

*Subject to analysis and endorsement in the BoA meeting dated \_\_\_\_\_ and approval in the O.G.M.S. meeting dated \_\_\_\_\_*

**Report of the Nomination and Remuneration Committee  
dated 12.08.2019  
on the proposal for election of a member of the Board of Administration  
of CONPET S.A. .**

The Nomination and Remuneration Committee within CONPET Board of Administration set-up under the Board of Administration Decision no.16/2013, as per the provisions of the company's Law no.31/1990, republished, subsequent amendments and completions, the company's Articles of Incorporation, updated, corroborated with the provisions of the legislation on the capital market and the provisions of EGO no.109/2011 *on corporate governance of public enterprises*, ulterior amendments and completions, approved by Law no.111/2016, met under the following composition:

**The Nomination and Remuneration Committee**

*President: Mr. Albulescu Mihai - Adrian*

*Members:*

- *Mr. Gavrilă Florin – Daniel*
- *Mr. Iacob Constantin – Ciprian*
- *Mr. Meșca Darius-Dumitru*

for the formulation of a proposal to the OGMS for the selection/appointment of an administrator of the company.

By decision no. 17 dated 04.07.2019, considering the Nomination and Remuneration Committee registered in the company under no. 26780/04.07.2019, drawn up following the proposal received from the shareholder DEDEMAN SRL from the address registered under no. 26647/04.07.2019, for the nomination of a candidate for the position of member of the Board of Administration of CONPET SA and art. 137<sup>2</sup> para. 1 of Law no. 31/1990 of the companies, republished, with subsequent amendments, art. 29 para. (1) and (2) of EGO no. 109/2011 on corporate governance of public enterprises approved by Law no. 111/2016 and art. 19 para. (4) of the Articles of Incorporation of CONPET SA, the Board of Administration has appointed as of 05.07.2019, as temporary administrator of CONPET SA until the meeting of the General Meeting of Shareholders, Mr. Nicușor - Marian Buică, on the vacancy due to waiver of Ms. Karina Pavăl to the mandate of administrator of the company and concluded therewith a mandate contract having provisions similar to those set out in the mandate contracts of the other administrators, here included the fulfillment of the administration plan and the performance indicators approved by the OGMS dated 18.12.2018, respectively the remuneration due thereto (fixed and variable allowance according to the mandate performance period).

Ms. Pavăl Karina was nominated by the shareholder DEDEMAN SRL for the position of administrator for OGMS dated 22.08.2018 (having on the Agenda the election of the BoA members by cumulative vote – following the completion of the administrator's selection procedure provided in the EGO no. 109/2011 on corporate governance of the public enterprises),

being chosen as a member of the Board of Administration by OGMS Resolution no. 5 dated 22.08.2019.

Taking into account the specificities and complexity of the company activity and that Mr. Nicușor - Marian Buică (temporary administrator of CONPET SA) has a CV that matches the job profile of the candidate for the economic profile, has the necessary professional skills and great experience in organization, administration and management of companies similar to CONPET SA, the Nomination and Remuneration Committee considers that he meets all the requirements of occupying the non-executive administrator position provided by Law no. 31/1990, EGO no. 109/2011, the Articles of Incorporation and other incident legislation.

For the period of execution of the mandate of temporary administrator, the Board of Administration established under Article 64 ^ 1 para 7 of EGO no. 109/2011 the gross fixed monthly allowance equal to the remuneration of the other administrators, namely in the amount of 13,022 RON, approved by the OGMS Resolution no. 5/22.08.2018 for the company's directors with mandate contract. The shareholder DEDEMAN SRL that owns within the company a package of 641,863 shares, with an interest rate of 7.42139% of the share capital, proposed Mr. Nicușor - Marian Buică for the position of member in the Board of Administration, according to Address registered under no. 26647/04.07.2019.

Given the NRC discussions on the requirements of the position of non-executive administrator provided by Law no. 31/1990, EGO no. 109/2011, the Articles of Incorporation and other incident regulations, as well as given the proposal of the shareholder DEDEMAN SRL from the address nr. 26647/04.07.2019, the Nomination and Remuneration Committee submits for approval to the OGMS the election of Mr. Nicușor - Marian Buică (nominated by the shareholder DEDEMAN SRL) as member of the Board of Administration (non-executive administrator of the company); he will exercise his mandate together with the other administrators, from the date of the OGMS Resolution until the end of the mandate of the current Board of Administration, respectively the date of 21.08.2022 (inclusive of). The contract of mandate will be subject to approval by the OGMS and is attached to this note. The contract of mandate includes the variable component of remuneration and the manner for the granting thereof and contains as Annex the financial and non-financial key performance indicators (KPIs) of administrators approved by OGMS Resolution no. 5/22.08.2018.

After election by the OGMS of the new administrator, he will be registered with the Trade Registry of the Prahova Tribunal; the OGMS will empower the Director General to carry out the necessary formalities for the submission and registration and for granting the right to delegate to another person the mandate in order to perform the necessary diligence.

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