 2027.

The financial and non-financial performance indicators (KPIs) for the company's directors approved by BoD Decision No. 42/ 19.12.2023 established following the OGMS Resolution No. 6/ 19.12.2023 are the basis for granting the variable component of the directors' remuneration during the term of the mandate contract.

The performance indicators, targets and their degree of fulfillment may be modified under the law, and in compliance with the procedures provided for the approval thereof.



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**Monitoring the compliance of financial and non-financial key performance indicators within the limits approved by the OGMS**

Quarterly, financial and non-financial key performance indicators, both for administrators and for directors with mandate contract, were assessed and monitored. The purpose of the quarterly assessment was to timely identify any negative deviations from the targets and to take measures to improve the indicator level.

The individual degree of achievement of financial and non-financial key performance indicators was presented in the quarterly reports monitoring the alignment of key performance indicators within the limits approved by the OGMS.

**For the administrators of the Company**

The total degree of achievement of key performance indicators for 2024, underlying the granting of the variable component, approved by the OGMS Resolution No. 6/ 19.12.2023, included in the mandate contracts of administrators, amounts to 101.1 %.

In structure, the degree of fulfillment of the performance indicators reveals the following:

Key Performance Indicators	Degree of achievement of financial and non-financial key performance indicators 2024		
	according to the Mandate Contract	Achieved	Variation
<b>A. Financial key performance indicators</b>	<b>20.0%</b>	<b>21.1%</b>	<b>+1.1 p.p.</b>
<b>B. Non-financial key performance indicators</b>	<b>80.0%</b>	<b>80.0%</b>	<b>0.0 pp</b>
B1. Operational	20.0%	20.0%	0.0 pp
B2. Of Corporate Governance	55.0%	55.0%	0.0 pp
B3. Aimed towards Public Services	5.0%	5.0%	0.0 pp
<b>Total degree of achievement of key performance indicators:</b>	<b>100.0%</b>	<b>101.1%</b>	<b>+1.1 p.p.</b>

The total degree of achievement of key performance indicators was exceeded by 1.1 pp, being favorably influenced by financial indicators.

### For Directors with Mandate Contract

The performance indicators were established only for the periods in which the mandate contracts were concluded following the selection procedure as per GEO No. 109/2011

From the report monitoring the achievement of financial and non-financial KPIs of directors with mandate contract, report subject for approval by the BoD, it results that in 2024 the total degree of achievement of key performance indicators was 104.5%, and in the structure is presented as follows:

Key Performance Indicators	Degree of achievement of financial and non-financial key performance indicators Year 2024		
	according to the Mandate Contract	Achieved	Variation
<b>A. Financial key performance indicators</b>	<b>50.0%</b>	<b>54.5%</b>	<b>+4.5 pp</b>
<b>B. Non-financial key performance indicators</b>	<b>50.0%</b>	<b>50.0%</b>	<b>+0.0 pp</b>
B1. Operational	20.0%	20.0%	+0.0 pp
B2. Of Corporate Governance	25.0%	25.0%	0.0 pp
B3. Aimed towards Public Services	5.0%	5.0%	0.0 pp
<b>Total degree of achievement of key performance indicators:</b>	<b>100.0%</b>	<b>104.5%</b>	<b>+4.5 pp</b>

**II. 2.2.** Other rights, as benefits and/or advantages which, according to the law, are not part of the remuneration granted to managers for the execution of their mandate

The mandate contracts concluded with the administrators and Directors, ongoing during 2024, include provisions regarding the rights granted to them for the execution of the mandate.

For the BoD members:

- reimbursement of expenses related to implementation of the mandate, based on supporting documents (accommodation, per diem, transportation, other expenses)
- provision of equipment for logistical support (phone, tablet, laptop, car)
- the right to benefit from professional liability insurance, type D&O, at the company's expense



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- specialized assistance for substantiating/motivating decisions taken within the BoD and legal assistance in the event of claims being filed by a third party against them.

For Directors with Mandate Contracts

- reimbursement of expenses related to implementation of the mandate, based on supporting documents (accommodation, per diem, transportation, other expenses)
- the right to permanently benefit from a company car with or without a driver (the costs of which are fully borne by the company)
- the right to benefit from a company phone, laptop, office equipment, fax, stationery, office computer, any kind of equipment/devices/facilities specific to the level of representation of the position necessary to fulfill the duties (the costs related to use and operation being fully borne by the company)
- the right to 30 working days off per year, assimilated to vacation leave
- paid days off, for public holidays, rights granted by similarity with those in the Collective Labor Agreement (*Ro. CCM*) applicable to the company
- the right to benefit from internal and external professional training courses, with the approval of the Board of Directors
- protocol fund with inclusion in the Revenues and Expenditure Budget
- the right to benefit from professional liability insurance, type D&O, at the company's expense

For the year 2024, administrators and directors with mandate contract benefited from professional liability insurance that fell within the maximum limit of the annual insurance premium approved by OGMS Resolution No. 3/ 09.11.2021, namely 34,000 EUR.

The managerial liability policy for administrators and directors with mandate contract (D&O) was issued by ASIROM Vienna Insurance Group, paid in 4 installments, the total value of the insurance premiums representing the equivalent in RON of the amount of 34,000 EUR, calculated at the National Bank of Romania's (*Ro. BNR*) exchange rate.



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## Benefits, other advantages granted for the year 2024

In 2024, the members of the Board of Directors did not benefit from bonuses and other advantages (rent expenses, utility expenses, per diem, travel expenses - which include transportation by personal car, parking fees and other travel-related expenses).

In 2024, the Directors with mandate contract did not benefit from bonuses and other advantages (rent expenses, utility expenses, per diem, travel expenses - which include transportation by personal car, parking fees and other travel-related expenses).

**II. 2.3.** The annual amendment of the remuneration, of the issuer's performance and average remuneration based on the full-time job equivalent of the issuer's employees who have not been in management positions over at least the 5 financial years, presented together in a manner which allows for comparison.

For the financial years 2020 - 2024, the average remuneration granted to members of the Board of Directors and Directors with mandate contract and the average annual gross earnings/employee are as follows:

### CONPET SA administrators

Year	Annual average gross remuneration (RON)		Annual gross average earnings per employee (RON)
	Fixed	Variable *	
2020	156,264	156,264	96,948
2021	156,084	139,955	102,216
2022	154,713	85,693	112,140
2023	195,410	92,495	128,088
2024	256,776	256,776	139,224

\* the average annual variable gross remuneration relates to the reference year, but payment is made in the year following the reference year

During the period August 2022 - August 2023, the administrators had a provisional mandate and did not benefit from a variable remuneration component.



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For the period August 2023 - December 2023 and the year 2024 they had a variable component, according to the provisions of the mandate contracts and KPIs approved by the GMS. The payment of the variable component for the year 2024 will be made after the GMS approves the company's audited annual financial statements and the annual report of the Nomination and Remuneration Committee.

It should be noted that the value of fixed allowances granted underwent small changes, both during each year (the situation showing the annual average value) and for each year of the reference period. The changes in the value of the fixed allowance are due to the change in the reference value for its calculation, namely the average monthly gross salary for the activity carried out according to the core business registered by CONPET SA, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics, as well as its amount (1.36 times and 2 times respectively), as per the GMS Resolutions.

For the period 01.01.2024 - 31.12.2024, the amount of the fixed gross monthly allowance of the administrators was 2 (two) times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the core business registered by the company (NACE code 4950), at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment, established by OGMS Resolution.

#### **Directors with mandate contract**

Year	Annual average gross remuneration (RON)		Annual gross average earnings per employee (RON)
	Fixed	Variable *	
2020	437,544	437,544	96,948
2021	464,187	430,956	102,216



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2022	497,549	468,205	112,140
2023	626,315	330,169	128,088
2024	694,125	694,125	139,224

\* the average annual variable gross remuneration relates to the reference year, but payment is made in the year following the reference year

It is worth mentioning that the value of the fixed allowances granted has undergone changes, these being established by Board of Directors' Decisions for each Director with mandate contract. The changes in the value of the fixed allowance are due to the change in the reference value for its calculation, namely the average monthly gross salary for the activity carried out according to the core business registered by CONPET SA, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics, prior to the appointment, as well as its amount, according to the Decisions of the BoD.

For the period 01.01.2024 - 31.12.2024, the amount of the fixed gross monthly compensation of the directors was between 5 - 6 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the core business registered by the company (NACE code 4950), at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment, established by GMS Decisions.

During the interim mandates, the Directors did not benefit from a variable component of remuneration. For the period October 2023 - December 2023 and 2024, they had a variable component, according to the provisions of the mandate contracts and KPIs established by the GMS and approved by the Board of Directors. The payment of the variable component for 2024 will be made after the approval by the GMS of the company's audited annual financial statements and the annual report of the Nomination and Remuneration Committee.



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Company performance					
Indicators	2024	2023	2022	2021	2020
Adjusted EBITDA (thousand RON)	136,486	134,706	133,253	119,486	115,594
Net profit (thousand RON)	49,323	61,617	61,664	51,929	60,847
Labor productivity (thousand RON/person)	437	383	356	303	291
Return on Assets (%)	5.8%	7.3%	7.6%	6.7%	8.0%
Turnover (thousand RON)	533,618	485,115	472,233	412,787	406,928

**The average remuneration calculated based on the full-time equivalent of the company's employees for the period 2019 - 2024** is as follows:

Average remuneration based on the full-time equivalent of the Company's employees					
	2024	2023	2022	2021	2020
The evolution of average gross earnings (total salary expenses/average number of employees)	11,602 RON	10,674 RON	9,345 RON	8,518 RON	8,079 RON

Evolution of the salary increases	12% salary increase from 01.12.2024 established by the Collective Labor Agreement in force	6% salary increase from 20.12.2023 established by the Collective Labor Agreement in force	12% salary increase from 29.12.2022 established by the Collective Labor Agreement in force	7% salary increase from 15.12.2021 established by the Collective Labor Agreement in force	5% salary increase from 01.10.2020 established by the Collective Labor Agreement in force

**The presentation of the change in remuneration over the last 5 financial years** took into account the following specific aspects:

- starting with the financial year 2018 (from 22.08.2018 for the company's administrators and from 07.11.2018 for the Directors with mandate contract), the members of the Board of Directors and the Directors with mandate contract benefited from remuneration consisting of both a fixed allowance as well as a variable component, calculated based on the performance indicators provided for in the contracts, granted pro-rata during the term of the mandate contract;
- during the interim periods, the variable component was no longer included in the remuneration of administrators established by the OGMS and of Directors with mandate contract established by the Board of Directors.
- starting with the financial year 2023 (from 22.08.2023 for the company's administrators and from 20.10.2023 for the Directors with mandate contract), the members of the BoD and the Directors with mandate contract benefited from remuneration consisting of both a fixed allowance and a variable component, calculated based on the performance indicators provided for in the contracts, granted annually, pro-rata over the period of the mandate contract;

The granting of the variable allowance of remuneration of administrators and directors with mandate contract is subject to the achievement of performance indicators and objectives for each financial year. The Board of Directors is compelled to monitor the compliance of the KPIs (key performance indicators approved by the OGMS) within the limits established in the Administration Plan and approved by the OGMS. To this end, the Board of Directors prepares and presents to the shareholders an Annual Report monitoring the compliance of the administrators' KPIs within the established limits, within the GMS approving the audited annual financial statements.

#### **II. 2.4. Any remuneration received from any entity belonging to the same group**

Not applicable.

#### **II. 2.5. Information on the use of the possibility of recovering variable remuneration**

Not applicable.

#### **II. 2.6. Information on the duration of the contract, the negotiated notice period, the amount of damages for termination without just cause.**

The contracts concluded with the administrators and Directors applicable during the reference period have as their object the execution of definitive mandates of 4 years.

- Duration of the mandate contract**

Following the completion of the selection procedure for administrators and their election and appointment to office by the OGMS, **starting 22.08.2023**, the company has a **Board of Directors** comprised of 7 administrators with a **4-year mandate, namely until 21.08.2027**.

Following the completion of the selection procedures for Directors with mandate contract, the Board of Directors appointed, **starting 20.10.2023, the Director General, the Deputy Director General and the Economic Director with a mandate of 4 years, and respectively the Deputy Director General 3, with a mandate of 3 years and 9 months, starting 15.01.2024, namely until 19.10.2027**.

All mandate contracts concluded in 2023 with the provisional administrators/provisional Directors have terminated ipso jure, as a consequence, following the completion of the recruitment and



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selection procedures, with no situations of compensation being recorded and the company not being compelled to pay damages.

- **Notice periods and amount of damages**

By BoD Decision No. 33 dated 01.11.2023, the Board of Directors approved the initiation of the recruitment and selection procedure for the Deputy Director General 3, in accordance with the provisions of GEO No. 109/ 2011 *on the corporate governance of public enterprises*, with subsequent amendments and additions, and the transformation of the position of Deputy Director General 3 from Director with individual employment contract to Director with mandate contract, from the date of completion of the procedure.

The mandate contracts concluded with the administrative and executive management in office during 2024 provided conditions regarding the notice period and the amount of damages for revocation without just cause, as follows:

**For administrators**

- the administrator's resignation from office, for reasons not attributable to them, in which case they must send the Company a 30-day prior notification;
- immediate revocation of the administrator, by the general meeting of the Company's shareholders, for culpable failure to fulfill the obligations provided for in the Mandate Contract;
- if the revocation occurs without just cause, the administrator in question is entitled to payment of damages, according to the Mandate Contract.
- In the event of unjustified revocation from office, the Administrator will be entitled to receive compensation from the Company of a maximum of 24 fixed gross monthly allowances if the dismissal occurs within the first 24 months of the mandate.
- In the event that the dismissal occurs during the last two years of the mandate, compensation equivalent to the gross monthly fixed allowance corresponding to the number of months remaining until the expiration date of the term provided for in the Mandate Contract will be paid.



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- the payment of this compensation shall be made within 30 working days from the date of adoption of the revocation resolution of the General Meeting of Shareholders. This compensation represents the only form of compensation to which the Administrator is entitled in the event of unjustified dismissal from office.
- in the event of the Administrator's dismissal on reasonable/justified grounds, the Company does not owe them any compensation for the non-executed period of the mandate.
- failure/improper fulfillment due to the fault of the administrator of the obligations related to monitoring compliance with the limits mentioned in the Administration Plan of the key performance indicators approved by the OGMS and to monitoring the key performance indicators approved by the OGMS in order to achieve the global indicator and respectively of the obligations related to the preparation and presentation within the OGMS for approval of the financial statements of an Annual Report on the monitoring activity of the KPIs, shall entail the administrator's liability.
- in the mandate contracts of the Company's administrators, there are clauses stating that the party that does not partially or fully fulfill its contractual obligations will pay the other party damages.

The mandate contracts of administrators with a 4-year mandate have as an annex the financial and non-financial key performance indicators (KPIs) and include mentions regarding the level of the variable component, the limit of non-achievement of performance objectives and financial and non-financial performance indicators that enables the revocation of their mandate, as well as the method of granting the variable component of the remuneration, depending on the degree of fulfillment of the KPIs (minimum granting limit).

**During 2024, there was no dismissal of the members of the Board of Directors.**

**For Directors with mandate contract**

- the Director's waiver of mandate, with a 30 working days' notice given to the Company, without completing other formalities and without the intervention of the competent courts. At



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their discretion, the Principal may partially or totally waive their right to notice, at the beginning or during this period;

- unjustified termination of the contract by the Principal, based on a Decision of the Board of Directors, with a written notice of 30 (thirty) working days communicated to the Director. In such a case, the Company undertakes to pay the Director a net compensation equivalent to the value of the net fixed remuneration from the last month prior to the revocation, multiplied by the number of months remaining in the term of the Contract, but no more than 12 months. This net compensation will be paid within a maximum period of 30 days as of the termination of the contract;
- revocation of the mandate granted to the Director, based on a Decision of the Board of Directors, with a written notice of 30 working days communicated to the Director, in the event of failure or improper performance by them of the undertaken contractual obligations;
- the occurrence of a case of incompatibility or a prohibition provided for in the contract or determined by a situation external thereof
- failure/improper performance due to the fault of the Director (along with the other Directors with mandate contract and with the members of the Board of Directors) of the obligations regarding the monitoring of the key performance indicators approved by the OGMS in order to achieve the global indicator and of the obligations regarding the preparation and periodic (quarterly) presentation to the Board of Directors of a Report on the monitoring activity and of the obligations regarding the implementation, continuous development and consolidation of the Internal Management Control System, in order to achieve the established objectives, shall entail their liability.
- in the mandate contracts of the Company's directors, there are clauses stating that the party that does not partially or fully fulfill its contractual obligations will pay the other party damages, the value of which will be established based on specialized expertise.

The directors' contracts have as annex the financial and non-financial key performance indicators (KPIs) and include mentions regarding the level of the variable component, the limit of non-achievement of performance objectives and financial and non-financial performance indicators that gives the right to revoke their mandate, as well as the method of granting the variable component of the remuneration, depending on the degree of fulfillment of the KPIs (minimum granting limit).

**Throughout 2024, there was no revocation from office of Directors with mandate contract.**

**II. 2.7. Number of shares and share options granted and offered**

Not applicable.

**II. 2.8. Considerations justifying any annual bonus scheme or monetary benefits**

Not applicable.

**II. 2.9. Any additional or early retirement schemes**

Not applicable.

**II. 2.10. Information regarding any deviation from the procedure for implementing the Remuneration Policy.**

Throughout 2024, there were no deviations from the procedure for applying CONPET's Remuneration Policy for the company's administrators and Directors with mandate contract approved by the OGMS Resolution.

Regarding previous years, to the extent that the conditions determined by the appointment of provisional administrators/directors with provisional mandate contract allowed the application of the provisions of CONPET's Remuneration Policy, the company applied these provisions in conjunction with the applicable legal provisions.

The remuneration policy for administrators and directors with mandate contract was approved by the Board of Directors' Decision No. 6/ 28.02.2024 and approved by the OGMS Resolution No. 2/ 25.04.2024, following the revision of the Remuneration Policy approved by the OGMS Resolution No. 1/ 28.04.2021 and takes into account the following aspects:



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- updating the rights provided for in the mandate contracts for administrators and Directors appointed for provisional terms of office, both in terms of the established remuneration and in terms of the categories of benefits/advantages that may be granted by the company;
- including provisions regarding performance indicators and criteria, approved by the GMS/BoD following the completion of the recruitment and selection procedure for administrators/Directors, with the aim of establishing the variable component of remuneration as well as the method of granting this component;
- inclusion of information regarding the company's reporting obligations on the remuneration of administrators and Directors;
- other information updated/correlated with the applicable legislation.

### III) Conclusions

According to Law No. 187/2023 amending GEO No. 109/2011 on the corporate governance of public enterprises, AMEPIP was established, with an important role in monitoring the performance of public enterprises, with powers and responsibilities related to the establishment, approval and monitoring of key performance indicators. In this regard, AMEPIP will monitor, evaluate and publish an annual report on the degree of achievement of the KPIs for each public enterprise.

Periodic evaluation of the execution of mandate contracts and the achievement of the objectives established in the Administration Plan, monitoring the status of the achievement of financial and non-financial performance indicators during the mandate, are important for ensuring an effective management and for the performance of CONPET.

The 2024 annual remuneration report includes the remuneration and other benefits granted to the company's managers during the financial year ended 31.12.2024 and provides an overview of the remuneration, including all benefits, regardless of form, granted or due during the last financial year, individually to managers, including newly appointed and former managers, in accordance with the Remuneration Policy.



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The remuneration report will be subject to a consultative vote at the OGMS meeting on 29.04.2025, it will be published on the company's website at [www.conpet.ro](http://www.conpet.ro) and will remain available to the public for 10 years as of its publication, in accordance with the applicable legal provisions.

As per the provisions of Art. 55 Para. (2) of Government Emergency Ordinance No. 109/2011 *on the corporate governance of public enterprises*, with subsequent amendments and additions, the Nomination and Remuneration Committee of the Board of Directors submits this Report for approval to the Ordinary General Meeting of Shareholders of CONPET SA.

### The Nomination and Remuneration Committee

*President:* Andrei - Mihai Zaman

*Members:* Cristian - Florin Gheorghe

Alin - Mihaiel Dănilă

Oana - Cristina Tănăsică

Luminița - Doina Kohalmi - Szabo



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**Annex No. 1 – OGMS resolutions regarding the mandates of the members of the Board of Directors during the reference period**

OGMS Resolution	Object of the OGMS Resolution	BoD members appointed as per the OGMS Resolution
<b>OGMS No. 4/ 18.08.2023</b>	<p>Election of members of the Board of Directors, starting 22.08.2023</p> <p>Establishing the term of office of the elected administrators for a period of 4 (four) years (22.08.2023 – 21.08.2027)</p> <p>Establishing a fixed gross monthly allowance</p> <p>Approval of the mandate contract form, as proposed by the majority shareholder, the Ministry of Energy.</p>	Mr. Gheorghe Cristian - Florin Mr. Buică Nicușor – Marian Ms. Kohalmi - Szabo Luminița - Doina Ms. Tănăsică Oana - Cristina Mr. Gavrilă Florin – Daniel Mr. Dănilă Alin - Mihael
<b>OGMS No. 6/ 19.12.2023</b>	<p>Approval of financial and non-financial performance indicators resulting from the Administration Plan, namely:</p> <ul style="list-style-type: none"> <li>- approval of performance indicators for monitoring the company's performance resulting from the Administration Plan.</li> <li>- approval of financial and non-financial key performance indicators, for the calculation of the gross annual variable component of remuneration, for non-executive administrators, annex to the Mandate Contracts.</li> </ul>	

	<p>- approval of financial and non-financial key performance indicators, for the calculation of the gross annual variable component of remuneration, for directors with mandate contracts, annex to the Mandate Contracts.</p> <p>Approval of the gross annual variable component of the administrators' remuneration.</p> <p>Approval of the Addendum to the mandate contracts of the administrators, having as object the performance indicators, the targets related to the performance indicators, the amount of the variable component of the administrators' remuneration, the period for which the variable component is granted, the method of calculation and granting thereof.</p> <p>Approval of fixed monthly gross allowance limits of the remunerations for directors with mandate contracts</p> <p>Approval of limits for the gross annual variable component of the remuneration of Directors with mandate contract.</p>	
<b>OGMS No. 2/ 25.04.2024</b>	<p>Approval of the discharge of CONPET SA's administrators for the financial year ended on 31.12.2023.</p> <p>Approval of the Annual Report of the Nomination and Remuneration Committee regarding the remuneration and other benefits granted to administrators and Directors with mandate contract during the 2023 financial year (Remuneration Report).</p> <p>Approval of the Board of Directors' Report on the management activity in 2023, prepared in accordance with the provisions of Art. 55 of GEO No. 109/ 2011 <i>on the corporate governance of public enterprises</i> and with the provisions of the mandate contract.</p> <p>Approval of the Nomination and Remuneration Committee's report on the evaluation of administrators for 2023.</p>	

	<p>Takes note of the Board of Directors' Report on monitoring the alignment of the key performance indicators of the administrators for 2023 within the limits approved by the OGMS and</p> <p>a) approves the total degree of achievement (102.2%) of the financial and non-financial key performance indicators (KPIs) of the administrators for 2023.</p> <p>b) approves the granting of the variable component due to the administrators for the term of office exercised in 2023, namely for the period 22.08.2023 - 31.12.2023, in accordance with the provisions of the mandate contracts.</p> <p>Approval of the Remuneration Policy for administrators and directors with mandate contract of the company CONPET SA.</p>	
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**Annex No. 2 – Board of Directors' decisions regarding the mandates of the Directors during the reference period**

<b>BoD Decisions</b>	<b>Object of the BoD Decision</b>	<b>Established term/term of office</b>
<b>Director General</b>		
No. 31/ 19.10.2023	Appointment to office – <b>Mr. Dorin Tudora</b> Establishing the term of office Establishing a fixed gross monthly allowance Approval of mandate contract	4-year mandate: 20.10.2023 – 19.10.2027
No. 42/ 19.12.2023	Approval of the Addendum regarding the performance indicators, the targets related to the performance indicators, the amount of the variable component of the administrators' remuneration, the period for which the variable component is granted, the method of calculating and granting thereof Maintaining the gross fixed allowance at the level established by BoD Decision No. 31/ 19.10.2023	N/A
<b>Deputy Director General</b>		
No. 31/ 19.10.2023	Appointment to office – <b>Ms. Mihaela - Anamaria Dumitracă</b> Establishing the term of office Establishing a fixed gross monthly allowance Approval of mandate contract	4-year mandate: 20.10.2023 – 19.10.2027
No. 42/ 19.12.2023	Approval of Addendum No. 1 regarding performance indicators, targets related to performance indicators, the amount of the variable component of administrators' remuneration, the period for which the variable	N/A

	component is granted, the method of calculating and granting thereof  Maintaining the gross fixed allowance at the level established by BoD Decision No. 31/ 19.10.2023	
<b>Economic Director</b>		
No. 31/ 19.10.2023	Appointment to office – <b>Ms. Sanda Toader</b>  Establishing the term of office  Establishing a fixed gross monthly allowance  Approval of mandate contract	4-year mandate: 20.10.2023 – 19.10.2027
No. 42/ 19.12.2023	Approval of Addendum No. 1 regarding performance indicators, targets related to performance indicators, the amount of the variable component of administrators' remuneration, the period for which the variable component is granted, the method of calculating and granting thereof  Maintaining the gross fixed allowance at the level established by BoD Decision No. 31/ 19.10.2023	N/A
<b>Deputy Director General 3</b>		
No. 1/ 12.01.2024	Appointment to office – <b>Mr. Radu – Florentin Necșulescu</b>  Establishing the term of office  Establishing a fixed gross monthly allowance  Approval of mandate contract	Mandate of 3 years and 9 months: 15.01.2024 – 19.10.2027
No. 4/ 02.02.2024	Approval of Addendum No. 1 regarding the performance indicators, the targets related to the performance indicators, the amount of the variable component of the administrators' remuneration, the period for which the variable component is granted, the method of calculation and granting, the level of the variable component of the	N/A



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	remuneration of the Deputy Director General 3, the method of calculation and granting the variable component	
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