ANNUAL REPORT

OF THE ADMINISTRATORS

of the Company CONPET S.A.

for the financial year ended

at

31.12.2021

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MESSAGE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Esteemed shareholders,
Esteemed investors,

Conpet is a strong company in the energy sector, stable for the Romanian economy and persevering in carrying forward, in the future, an activity with a tradition of transporting crude oil via pipelines for over 120 years.
The challenges of the last two years, which involved profound changes in the way of working, rapid adaptations to unforeseen situations and reconfigurations of the strategies to achieve the objectives, were surmounted by CONPET due to the professionalism and commitment that a team of over 1500 employees took to succeed.

The year 2021 tested the consistency and ability to cope with all the changes that the previous year brought, with the pandemic that affected both the oil industry, global economies and the way we carry out our professional activities on a daily basis.
At CONPET, we responded with resilience, adaptability, responsibility and professionalism, so that the crude oil transport activity continued ceaselessly and sustained, honoring its customers at the same high standards of quality and safety. From the members of the Board of Directors and the executive management who evaluated the situations and predicted scenarios, taking the best solutions, to all the employees, TESA workers or from the “front line" who did their work with efficiency and dedication, we have all proven that we are part of this guild of oilmen – people accustomed to perform in any conditions and keep the world moving, regardless of the challenges.

By prioritizing the health and safety of the employees, trained to be both professionally rigorous and flexible against all changes dictated by the present realities, we have followed with seriousness and perseverance the plans we set ourselves at the beginning of the year and the goals we set ourselves to achieve at the end of it.

We finished the year, making a profit. Thus, compared to the revenues and expenditure budget approved for 2021, we recorded a net profit of 51.9 million RON, 5,3% higher than programmed for the year 2021 and a turnover of 412.8 million RON, up to 1.3% and the transport revenues increased by 1.3% as compared to program.
At the same time, CONPET maintained also last year, the position as a major player on the local capital market. Currently included in 7 stock indexes (out of a total of 9), indicating economic and financial stability, transparency, visibility and maintaining increased investor interest, CONPET reached a capitalization of 683.94 million RON (79 RON/share at 31.12.2021).

CONPET is a company that has quickly adapted to changing working conditions: working in a teleworking system, digitalization, use of remote communication management and tools. Despite the physical distancing necessary to protect health, keeping employees connected to the life of the company at all its working points and promoting common values within the organizational culture remained one of the priorities. Thus, through internal communications, the internal newspaper "Informatia Conpet" and the social media communication channels, CONPET continued to keep its employees close, informed and aware that they are part of a strong organization, with a professional and ethical mission to which they must adhere responsibly and of which they can be proud at any time.
Also, in the context of the COVID-19 epidemic that continued in 2021, in addition to the prevention and protection measures taken at the level of all CONPET work points, a permanent information,

awareness and accountability campaign on all aspects related to the coronavirus pandemic was developed, on all internal and external communication channels.
With a constant concern for the well-being of our employees, in 2021, we have preserved and even increased the benefits granted, maintaining the emphasis on professional evolution and improvement, maintaining health, increasing wages, supporting rest and spending leisure time to maintain an optimal balance between professional and personal life, thus increasing performance at work.

At the same time, known for its involvement in the life of the community to which it belongs, through sponsorship actions, social responsibility, and environmental protection, Conpet continued in 2021 to pay increased attention to supporting major projects in the medical-sanitary sector, as well as many other important projects in the fields of education, sports, social and cultural, carried out both in rural and urban areas, locally and nationally.

Again, the 2021 balance sheet shows that CONPET has maintained its status as a strong and efficient company, in which the stability and adaptability of customers, shareholders and investors can be trusted. In a difficult period for the energy sector and the medical-sanitary field, CONPET proves that its activity is carried out with responsibility, professionalism and professional rigor, maintaining its financial stability and continuing to implement all its projects at the level of society. In perspective, we will continue to capitalize on the strengths we currently have, the body of professionals who provide high quality services, but we will prepare for the challenges and changes that will occur in the field in which we operate, with the vision and responsibility that the management of a strategic company imposes.

Sincerely yours,
CRISTIAN - FLORIN GHEORGHE
CHAIRMAN OF THE BOARD OF DIRECTORS

1. COMPANY PRESENTATION

1.1 Report grounds

The Annual Report of the Board of Directors of CONPET SA for the year ended December 31st, 2021, was prepared in accordance with:

• Annex 1 Accounting regulations Chapter 3 of the Minister of Public Finance Order no. 2844/2016 for the approval of accounting regulations compliant with International Financial Reporting Standards.

• Article 65 of Law no. 24/2017, republished, regarding the issuers of financial instruments and market operations.

• Annex no.15 on the requirements of the Annual Report, from Regulation no. 5/2018 regarding the issuers of financial instruments and market operations issued by the Financial Supervisory Authority.

• Art. 56 of EGO no.109/2011 *on corporate governance of the public enterprises'* subsequent amendments and completions.

• Chapter VI Art. 7, item 7.18 regarding the Administrators' Obligations from the Administration Contracts concluded between administrators and CONPET S.A.

• Art.20 Para (1) letter (e) of the Articles of Incorporation of CONPET SA.

1.2 SUBSTANTIATION DATA

Date of the report	March 21st, 2022
Issuer's Name	CONPET S.A.
Registered Offices	No. 1-3 Anul 1848 Street, Ploiesti Prahova County, Zip Code 100559,
Telephone/facsimile number	0244 401360/0244 516451
E-mail/Internet	conpet@conpet.ro / www.conpet.ro
Trade Identification Number at the Trade Register Office Trade Registry Number	1350020 J29/6/22.01.1991
The regulated market trading the issued securities	Bucharest Stock Exchange, Premium category
Subscribed and paid-up share capital	28,569,842.40 RON
Main features of the issued securities	8,657,528 shares with a nominal value of 3.3 RON/share. Dematerialized, nominative, ordinary, indivisible, freely tradable shares as of 05.09.2013, under COTE symbol ISIN: ROCOTEACNOR7
Total market value	683,944,712RON (79.00 RON/share at 31.12.2021)
Applied accounting standard	The International Financial Reporting Standards
Auditing	The Financial Statements concluded at December 31st, 2021 have been audited

1.3 Main activities

CONPET is a strategic company, part of the architecture of the national energy system, being the operator of the crude oil national transport system via pipelines.

Since 2002, CONPET is the concessionaire of the operation of the crude oil, rich gas, condensate and ethane National Transport System, based on the oil Concession Agreement concluded with the National Agency for Mineral Resources, approved pursuant to GD no. 793/25.07.2002.

The Crude Oil, Rich Gas, Condensate and Ethane National Transport System (NTS) is being defined and regulated by Law no. 238/07.06.2004 - Petroleum Law and the Methodological Norms for the enforcement of the Petroleum Law approved under. 2075/2004 and is part of the state's public property, being of strategic importance.

1.4 The company's mission, vision and values

CONPET mission is the operation of the National Transport System via Pipelines under safe and secure conditions, free access to the system's available capacity to all the inquirers, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis as well as accessing the related markets corresponding to the segments of the value chain of the oil industry.

CONPET vision targets the maintenance of its position of strategic player in the Romanian oil industry, acting as crude oil, ethane and rich gas carrier by pipelines and by rail.

Company's Values:

- continuous learning and improvement;
- concern for people and environment;
- openness and quality improvement;
- flexibility and dynamism;
- communication and cooperation.

1.5 Shareholding

CONPET is a publicly owned company, listed at the Bucharest Stock Exchange, under COTE symbol.

The synthetic structure of the shareholding, at reference date 31.12.2021, is as follows:

- 58.7162% - the Romanian State by the Ministry of Energy;
- 41.2838% - Other shareholders natural or legal persons.

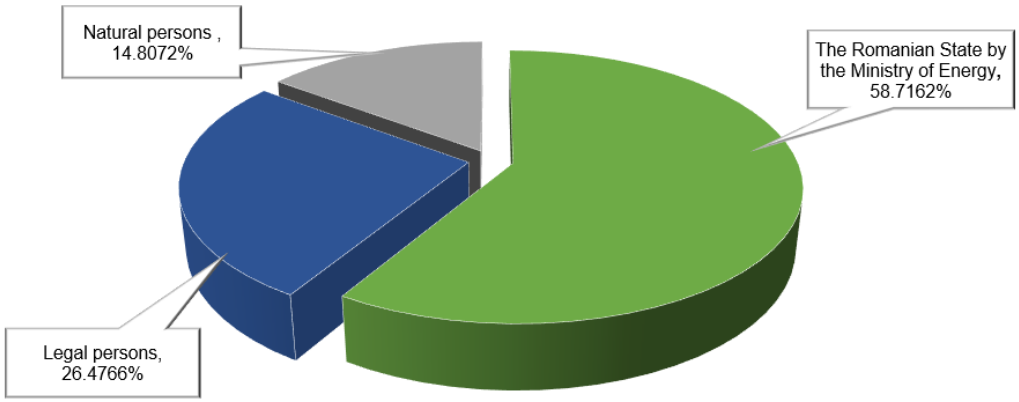


Chart 1 - CONPET S.A. Shareholding Structure at December 31st, 2021

The number of CONPET Shareholders registered at Depozitarul Central S.A. at the end of 2021 is of 13,774, increasing by 5.2% as compared to the end of 2020 (13,095 shareholders).

The share capital of CONPET at 31.12.2021 is of 28,569,842.40 RON and is divided into 8,657,528 nominative shares, each share with a nominal value of 3.3 RON/share.

CONPET SA did not perform transactions having as scope its own shares and, consequently, the company did not hold own shares.

1.6 Company Organization

CONPET was established in 1990, based on the Government Decree no. 1213/1990 regarding the set-up of joint-stock companies in the industry, by taking-over the entire assets and liabilities of I.T.T.C. Ploieşti, being the first company established in the oil industry in Romania.

Following the take-over of all assets and liabilities of I.T.T.C. Ploiești, CONPET became the operator of the crude oil, rich gas, condensate and ethane National Transport System.
The crude oil, rich gas, condensate and ethane National Transport System (NTS) is State's public property and bears strategic importance. The NTS is being defined and regulated pursuant to the Oil Law no. 238/07.06.2004 and the Methodological Norms for the Application of the Oil Law, approved pursuant to GD no. 2075/2004.

CONPET supplies transport services for its clients via both the National Transport System, conceded under the Concession Agreement and by rail, from the loading ramps to the refineries, for the oil areas which are not connected to the major transport lines.

1.7 Development Strategic Objectives

The strategic objectives established and assumed by the administrators though the Administration Plan, for the period 2018-2022, were defined in strong correlation with the strategic directions, the vision and expectations of the tutelary authorities, namely the one of the shareholders , and the contextual lines of the Energy Strategy of Romania along 2018-2030, envisaging the years 2050.
The strategic objectives are:

- boost efficiency and improve the activity performance;
- develop new activities, related and non-related to the core business;
- define the Company as a regional player;
- outstanding management of the human resources;
- implement and develop the corporate government principles.

2. RELEVANT CORPORATE EVENTS IN 2021 and TO DATE

10th/11th March 2021
The Extraordinary General Meeting of Shareholders was held, the first convocation on March 10th and the second convocation on March 11th, with the agenda: Approval of the augmentation of the share capital of CONPET SA by the maximum value of 108,798,558 RON representing contributions in kind (land plots) amounting to 63,882,386.70 RON and cash amounting to max 44,916,171.30 RON, from the current value of 28,569,842.40 RON to a maximum of 137,368,400.40 RON.

The Extraordinary General Meeting of Shareholders has ascertained that neither at first call (March 10th), nor at the second (March 11th), the presence quorum provided by law necessary to decide the augmentation of the share capital by contribution in kind held based on the land ownership certificates, has been met.

April 28th, 2021
The Ordinary General Meeting of Shareholders approved the annual financial statements for the financial year 2020 and the net profit distribution related to the financial year 2020. Within the same meeting the Revenues and Expenditure Budget and the Investment Program related to 2021 were approved.

August 4th, 2021
The Ordinary General Meeting of Shareholders approved the revocation of Mr. Meșca Darius Dumitru from the capacity of administrator of the company CONPET S.A. and appointed Mrs. Kohalmi - Szabo Luminița - Doina in the capacity of provisional administrator of the company CONPET S.A., with a term of office of 4 months, respectively until 03.12.2021 (inclusive of).

December 7th, 2021
The ordinary General Meeting of Shareholders approved the nomination of Mrs. Kohalmi - Szabo Luminița - Doina in the capacity of provisional administrator of the Company CONPET S.A., with a term of office of 4 months, respectively until 06.04.2022 (inclusive of).

February 21st, 2022
CONPET S.A. was included in the FTSE Global Micro Cap index.

February 25th, 2022
The Ordinary General Meeting of Shareholders approved the Revenues and Expenditure Budget for 2022.

3. CONPET 2021– EXECUTIVE SUMMARY

3.1 Operating Activity Indicators

The comparative situation of the quantities of products (crude oil, condensate and rich gas) transported via the National Transport System (NTS) and the revenues achieved, on transport subsystems in the period 2019-2021 is shown below:

Indicators	M.U.	2021	2020	2019	Variation%	
					2021/2020	2020/2019
Total transported quantities	Thousand tons	6,651	6,685	7,124	▼0.5%	▼ 6.2%
Total transport revenues	Million RON	410.48	402.79	402.02	▲ 1.9%	▲ 0.2%

Table 1 - Evolution of the transported quantities and transport related revenues during 2019 -2021

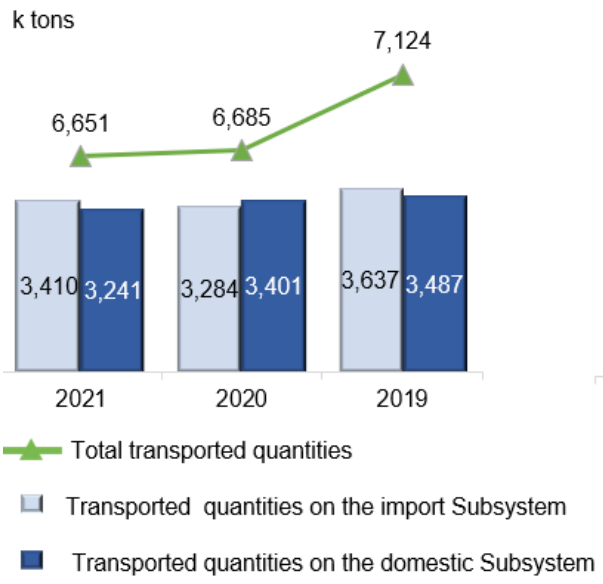


Chart 2 - Evolution of the quantities transported on the domestic and import subsystems between 2019 -2021

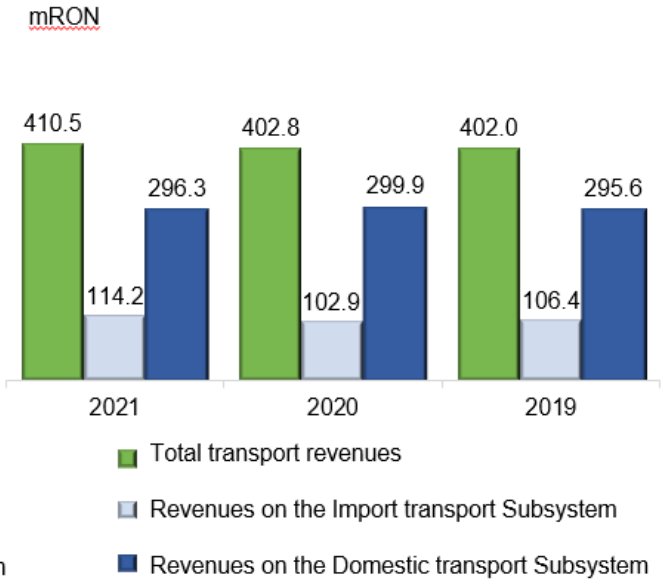


Chart 3 - Evolution of the Revenues transported on the domestic and import subsystems between 2019 -2021

3.2. Financial Results Indicators

The economic and financial activity of CONPET SA in 2021 was performed based on the indicators included in the revenues and expenditure budget approved by the General Meeting of Shareholders.

The comparative evolution of the main indicators of financial results in the period 2019-2021, as well as the change in the values recorded in 2021 against the budget, is presented as follows:

2021		Variation (%) 2021/ Budget	Indicators (mRON)	2021	2020	2019	Variation%	
Achieved	Budget						2021/2020	2020/2019
412.79	**407.43**	**▲ 1.3%**	**TURNOVER**	**412.79**	**406.93**	**407.82**	▲ 1.4%	**▼ 0.2%**

2021		Variation (%) 2021/ Budget	Indicators (mRON)	2021	2020	2019	Variation%	
Achieved	Budget						2021/2020	2020/2019
458.39	457.32	▲ 0.2%	Operating revenues, of which:	458.39	447.64	443.00	▲ 2.4%	▲ 1.0%
410.48	405.24	▲ 1.3%	Transport revenues	410.48	402.79	402.02	▲ 1.9%	▲ 0.2%
400.65	401.52	▼ 0.2%	Operating Expenses	400.65	382.62	380.85	▲ 4.7%	▲ 0.5%
57.74	**55.80**	**▲ 3.5%**	**EBIT (operating profit)**	**57.74**	**65.02**	**62.15**	**▼11.2%**	**▲ 4.6%**
51.94	50.23	▲ 3.4%	Value adjustments for fixed assets, less adjustments related to rights of use resulted from leasing contracts	51.94	47.38	46.64	▲ 9.6%	▲ 1.6%
109.68	**106.03**	**▲ 3.4%**	**EBITDA**	**109.68**	**112.40**	**108.79**	**▼ 2.4%**	**▲ 3.3%**
3.10	2.20	▲ 40.9%	Financial Result	3.10	5.43	7.55	▼42.9%	▼28.1%
60.84	**58.00**	**▲ 4.9%**	**EBT (gross profit)**	**60.84**	**70.45**	**69.70**	**▼13.6%**	**▲ 1.1%**
51.93	**49.32**	**▲ 5.3%**	**NET PROFIT**	**51.93**	**60.85**	**58.88**	**▼14.7%**	**▲ 3.3%**

Table 2. – Evolution of the results from the operating and financial activity 2019-2021 and 2021 vs BUDGET

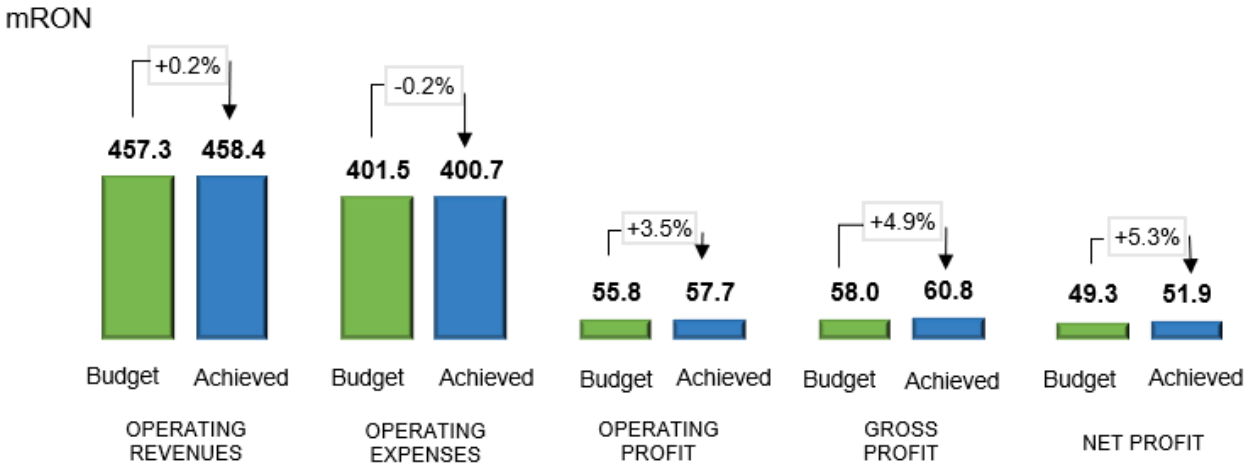


Chart 4 - Analysis of indicators achieved in 2021 as compared to BUDGET

Chart 5 - Analysis of indicators achieved in 2021 as compared to 2020

The turnover achieved in 2021 amounting to 412.8 mRON is increasing by 1.4% as compared to 2020. As compared to the budget, the operating profit increased by 1.3% (5,357 kRON).
The operating profit of 57.8 million RON increased by 3.5% compared to the budget (55.8 million RON). As compared to 2020, the operating profit registered a decrease by 7.3 mRON.
The company ended 2021 with a net profit amounting to 51.9 million RON, 2.6 million RON higher than budgeted.

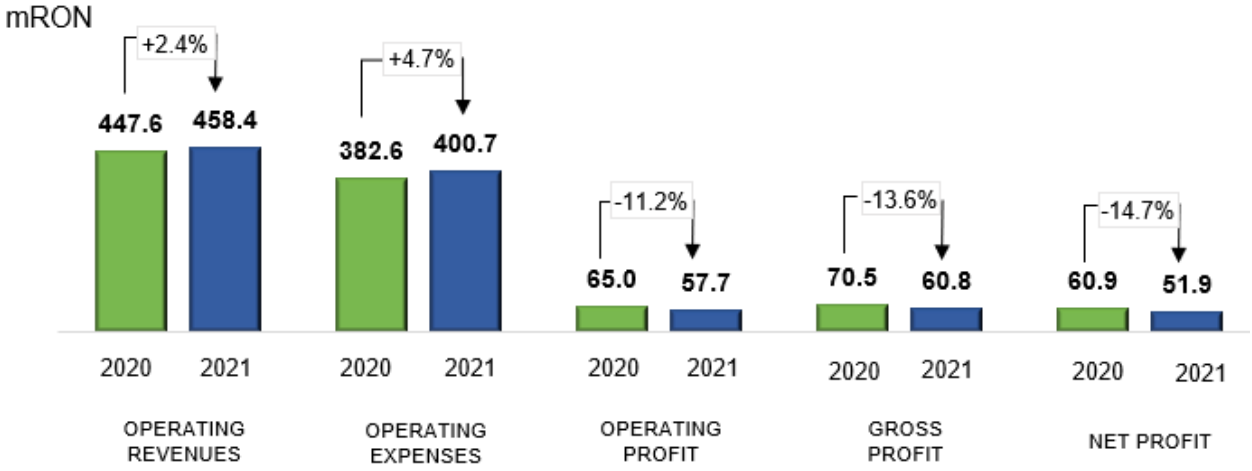
CONPET is a company paying substantial contributions to the consolidated State budget. The total amount paid in 2021, to the account of the state budget, was of 164 million RON, the most important of which are:

- VAT 51 mRON
- Tax on salaries and related contributions 66 mRON
- Income tax 8 mRON
- Oil royalty 32 mRON

3.3 Investment Activity Indicators

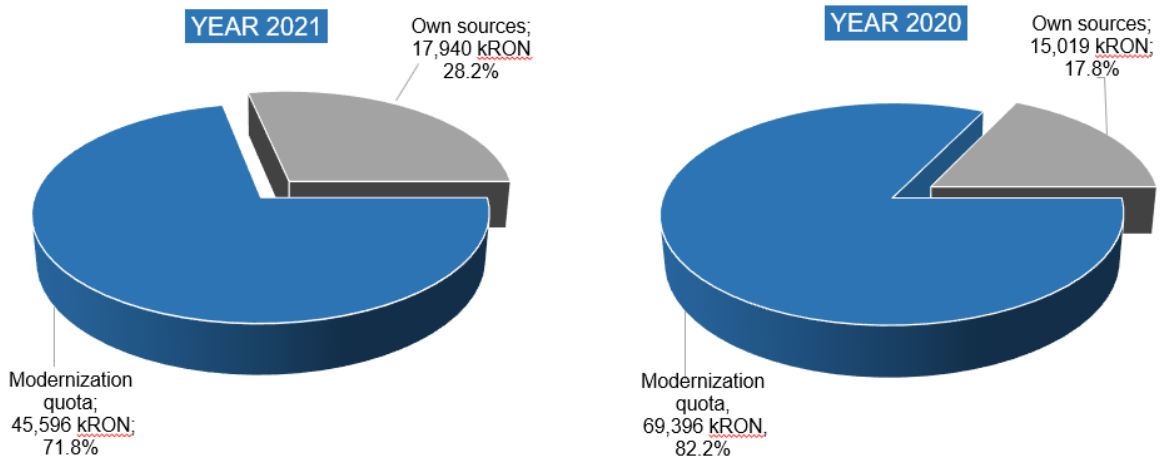
The investment program related to 2020 included rehabilitation works of major transport pipelines and investment works for installations and related equipment to the Crude Oil National Transport System.
The investment projects targets both enhancing efficiency of the transport activity as well as operation, under safe conditions, of the National Transport System.

During 2019-2021 CONPET S.A. made investments worth 228 million RON and 58.59 km of



pipeline were replaced, as follows:

Investments	MU	2019	2020	2021	Total
Total investments, out of which:	**thousand RON**	**80,143**	**84,415**	**63,536**	**228,094**
Public domain	*thousand RON*	*66,674*	*69,396*	*45,596*	*181,666*
Operating domain	*thousand RON*	*13,469*	*15,019*	*17,940*	*46,428*



Replaced pipeline	**Km**	**16.09**	**29.42**	**13.08**	**58.59**

Table 3 - Investments achieved during 2019-2021

The annual investment program was carried out in proportion of 66%, as compared to the program. Compared to the previous year, the evolution of investments was decreasing by 21 million RON.

2021		**Degree of achievement**	**Investments (Thousand RON)**	**2021**	**2020**	**Variation (%) 2021/2020**
Program	**Achieved**					
96,000	**63,536**	**66.2 %**	Total investments, out of which:	**63,536**	**84,415**	**75.3%**
69,000	*45,596*	*66.1 %*	*Public domain*	*45,596*	*69,396*	*65.7 %*
27,000	*17,940*	*66.4 %*	*Operating domain*	*17,940*	*15,019*	*119.4 %*

Table 4 – Investments achieved in 2021 as compared to program and the year 2020

Chart 6 - Share of investments by financing sources in 2021 and 2020

3.4 Company's Stock Market Indicators

The market capitalization amounted to 683.94 million RON (79.00 RON/share) at 31.12.2021, increasing as compared to 31.12.2020 when it was registered the amount of 659.70 million RON (76.20 RON/share).

The evolution of COTE share and market capitalization during 2019 - 2021 is as follows:

Indicators	**MU**	**Dec. 31st 2019**	**Dec. 31st 2020**	**Dec. 31st 2021**
COTE closing price	RON/share	79.60	76.20	79.00
Market capitalization	million RON	689.14	659.70	683.94
	million Euro	144.19	135.48	138.21

Table 6 - Evolution of COTE share and stock capitalization during 2019– 2021

Currently, the company CONPET S.A. is included in 7 out of the total of 9 stock indices, respectively in BET, BET-TR, BET-XT, BET-XT-TR, BET-BK, BET-NG and BET Plus.
The net profit per share is of 6.00 RON/share in 2021, down to 1.03 RON as compared to 2020.

4. ANALYSIS OF THE COMPANY'S BUSINESS

4.1 Analysis of the operating activity

4.1.1 The regulatory Framework

CONPET SA is the operator of the crude oil, rich gas, condensate and ethane National Transport System (SNT). The transport service is being supplied under the natural monopoly regime based on the tariff set by NAMR.

The NTS is being defined and regulated pursuant to the Oil Law no. 238/07.06.2004 and the Methodological Norms for the Application of the Oil Law, approved pursuant to GD no. 2075/2004.

4.1.2 The crude oil, condensate, rich gas and ethane transport activity

CONPET S.A. supplies transport services for its clients both via SNT according to the Oil Concession Agreement of the National Transport System of crude oil, gasoline, condensate and ethane, as well as by rail, from the loading ramps to the refineries, for the oil areas not connected to the transport major pipelines.

The NTS was built taking into account the natural distribution of oil fields, so as to ensure the transport of oil from all these fields to refineries. The system operation is being made based on the local dispatch centers, coordinated from the Company's Central Dispatch.
The SNT's pipeline network is approximately 3,800 km long, currently being used a 3,161 km pipeline network.
The Crude Oil, Rich Gas, Condensate and Ethane Transport System has in composition more transport subsystems, as follows:

- ✓ The domestic crude oil and condensate transport subsystem, having in composition pipelines covering approx. 1,540 km, for the transport of crude oil and condensate from the extraction plants throughout the country to the refineries.
  The domestic crude oil and condensate production is transported via pipelines, by railway tanks, or combined (rail and pipelines).
- ✓ The rich gas transport subsystem is meant for the rich gas transport from the rich gas separation units in Ardeal (Biled and Pecica) to Petrobrazi refinery.
- ✓ The ethane transport subsystem provides the ethane transport from Turburea ethane separation platform to Arpechim Pitesti refinery. Currently, due to the inactivity of the Arpechim refinery, the subsystem is used only a portion namely the pipeline linking the Totea warehouse to Petrobrazi refinery, for the transport of condensate.
- ✓ The import crude oil transport subsystem ensures the transport of crude oil from the Oil Terminal Constanta to the refineries in Ploiești, Arpechim-Pitești and Midia.

For the crude oil, rich gas, condensate and ethane transport service, annualy CONPET has to develop a proper transport programme so as to provide free access to the available capacity of the system to all applicants, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

The available throughput represents the difference between the total physical throughput of the system and the crude oil scheduled for transport in the given year.

The transport contracts signed with the beneficiaries of the services are compliant with the regulated frame-contract approved by NAMR and provides the legal framework for the supply of the transport services.

The crude oil transport throughput is being performed from the sites of product delivery by the producers or importers, from the extraction areas, or from Oil Terminal to the processing units (refineries) using the facilities from the pumping stations and the receipt sites.
These facilities shall consist of crude oil and condensate storage tanks, storage tanks for the storage of rich gas, technological pipes from the pumping/receipt warehouses, pumping aggregates, major pipelines, crude oil and rich gas loading and unloading ramps, rail tank cars.

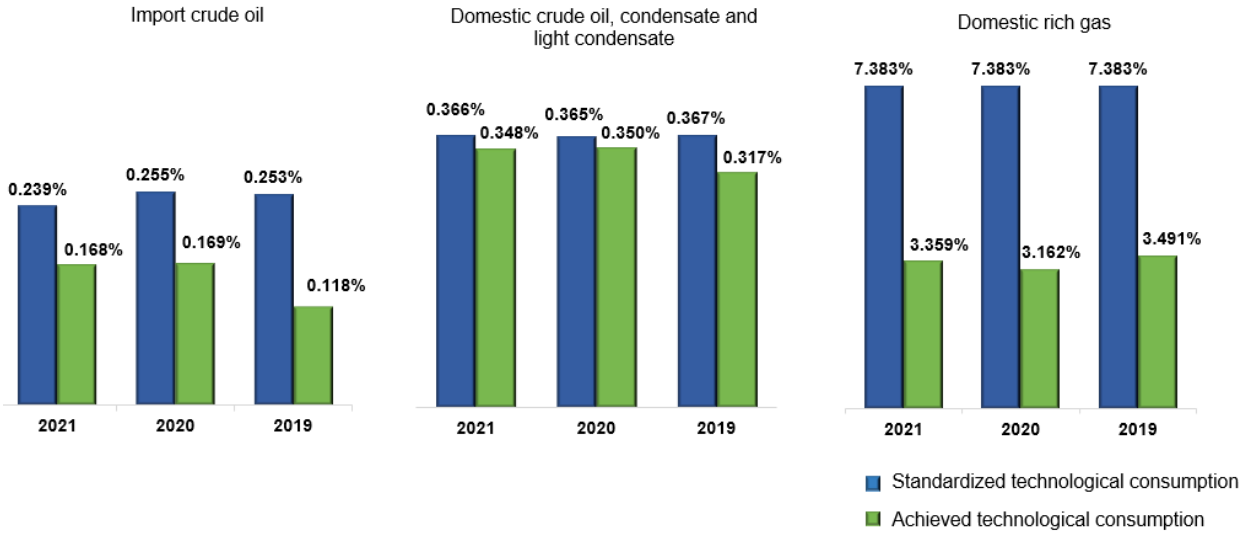
The transported volume by products - crude oil, rich gas and condensate, programmed and achieved in 2021 and the extent of usage of the transport capacity, is as follows:

Transport Subsystems	Indicators and products	2021	2020	2019	Variation (%) 2021/2020
DOMESTIC	**Domestic crude oil, condensate and light condensate**				
	- programmed quantities (thousand tons)	3,260	3,442	3,410	▼ 5.3%
	- achieved quantities (thousand tons)	3,222	3,383	3,468	▼ 4.8%
	- degree of achievement	98.8%	98.3%	101.7%	+ 0.5 p.p.
	- degree of use of the transport throughput	52.1%	55.3%	56.6%	- 3.2 p.p.
	rich gas				
	- programmed quantities (thousand tons)	15.5	18.2	20	▼ 14.8%
	- achieved quantities (thousand tons)	19.3	18.1	19	▲ 6.6%
	- degree of achievement	124.4%	99.4%	95.0%	+ 25.0 p.p.
	- degree of use of the transport throughput	26.6%	15.5%	16.6%	+ 11.1 p.p.
	Total domestic subsystem				
	- programmed quantities (thousand tons)	3,276	3,460	3,430	▼ 5.3%
	- achieved quantities (thousand tons)	3,241	3,401	3,487	▼ 4.7%
	- degree of achievement	98.9%	98.3%	101.7%	+ 0.6 p.p.
	- degree of use of the transport throughput	51.8%	54.5%	56.0%	- 2.7 p.p.
IMPORT	**crude oil**				
	- programmed quantities (thousand tons)	3,244	3,346	3,064	▼ 3.0%
	- achieved quantities (thousand tons)	3,410	3,284	3,637	▲ 3.8%
	- degree of achievement	105.1%	98.1%	118.7%	+ 7.0 p.p.
	- degree of use of the transport throughput	28.9%	27.8%	30.8%	+ 1.1 p.p.
TOTAL	**- programmed quantities (thousand tons)**	**6,520**	**6,806**	**6,494**	**▼4.2%**
	- achieved quantities (thousand tons)	**6,651**	**6,685**	**7,124**	**▼ 0.5%**
	- degree of achievement	**102.0%**	**98.2%**	**109.7%**	**+ 3.8 p.p.**
	- degree of use of the transport throughput	**36.8%**	**37.1%**	**39.5%**	**- 0.3 p.p.**

Table 7 - Transported quantities by types of products between 2019-2021

The degree of use of the transport system in 2021 was down by 0.3 p.p. as compared to 2020 reaching the level of 36.8%, due to the decrease in the quantities transported by 34 thousand tons.

Of the total quantity of crude oil, condensate and rich gas transported and delivered, from indigenous production, 1,113 tons (34.3%) were transported by rail.



The evolution of the technological consumption on standardized products as compared to the levels recorded between 2019 -2021, is as follows:

Products	2021			2020			2019		
	Standardized	Achieved	Variation	Standardized	Achieved	Variation	Standardized	Achieved	Variation
Import crude oil:	0.239%	0.168%	-0.07 p.p.	0.255%	0.169%	-0.09 p.p.	0.253%	0.118%	-0.14 p.p.
Domestic crude oil, condensate and light condensate	0.366%	0.348%	-0.02 p.p.	0.365%	0.350%	-0.02 p.p.	0.367%	0.317%	-0.05 p.p.
Domestic rich gas	7.383%	3.359%	-4.02 p.p.	7.383%	3.162%	-4.22 p.p.	7.383%	3.491%	-3.89 p.p.

Table 8 - The evolution of technological standardized consumption as compared to achieved between 2019-2021

Chart 7 - Evolution of technological consumption on products between 2019-2021

The technological consumptions recorded during transport were admitted within the limits, provided in the transport contracts.

The tariffs for the supply of crude oil, rich gas, condensate and ethane are regulated and approved by the NAMR and are distinguished for each transport subsystem.

The tariffs applied for the import transport subsystem vary according to the installment of transported quantity, being practiced the bracketing tariff model and the refinery- the hand-over site. Between 2020 and 2021, the following tariffs were applied:

- Tariffs from transport services on Domestic Subsystem

Period	Transport tariff (RON/ton)	Approved by NAMR Order No.
December 31st, 2019 - February 7th, 2021	87.53	427/2019
February 8th, 2021 - December 31st, 2021	91.03	19/2021

Table 9 - Transport tariffs Domestic Subsystem

- Tariffs for transport services on Import Subsystem

Period	Quantity ranges	Arpechim Refinery	Ploiesti Basin *)	Petromidia Refinery	Approved by NAMR Order No.
	thousand tons/month	RON/ton	RON/ton	RON/ton	
December 31st, 2019 - February 7th, 2021	<120	40.40	39.50	15.00	427/2019
	> 120	17.25	17.00	12.85	
February 8th, 2021 - December 31st, 2021	<120	42.00	40.90	16.50	19/2021
	> 120	17.90	17.60	14.40	

*) Petrobrazi Refinery and Petrotel Lukoil Refinery

Table 10 - Transport tariffs import subsystem

The transport tariffs include a modernization quota meant exclusively for the financing of the investments related to the National Transport System.

The transport services are being contracted with the clients, based on a frame contract approved by the National Agency for Mineral Resources.

The company holds a monopoly position on the market of crude oil transport via pipelines, having no competitors in its core business.

Contracted and completed transport services in 2021, on beneficiaries, are as follows:

Customer name	Contract Date and No.	Object of the contract	Duration Months	Contracted quantity (tons)	Quantity Achieved (tons)
OMV PETROM S.A.	BC OMV 108/25.03.2020	Domestic crude oil transport, import crude oil, rich gas and light condensate	21	3,989,544	4,358,681
ROMPETROL RAFINARE S.A.	BC 389/14.12.2020	Import crude oil transport	12	114,000*	113,966
PETROTEL - LUKOIL S.A.	BC 428/10.12.2019	Import crude oil transport	12	2,323,613	2,159,622
PETROTEL - LUKOIL S.A.	BC 427/10.12.2019	Domestic crude oil transport,	12	10,750**	11,371
NIS PETROL S.R.L.	BC NIS 395/16.12.2020	Unloading road tanks, loading, storage tanks and loading in rail tanks	8	4,000	3,984
	BC NIS 316/20.09.2021		16	3,831	3,367
STANDARD LOGISTIC d.o.o.	BC SERBIA 15/20.01.2021	Railway transport services for raw crude oil, on the route Biled -Stamora Moraviţa, beneficiary NIS a.d.	12	2,000	7,149 raw crude oil

**) Value updated following the Addendum concluded in October with Rompetrol Refining S.A.*

***) Value updated following the Addenda concluded in May with Petrotel Lukoil SA*

Table 11- Transport services contracted, budgeted and carried out in 2021

Revenues from the provision of transport services and invoiced to beneficiaries increased by 1.9% compared to 2020, reaching the value of 410.5 million RON.

The income statement for each client and their share in the total transport revenues are as follows:

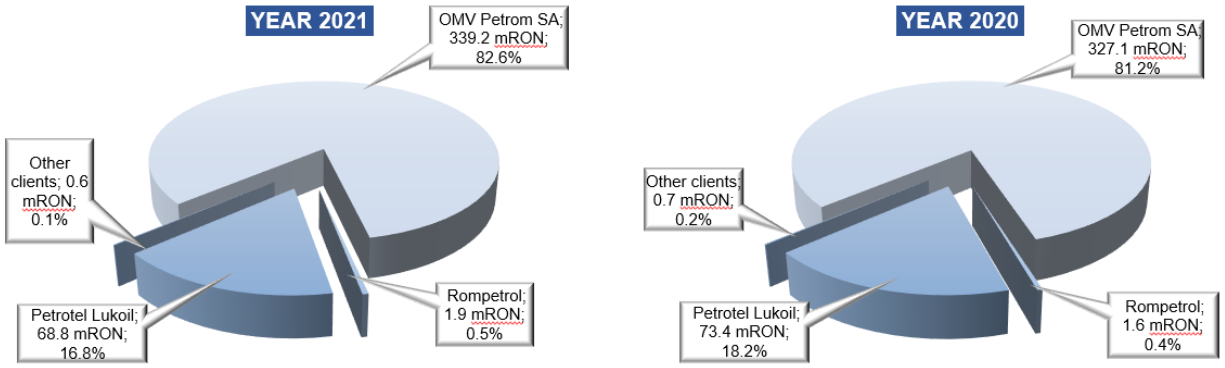


Chart 8 - Evolution of transport revenues by clients in 2021 and 2020

The transport services supplied by the company are addressed to a reduced number of clients, the volume thereof is closely related to the trade policy applied by the beneficiaries of the supplied services.
The revenues from the transport services supplied for OMV Petrom account for 82.6% in the total transport revenues of the company.

4.1.3 Other activities

The revenues from other activities hold a share of 0.6% in turnover and decreasing by 44.2% (1,833 thousand RON) compared to 2020, coming from leases of lands and telecommunication equipment, rail shunting, etc.

4.1.4 Analysis of the operating activity

In the table below is presented the evolution of the transport services supply and other services, for the period 2019-2021:

Indicators	M.U.	2021	2020	2019	Variation 2021/2020	Variation 2020/2019
Revenues from transport services domestic subsystem	thousand RON	296,280	299,928	295,632	▼ 1.2%	▲ 1.5%
Revenues from transport services import subsystem	thousand RON	114,197	102,857	106,385	▲11.0%	▼ 3.3%
Total revenues from transport services	thousand RON	**410,477**	**402,785**	**402,017**	**▲ 1.9%**	**▲ 0.2%**
Revenues from rents	thousand RON	1,633	1,633	1,593	-	▲ 2.5%
Other revenues	thousand RON	677	2,510	4,212	▼73.0%	▼40.4%
Turnover	thousand RON	**412,787**	**406,928**	**407,822**	**▲ 1.4%**	**▼ 0.2%**

Table 12 - Evolution of turnover revenues during 2019 - 2021

In 2021 the turnover recorded an increase by 1.4% as compared to the level achieved in 2020.

The provision of services from the transport of crude oil by road tanks and from the use of isolated boilers for transport have a share of 0.5% of transport revenues, with an increase of 12.8% compared to the level recorded in 2020.

Transport revenues hold a share of 99.4% in total turnover, the remaining 0.6% is revenues from renting land and telecommunications equipment and from shunting wagons.

4.1.5 Analysis of the supply activity

The procurement activity

The procurement activity performed in compliance with the provisions of CONPET S.A. Internal Procurement Norms and other internal procedures.

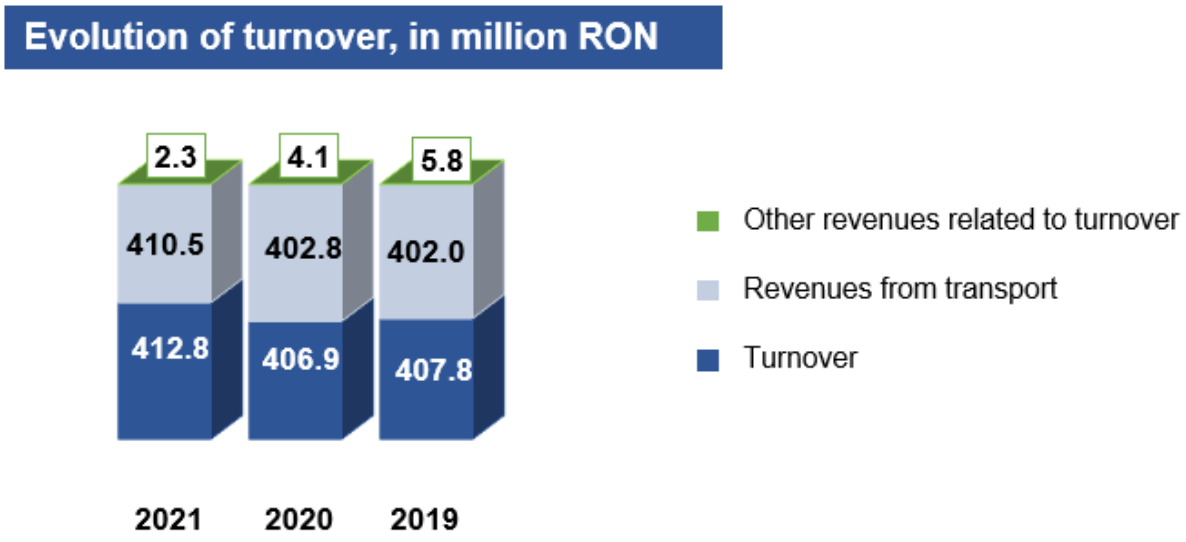
Between January - December 2021, 143 procurement procedures were started, 121 procedures being completed by concluding contracts in RON, in amount of 246,054 thousand and in EURO in amount of 1,479 thousand.

At the end of December 2021, a number of 4 acquisitions were in progress, in the total estimated value of 4,592 thousand RON, respectively:

- 1 tendering procedure for a purchase with an estimated value of 1,250 thousand RON
- 3 simplified procedures in total estimated amount of 3,342 thousand RON.

4.1.6. Legal acts concluded in the conditions of Art.52 Para (1) and (3) of EGO no.109/2011

In 2021, no legal acts were concluded under the conditions of art. 52, para. (1) and (3) of O.U.G.



no. 109/2011.

4.1. 7 Company mergers and reorganizations, procurements and disposals of assets

During financial year 2021 there were no mergers and there have not been made purchases or alienations of fixed assets consisting of buildings and/or lands.

The procurements of tangible and intangible assets in 2021 financial year were made in accordance with the investment program and the approved revenues and expenditure budget and are intended for deployment and modernization.

The company has no open subsidiaries in Romania or abroad.

4.1.8 Implementation/development of the internal control management system

The internal control management system

The company CONPET SA, defined as a public entity in accordance with the Order of the Secretary General of the Government no. 600/2018, applies the Code of the internal control management of public entities approved by the afore-mentioned legislation.
CONPET SA does annual self-assessments of the degree of implementation of the internal control management standards and reports in accordance with the legal requirements.

Within the company, the "Code of Ethics and Integrity of CONPET SA" is drafted and an ethics advisor is appointed by decision of the Director General. The employees of the company have signed an individual commitment to comply with the rules of ethical conduct and integrity contained in the Code of Ethics and Integrity of CONPET S.A. The Ethics and Integrity Council monitors the compliance of the employees with the principles and norms of conduct and provides consultancy and assistance in the field of ethics, according to the Regulation on the activity of the ethics and integrity counselor within CONPET S.A. in force.

According to the provisions of OGSG no. 600/2018 for approving the Internal Control Management Code of public entities, the Monitoring committee of the internal control management system was appointed, by decision of the Director General, updated during 2021, having regard to changes in the organizational structure.

The Monitoring committee of the internal control management system has the following duties:

- Draws up the Development Program of the internal control management system covering the objectives of CONPET SA in internal control management, including, for each standard of internal control management, activities, officers in charge and deadlines, as well as other relevant elements in implementing and developing the internal control management system.
- Highlights, distinctly, in the program, the actions of professional development in the field of internal control management system, both for persons with management positions and for those with executive positions;
- Aims to achieve and provides updating of the development program of the internal control management system;
- coordinates the process of updating the general and specific objectives, the procedure activities, the risk management process, the system performance monitoring, the procedure situation and the monitoring and, respectively information to the Director General.
- Centralizes by the technical secretariat, the significant risks in the Risk Register of CONPET SA, based on the identification of risks by the risk management teams at divisions, departments and offices directly subordinated to the Director General.

- Analyzes and gives priority to significant risks, that might affect achieving the objectives of CONPET SA, by establishing risk profile and risk tolerance.
- Analyzes and endorses annually the risk profile and the risk tolerance limit proposed by the technical secretariat based on the Risk Register within CONPET SA and submits to approval of the Director General.
- Analyzes the annual plan of implementation of the control measures for the significant risks within Conpet S.A., drafted by the technical secretariat and submits to approval of the Director General.
- Drafts, through the technical secretariat, information to the Director General, approved by the Chairman of the Monitoring Committee, on the deployment process of risk management and monitoring of performance at CONPET SA, based on annual reports from the directorates, departments and bureaus directly subordinated to the Director General.
- Analyzes the annual report on internal control management system and submits it for approval to the Director General.
Analyzes and endorses the Report on the stage of implementation of the actions of the Program for the development of the internal control management system, elaborated according to the provisions of the operational procedure "Monitoring and reporting of key performance indicators", code PO-20-15.

The Commission shall cooperate with all organizational entities to implement and develop the internal control management system. Each member of the Monitoring Committee is responsible for fulfilling the tasks from the development program of the internal control management system and for the settled deadlines met.

The Internal Audit Office shall advise the Monitoring Commission and attends its meetings. The Internal Audit Office monitors the activities of the Monitoring Commission and regularly informs the Director General on the activity of the Monitoring Committee and the problems facing it and which may affect the process of implementing and maintaining the internal control management system.
The Development Program of the internal control management system of CONPET is analyzed annually, on the self-evaluation of the implementation degree, according to OGSG no. 600/2018. The development program of the internal control management system of CONPET SA for 2021 was approved by the Director General on 03.03.2021, and in September 2021 has been revised. According to the provisions of the system procedure “Setting the objectives of CONPET”, SMART objectives have been set for 2021, at the level of all organizational entities. These objectives were updated between July and October 2021 to agree with the changes in the organizational structure that took place during the year.

In 2021 took place meetings of all teams of risk management (RMT), in which each team has reviewed the corresponding risks to the set objectives and analyzed the status of implementation of control measures maturity, and where appropriate, new control measures for risk mitigation, as well as new deadlines for their implementation, have been proposed. Control measures have been proposed to mitigate risks, as well as deadlines for their implementation, according to the provisions of the system procedure "Risk management". The significant risks and their control measures were the subject of debate at the meetings of the Monitoring commission of the internal control management system, during 2021.

Following these meetings, the situation of the risks identified in 2021, according to the last update in October 2021, is as follows:

Crt. No.	Risk Management Team Name	Level of tolerance of the identified hazard				Total number of identified hazards
		Number of tolerable hazards (1-4)	Number of hazards with high tolerability (5-8)	Number of hazards with low tolerability (9-12)	Number of hazards intolerable (15-25)	
1.	TRANSPORT OPERATIONS UNIT	22	7	1	0	30
2.	The Economic Direction	13	10	0	0	23
3.	Maintenance Development Agreement	2	14	14	0	30
4.	Critical Infrastructures Unit	2	12	7	0	21
5.	Control Office	2	0	0	0	2
6.	Deputy Director General	8	18	8	0	34
7.	Deputy Director General 2	8	4	2	0	14
8.	Internal Public Audit Office	2	6	1	0	9
9.	BOA and GMS Secretariat Bureau	3	0	0	0	3
10.	Risks identified by the Monitoring Committee	0	0	1	0	1
Total		**62**	**71**	**34**	**0**	**167**

Table 13 - Statement of risks identified in 2021

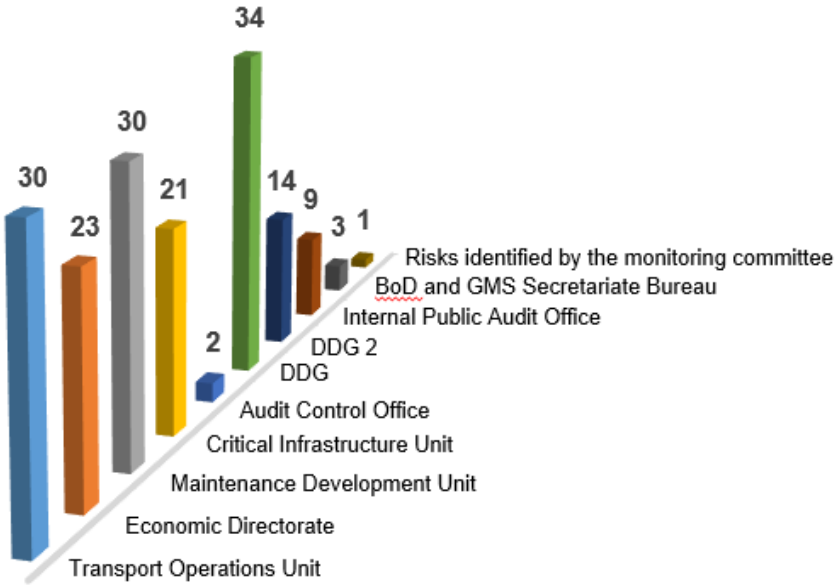


Chart 9 - Statement of risks within the company

The risk profile at CONPET SA level for 2021 is as follows:

- 62 tolerable risks (exposure 1-4);
- 71 high tolerability risks (exposure between 5-8);
- 34 low tolerability risks (exposure between 9-12);
- 0 intolerable risks (exposure 15-25);

The risk profile at CONPET SA in 2021 as compared to 2020 and 2019, is as follows:

Chart 10 - Risk profile CONPET SA - comparative presentation 2019-2021

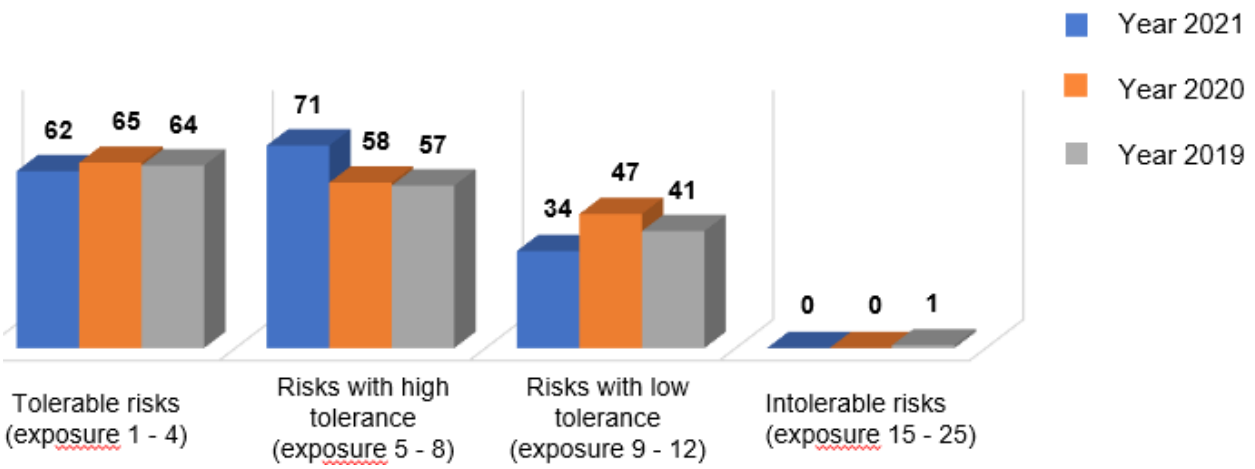
Based on the risk profile within CONPET S.A., the Monitoring Commission analyzed and endorsed the risk tolerance limit for 2021, which is up to 12, with a risk appetite at the average level (risks with exposure greater than 12 after their management are not accepted). If the exposure of a risk would increase above the tolerance limit, the Monitoring Commission shall meet for an analysis and the proposal for urgent action.

The Technical Secretariat of the Monitoring Committee has developed the Significant Risk Register within CONPET SA, with a tolerance level greater than or equal to 9. The actions for the treatment of significant risks were centralized and the annual plan for the implementation of control measures for significant risks was elaborated, according to the requirements of O.G.S.G. no. 600/2018, this being approved by the Director General in April 2021. As a result of organizational changes and changes in specific objectives, this plan was revised and approved in October 2021.

All actions in the Program for the development of the internal control management system for 2021 were made on the terms set out in the program.

Following the evaluation of the internal control management system in accordance with OGSG no. 600/2018, it has been declared compliant at 31.12.2021 with all 16 standards implemented.

The report on the internal control management system at 31.12.2021 has been drafted in January 2022.



The self-assessment results are submitted annually to the guardianship authority.

Integrated management system

Certification of the Integrated management system quality - environment - occupational health and safety was held for the first time in September 2007 with recertification every three years.
In September 2016 the energy management system certification took place, implemented and integrated with previous management systems.
Surveillance audits conducted by the auditors of the certification body Det Norske Veritas occur annually.

Following the external supervisory audit in September 2021, the following certificates are maintained:

- 179568-2015-AQ-ROU-RvA, for the quality management system;
- 179569-2015-AE-ROU-RvA, for the environment management system;
- 179565-2015-AHSO-ROU-RvA, for the occupational health and safety management system;
- 207619-2016-AE-ROU-RvA, for the energy management system.

Starting 2010, within CONPET SA the railway safety management system is implemented and maintained in accordance with the national legal requirements on railway safety and reference European directives. The field of application of this system includes the railway ramps where CONPET carries out railway shunting, for which the company holds the “License for the performance of rail transport services (railway shunting)”, granted by the Romanian Railway Authority (Ro. AFER).

Also, for Rail ramps in which CONPET S.A. performs only railway shunting for its own benefit/for third parties/ on an industrial railway line not owned by the company, AFER issued on 28.06.2021 the Single Safety Certificate no. OMF 2021007, in accordance with the provisions of OMTIC no. 743/2020.
In order to determine the effectiveness of the integrated quality - environment - health and safety - energy and railway safety management system, in June 2021 the Management Analysis was carried out (A.E.M. no. 29).

The actions agreed following such analysis refers mainly to the following:
- Analysis of the possibility of ensuring the conditions for archiving the documents issued in electronic format within CONPET SA;
- Awareness of the importance of health and safety at work;
- Ensuring the conditions regarding the heating of electrodes, provided in the Welding Procedure Specification (WPS) according to SR EN ISO 15609-1;
- Review of the "Energy planning" process sheet in order to modify the target values of the performance indicators of the process;
- Reviewing the document "Specific objectives for 2021" for the entities subordinated to the economic director, in order to take into account the context changes that may influence the collaboration with the authorities in the activity of updating the Land Registers;
- Inclusion of energy indicators and targets for water consumption in the List of energy objectives and targets for 2022;
- Analysis within the Energy Management Team of the opportunity to establish an indicator for the specific consumption of electricity for technological purposes in electric locomotives, as well as the modification of the indicator of specific diesel consumption for technological purposes, so that it no longer relates to the amount of crude oil pumped, but to the hours of railway maneuvering in the CF ramps;
- Communication to the organization's staff, periodically, of the official CONPET letterhead in force and recalling its use at least on the documents that go outside the organization;
- Conducting an internal survey of workers’ satisfaction with the state of safety and health at work ensured at CONPET S.A. level;
- Review of the system procedure “Communication on environmental, SSM, SU” to introduce a form for the communication of change management information by the HSEQ responsible.

The state of implementation of the actions set out in A.E.M. no. 29 will be reported in the next review meeting carried out by the Management.
During 2021 the objectives and energy targets have been updated. The document “List of energy objectives and targets for 2021” includes the following objectives and targets:

Energy objective 2021	Energy target 2021
O1: Maintaining energy efficiency for electricity use.	O1/T1: Maintaining the electricity annual average specific technological consumption at a level of maximum 3.3 Kwh/product ton O1/T2: Maintaining the electricity annual average consumption in Conpet administrative buildings as compared to the reference period 2019.
O2: Increasing energy efficiency for uses of natural gas.	O2/T1: Reducing natural gas consumption at CONPET compared to the reference period 2019.
O3: Increasing energy efficiency for uses of diesel.	O3/T1: Reduction of specific diesel consumption for the rail shunting within CONPET as compared to the 2019 reference period
O4: Increasing energy efficiency for the uses of automotive fuels.	O4/T1: Maintaining the auto fuel consumption in CONPET compared to the reference period 2019.

Table 14 - Energy objectives and targets 2021

In order to meet these targets, was developed and approved the document: “Action plan for achieving energy objectives and targets”.

The stage of achieving objectives and energy targets for 2021 and the stage of the action in “Action Plan for achieving energy objectives and targets” will be reviewed in the meeting of analysis conducted by the management (ro. A.E.M. no. 30).

The internal audit of the integrated quality-environment-occupational health and safety management system and the railway safety management system shall provide information on compliance with the requirements of the references and applicable legal requirements. Internal audits are also aimed at assessing the effectiveness and continuous improvement of the management systems implemented.

The internal audits were conducted in accordance with the approved program for the year 2021 and the audit criteria established in the audit plans. The results were communicated to the audited entities through the dissemination of audit reports, to which the non-compliance and corrective Action reports (RNAC) opened during audits were attached. The company annually provides resources to develop adequate internal audit, mandatory requirement of the reference standards SR EN 9001:2015, SR EN ISO 14001:2015, SR ISO 45001:2018 and SR EN ISO 50001:2019, as well as the regulations on railway safety.

Starting in January 2021, CONPET S.A. has implemented the anti-bribery management system implementation program, as required by SR ISO 37001:2017.

The first phase of this program was the participation of staff with responsibilities in the implementation of the system at the “Anti-bribery Management Implementation systems" training course.
In March 2021, the anti-bribery policy established by the Director General of CONPET S.A. was approved by the Board of Directors decision dated 23.03.2021 and disseminated to the staff of the organization.

The scope of the anti-bribery management system has been determined by defining in the Integrated Management System Manual. Thus, the anti-bribery management system includes the prevention, detection and fight against bribery, which may occur in the conduct of any process of the organization, at any of the locations of the organization, by any employee of the organization at the interface with the stakeholders included in the Register of stakeholders.

The Director General has designated by decision the working group to carry out the anti-bribery compliance function's tasks for:
- supervising the design and implementation of the anti-bribery management system;
- providing counseling and guidance to staff on the anti-bribery management system and bribery issues;
- ensuring that the anti-bribery management system complies with the requirements of ISO 37001;
- report on the status of implementation of the anti-bribery management system to the Director General and the Board of Directors of CONPET S.A.

- Also, the working group ensures the integration of the anti-bribery management system with the quality, environmental, health and safety at work and energy management systems implemented and certified in CONPET S.A.

In the course of 2021, SMI documents (SMI manual, flow diagrams, process sheets, procedures, CONPET S.A. Stakeholder Register) were revised to include the SR requirements ISO 37001:2017.

4.1.9 Risk management

Within CONPET SA, the Internal Control Management System has been implemented and developed, containing the 16 standards included in the Internal control management code of the public entities.

Implementation of Standard 8 requirements “Risk Management” was a priority in the organization by documentation and application of provisions of PS-MI-18 “Risk management” system procedure (sheet process, flow diagram and system procedure).

In the first half of 2021 have been identified, assessed and centralized risks that may affect the achievement of objectives. At CONPET level, a significant risk register (with exposure level equal to or greater than 9) and an annual plan containing measures to control significant risks, responsible and timeframes for the measures were developed. The risks were revised as a result of organizational changes during 2021 and the Significant Risk Register and the Risk Control Plan were updated/revised in October 2021.
Assessment/reassessment of risks for 2022 will include the analysis stage of the implementation of measures to mitigate the risks for 2021 and will be conducted in accordance with the procedure system “Risk management”, during which the risk register at CONPET will be updated.
In paragraph 4.1.8 “The development of the internal management control system” includes detailed information on risk management in 2021 within CONPET SA.

- **Operational risk**

Operational risk comes from the Degradation of the National Pipeline Transport System due to the low level of utilization (small quantities, reduced frequency) and escalation of the criminal acts related to pipeline attacks bearing significant impact on the Pipelines National Transport System and environment.

The analyzed level of operational risk associated to the “degradation of the NTS“ is large; it is an intolerable risk for which have been set urgent measures to control it, such as the redefinition of the transport infrastructure according to demand-side, restoring and optimization of pumping programs for the stations with low production, expanding the modernization of pumping stations and continuous monitoring of process parameters and identification of new potential beneficiaries of the services delivered by the company.

The results and the company's business may be influenced by specific operational risks, including the following:
- escalation of the criminal behavior of attack to the pipelines with significant impact on the National Transport System via Pipelines and the environment.
- degradation of the National Pipeline Transport System due to the low level of utilization (small quantities, reduced frequency).
- impossibility of railway transport programs exclusively due to the railway operator.

- **The Market Risk**

The Market risk arises from reducing the amount of crude oil transported to the refineries. This makes the utilization of the transport system to be very low. The company must identify new opportunities leading to increased use of the system and adopt solutions for streamlining and optimizing transport activities conducive to maintaining the NTS to a high level of operational security.

The Company is dependent on the level of crude oil processing in Romania and the possibility of intervention in this area lays only in the demand of fuels in the market. The company CONPET can only prove at any time that is capable of providing quality services in the transport of crude oil, rich gas and condensate for any client. To ensure this, CONPET must be an active player and permanently interested in the market developments in this area of interest.

Following the petrochemical industry restructuring in Romania, the transport of crude oil derived products (rich gas) decreased severely, (transport of ethane is no longer made since 2009), which adversely affects the use of the subsystem related to these products.
Given the conditions, by the support of the Ministry of Energy and the National Authority for Mineral Resources (NAMR), CONPET pays efforts to identify new opportunities that lead to the increase of the degree of use of the system, nevertheless involving into regional projects started in its business area.

- **Credit risk**

Credit risk is the risk that the company bears the financial loss due to the failure of contractual obligations by a customer or counterpart to a financial instrument, and this risk results mainly from trade receivables, cash and cash equivalents and short-term investments of the company.

The company is less exposed to this risk due to the specific nature of the services sold, which are aimed at large companies with a particular financial situation.

The company has implemented a series of policies that ensure that the sale of services is made to customers with a rapid collection. The value of net claims (without adjustments for depreciation) represents the maximum amount at risk of collection.

Credit risk related to trade receivables is low because of the regular collection of counter transport services and guarantees received from customers (letters of guarantee). Even though there are significant concentrations, the customer base is extremely low, the management considers that the commercial credit risk is low.

- **Risk related to the regulation and authorization**

Risk related to the regulation and authorization, which is significant given that the company shall regularly obtain and renew several opinions, permits, certifications (for railway shunting activity). The Company is subject to a large number of regulations in various fields, aspects which sometimes leads to additional costs and delays in the commencement or completion of works, with possible negative effects (such as technical failures followed by loss of product shipped which give rise to sanctions from the authorities).

The core business of CONPET, namely transport via pipelines and railway tanks has a significant environmental impact, which involves obtaining and renewing permits that regulate the activity of the company, obtaining building permits, based on all the necessary permits for work subcontracted from repair and investment programs, permits and certifications (AFER) for railway shunting activity, obtaining the INSEMEX authorization for all sectors etc.

The company's activity is subject to a large number of regulations in various fields, which, if not respected, can lead to sanction or suspend the operations of the company.

- **LIQUIDITY RISK**

The liquidity risk is the Company’s risk to face difficulties in the achievement of the liabilities associated with the financial debts that are being settled in cash or by the transfer of another financial asset.

The Company’s approach in the liquidity management consists in providing, as much as possible, that it will always dispose of enough liquidities to pay the maturity liabilities, both under normal and stress conditions, without bearing unacceptable losses or endanger the Company’s reputation.

The liquidity risk is managed by the Company’s management by the application of a permanent insurance policy of liquidities meant to cover the settlement of the due financial liabilities.

The level of this analyzed risk is low, the measures to keep it under control stick to the close surveillance of the exposure to liquidity risk, this measure being sufficient.

- **Exchange Rate Risk**

The company may be exposed to fluctuations of the exchange rate of the currencies by means of cash and cash equivalents, short-term investments, long term loans or trade liabilities expressed in foreign currencies.

The functional currency of the Company is the Romanian Leu (RON). At present, the Company is exposed to the exchange rate risk through cash and cash equivalents, as well as through the procurements made in a currency different from the functional currency. The currencies exposing the Company to such a risk are mainly EUR, USD and GBP. The debts in foreign currency are subsequently expressed in RON, at the exchange rate of the date of the balance sheet, communicated by the Romanian National Bank. The resulting differences are included in the profit and loss account, but do not affect the cash flow up to the moment of the liquidation of the liability. The Company's exposure to the exchange rate risk expressed in RON was insignificant. The analyzed level of this risk was negligible; it is a tolerable risk for which no necessary special measures are needed to keep it under control.

- **Risk of disputes**

The Risk related to litigation, which comes from the faulty way the legal status of under/over crossed land by major pipeline transport has been regulated. CONPET was and currently is engaged in a series of trials where the owners of those lands claim for the transport pipelines be either lifted or moved to other sites and the expense be borne by the company.

One of the major risks the company is currently exposed to, as concessionaire of the Crude oil, rich gas, ethane and condensate national transport system drives its sources in the legal regime of the lands under/over crossed by the transport major pipelines instituted pursuant to the provisions of Petroleum Law no. 238/2004. The number of private properties under/over crossed by pipelines is very high and there is a possibility that more and more owners bring proceedings in Court against the Company to obtain substantiated compensations based on the simple presence of the pipelines on their lands. Due to the defective way in which the legal regime of the lands under/over crossed by the transport major pipelines has been regulated, CONPET was and currently is engaged in a series of trials where the owners of those lands claim for the transport pipelines be either lifted or moved to other sites (and the expense be borne by CONPET), or be granted annual compensations representing consisting amounts of money. Moreover, even some public authorities have laid claim pecuniary about the presence of components belonging to NTS, on the lands owned or managed by them.
Within the last years, the Company prepared various legislative proposals to amend Law no 238/2004 - Petroleum Law, hoping for a coherent and clear regulation of the legal regime of lands under/over crossed by the transport major pipelines. In essence, these proposals are based on the following assumptions:

- public property (of the major pipelines) must coexist with private ownership of land, which leads to the conclusion that the state must be acknowledged the exercise free of charge to certain categories of rights real (encumbrances etc.) for the presence of the pipes on the ground;
- CONPET must fully compensate the landowner for any action that would require temporary occupation of land for repair or damage suffered by owners due to damage.

- **The Risk Determined by the Correlation with the Global Market Evolution**

At international and regional level (the European Union):

At the end of 2020, according to the IEA International Energy Agency estimates, it was appreciated that the world oil markets will recover by the end of 2021 the massive shock of the decline in demand triggered by the Covid-19 but will only tend to reach 2019 levels between 2023 and 2026.

At the beginning of 2021, the price of oil was able to recover to its pre-pandemic level. Although demand for oil was low compared to normal, the rise in price fuels hope for a rapid economic recovery as vaccines were launched.
On the rise in 2021, oil prices have been on a largely upward trend. In October it reached its highest rating for the year, $85.61/barrel, with a short-awaited return from the 19 Covid pandemic shock, even exceeding 2019 levels.
Brent's annual average in 2021 of $71/b is the highest in three years. The price of crude oil of West Texas intermediate (WTI) followed a pattern like Brent and was on average $3/b less than Brent in 2021.
The rise in oil prices is mainly due to the weak development of the natural gas, liquefied gas and coal markets (which will last at least until early 2022), as well as the efforts of oil producing nations, particularly Saudi Arabia, to reduce production.

Short-term development estimates. The global economy recovered strongly in 2021, supported by unprecedented fiscal and monetary incentives in major economies. Global GDP growth for 2021 was estimated at 5.5% and is forecasted to 4.2% in 2022. According to IEA (International Energy Agency), oil consumption will reach 101 million barrels per day in 2023, fully recovering nine million barrels per day in 2020. Brent oil futures contracts increased by more than 10 USD per bbl to exceed 83 USD per bbl at Q3/2021.

In the short term (years 2022-2023), global demand for oil is expected to increase by 4.2 mb per day annually, given the improved management of COVID-19 and the increase in vaccination rates, allowing economic activity and mobility to return to pre-pandemic levels, supported by a steady boost in economic activities, in particular China, India and Asia.

Long-term development estimates. The pandemic forced rapid changes in behavior: from new work patterns at home to reductions in air, business and leisure travel. At the same time, more and more governments are focusing on the potential for a sustainable recovery to accelerate the drive toward a low-carbon future. Thus, in the long term, oil demand will decline because of these trends, increasing the prospect of a peak earlier than previously expected if governments continue with strong policies to speed up the transition to clean energy.

Update of the evolution of the global market amid the Russia-Ukraine conflict

The price of crude oil in 2022 increased steadily, with Brent quotations of $79/barrel on January 3rd.

According to data from the International Energy Agency (EIA), in January 2022, the average price of a Brent crude oil barrel was of $86.51. This was an increase of more than $10 from the previous month and the result of geopolitical concerns and higher demand prospects of traders.

In early February, geopolitical unrest stemming from the Russia-Ukraine conflict and elsewhere led to a significant increase in oil price prospects in 2022, against the overall backdrop of OPEC trade stocks of 2.68 billion barrels (the lowest level since 2014) and fears of major disruptions in

crude oil supply. As of February 28th, 2022, the price of a Brent crude oil barrel was of $100.99 and $95.72 for WTI oil.
Russia's attack on Ukraine, missile attacks on Abu Dhabi, a blockade in Libya and protests in Kazakhstan have prompted evolutionary estimates of the price of short-term crude oil comparable to untouched levels since 2008 after crude oil futures exceeded $130 per barrel and the cost of natural gas rose.

At present, the impact of the energy sanctions applied to Russia by the EU and the United States, respectively on Russian oil and gas imports, is still being analyzed, the prospects of disproportionate "enormous ramifications" for each EU member country being unanimously accepted, the risks being extreme.

On the European/regional downstream refining segment

Globally, refinery margins across all major trading centers declined in the latter part of 2021 as the performance of all barrel products in all regions lost ground except Asian naphtha. This decrease was attributed to an increase in product production as refineries increased operating rates, following major changes to restore product stock levels.

The speed and depth of the recovery is likely to be uneven both geographically and in terms of sectors and products. Demand for gasoline is unlikely to return to 2019 levels as efficiency gains and the shift to electric vehicles eclipse robust mobility growth in the developing world. Aviation fuels, those most affected by the Covid crisis, are expected to gradually return to 2019 levels by 2024, but the spread of online meetings could permanently change trends in business travel.

The European refinery sector experienced the most significant recession in the period 2008-2013 with the total refining capacity being reduced from 765 to 691 million tons/year by closing 12 refineries. By 2018, another 9 refineries had been closed, with refining capacity falling by 13%.
After a relative stabilization in 2019, the COVID-19 pandemic and the deep crisis generated throughout the oil industry value chain have caused negative reactions from the refining sector across the European continent, as follows:

- Petroineos Grangemouth refinery in Scotland has reduced its capacity by 30% to approximately 150,000b/day;
- The Livorno refinery in north-western Italy will be shut down and suspend all related activities until the end of 2022, with conversion into a bioforestation being assessed;
- ExxonMobil permanently closed its Slagen refinery in Norway in June 2021 to turn the site into an import fuel terminal;
- The Gunvor refinery in Rotterdam has completely closed its two crude oil processing units and is developing new processes in the field of hydrogen and co-processing of vegetable oil;
- The Gunvor refinery in Antwerp is suspended, with no signs of recovery in 2022;
- The Grandpuits refinery in France will turn into a biofuel and plastics recycling complex, ending crude oil refining in early 2021.

At the regional level, during 2021 only scheduled outages were recorded:

- Lukoil's Neftochim refinery in Burgas, Bulgaria, has postponed the maintenance work scheduled in spring for October-November;
- Mol in Hungary continues maintenance works on various units of Duna and Bratislava refineries in the third quarter of 2021 after several works were postponed in 2020 for cost control;
- The refinery in Izmir – Turkey has postponed maintenance works, scheduled to last 30 weeks, to 2022.

Update of the evolution of the global market amid the Russia-Ukraine conflict

According to analysis data from Deloitte and S&P Global Platts, European oil markets and refineries are most exposed to potential tougher Western financial sanctions or possible pipeline disruptions generated by Russia's invasion of Ukraine. The Druzhba pipeline system transporting almost 1 million bbl/day of crude oil from Russian deposits to Europe, mostly to refineries in Germany, the Netherlands and Poland

About half of Russia's exports of crude oil and petroleum products - currently at about 6.5 million b/day - are sent to European countries.

The northern branch of the Druzhba route through Belarus supplies crude oil from the Urals to refineries in Poland and Germany.

The German 230,000 b/day PCK refineries at Schwedt and the Leuna refinery of 230,000 b/day are both powered by the Durzhba pipeline, although they could also obtain alternative supplies through Baltic Sea ports. PKN Poland's 326,000 b/day Plock refinery also processes crude oil delivered through Druzhba, but has diversified its sources of supply, buying crude oil from Norway, Angola, Nigeria, Saudi Arabia and the US.

The Polish refinery in Gdansk, with a value of 210,000 b/day, is also based on imports from the Urals through Druzhba, although due to its location on the Baltic Sea, it can receive deliveries of crude oil and sea.

The southern branch of the Druzhba pipeline transits the territory of Ukraine transports Russian oil to Slovakia, Hungary and the Czech Republic. Ukrainian transit of Russian crude oil for export to the EU was of 11.9 million tons in 2021, down from 12.3 million tons in 2020, while the transit of oil to Belarus remained unchanged at about 800,000 tons.

Crude oil shipments through the southern branch of the Druzhba pipeline network included 5.2 million tonnes, or about 104,427 b/day, to Slovakia; 3.4 million tonnes, or approximately 68,279 b/day, to Hungary; and 3.4 million tonnes, or about 68,279 b/day, to the Czech Republic.

Maritime transport route options

Even if pipeline flows to Europe are disrupted, there are alternative export capacities with maritime transports from the Black Sea, Mediterranean and Baltic ports. In the Czech Republic, although Unipetrol's Litvinov refinery relies on the supply of crude oil from the Druzhba pipeline, its Kralupy plant is mainly supplied by the TAL-IKL pipeline, which transports crude oil delivered by tanker to the Italian port of Trieste. Duna Refineries in Hungary and Slovnaft Refineries in Slovakia, both owned by MOL in Hungary, process crude oil delivered mainly through Druzhba. However, crude oil can also be supplied at sea through the Janaf pipeline, which transports crude oil from the Croatian Omisalj terminal.

The most serious scenario of the conflict in Ukraine is the interruption of exports of about 250,000 bbl/day to Europe through the military escalation of the conflict and the lack of close prospects for the substitution of Ural oil.

With oil markets on the horizon for rising prices of more than 120 USD/bbl of oil as stocks and spare capacities dwindle, any further disruption in supply hitting the world's second-largest oil exporter could trigger even greater price volatility, with risks and effects that are currently impossible to estimate.

Nationally, on the upstream segment - exploration and production of crude oil and condensate

In terms of primary energy resources for 2021, the provisional data released by the Statistics National Institute (ro.INS) for crude oil (period January - December 2021) shows an internal production of 3.103 million toe (Tone of oil equivalent) down by 4.1% compared to 2020). Also, there is a decrease in crude oil imports – 6.823 million toe, respectively 2.3% compared to 2020. Imported petroleum products were at approx. 3.9 million toe, 19% above the level of 2020.

On the upstream-oil exploration and production segment, OMV Petrom is present in Romania, Kazakhstan and Bulgaria, and from 2020 it aims to obtain an exploration block in Georgia.

According to the preliminary results 2021, the total proven reserves of crude oil and gas in the portfolio of OMV Petrom Group were of 473 mil. toe (of which 451 mil. toe in Romania), while the proven and probable reserves of crude oil and gas were of 761 mil. toe (of which 720 mil. toe in Romania).

According to the Q4/2021 report, the total production of crude oil and condensate decreased by 9%, mainly due to the sale of production assets in Kazakhstan in Q2/2021, the sharp natural decline in the main deposits, as well as the operational maintenance activities.

In Romania, the production of crude oil and condensate was of 23,05 million bbl (down by 10% compared to 2020) mainly due to the natural decline, partially counterbalanced by the higher contribution of production from new wells and capital repairs. The natural gas production in Romania decreased by 12.4%, to 3.7 billion cubic meters, being influenced by the sharp natural decline of the main deposits. The cost of production increased by 17%, to 13.19 USD per toe, mainly reflecting the decrease in production available for sale.

In the short term, OMV Petrom's strategy keeps as a target for exploration the areas with high and deep impact (>4,000 m) and the extension of the offshore licenses in the Black Sea, the XIX Neptun block.
In order to continue the policy of outsourcing some marginal deposits, in November 2021 OMV Petrom carried out the third round of outsourcing for a number of 40 marginal exploitation deposits to Brent Oil, after having previously transferred a number of 39 deposits to Mazarine Energy.

2022 Perspectives.
For 2022, OMV expects an average price of 75 USD per barrel (in 2020, 71 USD per barrel). The market will be growing slightly amid increasing demand for petroleum products, and the strategic direction in the upstream segment will be to continue optimizing the portfolio.

The main uncertainties identified at the end of 2021 at group level that may influence the results for 2022 are the price risks of the marketable goods, the operational risks as well as the political and regulatory risk.

On medium and long term, the downward trend of production will continue until 2025-2030, followed by an expected sharp decline. As shown in the Romanian Energy Strategy 2020- 2030, with 2050 perspective, lower production of crude oil will reach about approximately 1.7 million tonnes in 2030 and up to 1.15 million tons in 2050.

At national level in downstream - refining, storage and distribution of fuel

On the downstream segment (refining – distribution) Romania has a total refining capacity of about 12.7 million tonnes per year. In 2020, Romania processed a total quantity of 10.2196 million tons of crude oil, down from 2019 when it processed 12.23 million tons.

According to the T4/2021 report, OMV Petrom Petrobrazi Refinery used in 2021 4.74 million tons of raw material, up by 5% compared to 2020. The refining margin indicator increased by 90%, to 5.47 USD/bbl, due to larger differences in both gasoline and medium distillates. In 2021 the refinery utilization rate was 97%, above the European average, and sales of refined products were 7% higher than in 2020, reaching 5.34 million tons.

According to the preliminary financial report 2021, the Petromidia Năvodari Refinery owned by the Rompetrol – KazMunayGas group processed in 2021, 4.586 million tons of raw materials, down by about 8% compared to the previous year. The reductions were mainly generated by the technical accident in July, following the cessation of the operational processes in the Petromidia refinery in the third quarter of the year. The production activities of Petromidia refinery were resumed at the end of September 2021, the technological installations being gradually restarted, and at the end of October 2021 they reached the optimal operating efficiency.

As for the Vega Ploiesti refinery, the only domestic supplier of bitumen for the Romanian market and the only national producer of hexane, has refined 0.34 million tons of raw material down from 2020 by over 9%. In 2021, the refinery produced 1.13 million tons of gasoline and 2.5 million tons of aviation diesel and gasoline.

The projections of the specialized analyses on the downstream-refining and fuel sales segment in the medium term, consider a relatively constant consumption until 2025, the arguments being the balance between demographic decline and energy consumption and the impact of electro-mobility at the level of important economic sectors. In normal operation conditions, in a stable business environment and without major disruptive events, the termination of refining activity in Romania is unlikely, still a possible decrease due to increasing demand and pressure from other competitors being possible.

In the long term, beyond 2025, a significant decrease in fuel consumption is expected, generated by the major impact of the expansion of electro mobility in the freight transport sectors/industry also.

- **Capital Market Risk**

The Romanian capital market registered a positive evolution during 2021, given the fact that it acquired the status of an emerging market in September 2020. The average daily liquidity for all types of financial instruments recorded an upward trend during the period under review. Romania's representativeness in the Emerging Markets indices has improved significantly. Also, in February 2021, CONPET S.A. was included in the FTSE Global MicroCap index. Thus, we hope that in the future the reduced liquidity risk will influence as little as possible the volatility of the shares.

- **Legislative-related Risks**

The frequent amendment of the normative acts here included those that bear direct impact on CONPET business may trigger risks for the company.

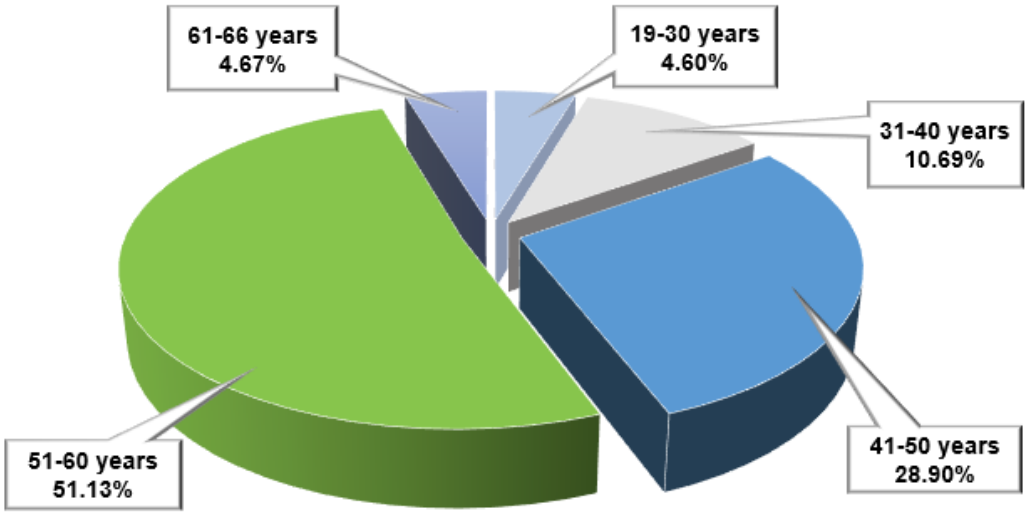
The effort of the company CONPET to constantly adapt to changing legislative requirements may generate additional costs and possible future changes in the legislative framework could have negative effects on the activity and profitability of CONPET (increased taxes, introduction of new taxes and duties, reduction or suspension of tax concessions, etc.).
Moreover, a possible increase in the level of the royalty paid for the use of the national Transport System may affect the financial statements and financial projections. An increase of the level of the royalty shall reflect into an augmentation of the transport tariff and, subsequently, the consequences may be seen on two lines: in the decrease of the crude transported quantities and over the pump price of the finite products resulted from the crude oil processing.
An important risk is being represented by the loss of the facility regarding the expenses borne by the Romanian State to provide the guard and protection of the pipelines by gendarmes, regulated by GD no. 1107 dated November 14th, 2012, which amends and complements GD no. 1468/2005.

- **The Personnel Risk and the Waging System**

At December 31st, 2021, the structure according to age is not balanced, the age category with the highest rate ratio in the company is ranging between 51 - 60 years old (51.13%) and between 41-50 years old (28.90%).

The average age of CONPET personnel is high (49.3 years old), and the advantage it brings is the work experience accumulated by employees within the company, which indicates stability and professionalism. The average age of the personnel employed in the last two years is 41 years, with an average work experience of 15.5 years.

Chart 11 - Personnel structure by age groups



However, the risk of personnel in the future is for the company to deal with staff shortages due to staff departures experienced natural causes.

The level of this analyzed risk was low; being a high tolerability risk and for the control thereof have been set medium and long-term measures by way of the personnel policy and the monitoring of the personnel fluctuations (personnel input/output).

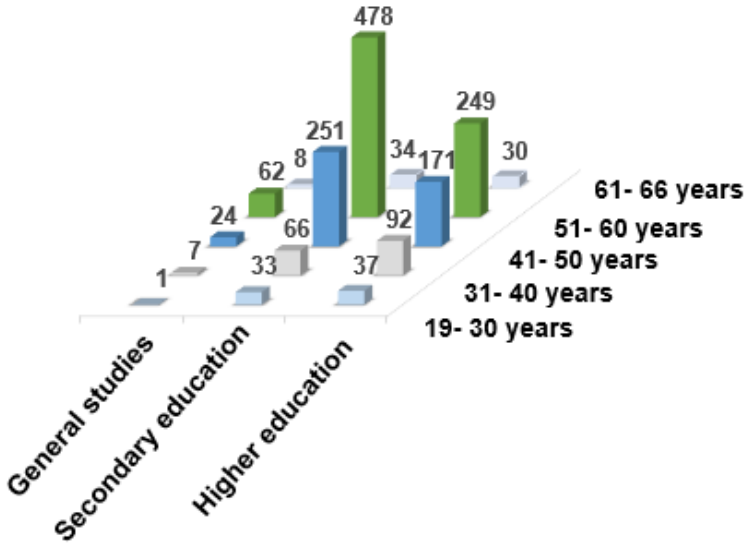


Chart 12 - Personnel structure by studies and age groups in 2021

In terms of level of education, the highest share is for employees who have medium and higher education and are between the ages of 41 and 60.

It should be noted that the age group of 41-50 years is relatively well represented by the scale of employees who will reach the standard retirement age in at least 12 years and a maximum of 25 years, and about 70 % of this echelon has a seniority in society of more than 10 years.
In this regard, the urgent need of vacant posts occupancy is carefully monitored, according to the needs required by organizational entity, the complexity and diversity of activities, skills needed and the responsibility related posts.

- **The risk caused by pandemic Corona virus (Covid-19)**

Besides the above mentioned risks the company is currently facing risks caused by pandemic corona virus (COVID-19). Under these circumstances the company CONPET SA adopted an Action plan to prevent and combat contamination of employees with the new corona virus (COVID-19), as well as to identify scenarios for ensuring business continuity in the premises of the company, if the occurrence of cases of infection with the new virus (COVID-19).

Ever since the beginning of this situation, CONPET adopted special measures to protect the employees and limit a potential extension of the disease COVID-19. Thus, measures for the prevention and protection in all sites where employees operate have been taken, including: limiting visitor access, which is allowed only in absolutely necessary situations, subject to the rules of disinfection set by CONPET, intensification of actions on prevention and hygiene, limiting internal travel at their workstations, establishing minimum staff for the smooth running of operations and ensure continuity in the transport of crude oil, in the light of the pandemic of Corona virus (Covid-19).

CONPET is a financially stable company that has the ability to quickly and efficiently implement emergency measures to be taken to protect the health of employees as well as to maintain safe administration of the crude oil National Transport System. In the context of the pandemic Corona virus (Covid-19), the company ensures business continuity. In terms of the Company's financial statements for the year 2021, the activity is not affected and there is no need to the adjustment thereof.

4.1.10 Internal and external audit

Internal audit

The internal public audit activity within CONPET SA is organized at the level of the Internal Public Audit Bureau. At the level of CONPET S.A. the internal audit structure is established and is functional, the Internal Public Audit Bureau is functionally and administratively subordinated to the General Director and functionally to the Audit Committee.
The internal public audit activity in 2021 was performed based on the Internal Public Audit Plan, approved by the Director General of CONPET S.A. and endorsed by the Audit Committee, composed of 3 members of the Board of Directors.

The core component of the system for reporting the results of the internal audit activity is represented by the internal audit reports, which are compiled at the end of each completed mission and are approved by the company’s management. The reports include the findings, conclusions and recommendations made by the auditors in order to improve the audited activities, as well as their opinion in relation to the level of functionality and efficiency of the internal control system attached to the areas assessed.
In 2021, a number of 6 (six) audit missions were carried out in the fields corresponding to the legislative framework applicable to internal audit (budgetary field, financial accounting, company-specific functions and other fields of activity), following which 10 recommendations were formulated.

The missions carried out in accordance with the Internal Public Audit Plan were thematically:
- Fulfillment of the obligations assumed by the company through the Petroleum Agreement;
- Analysis of the way of substantiation, elaboration, revision and reporting of REB of Conpet SA;
- Evaluation of the corruption prevention system;
- Realization of revenues from the transport of crude oil by tankers;

- Evaluation of the accounting system;
- Implementation of the Regulation on the protection of personal data within Conpet S.A.

The recommendations made during 2021 by the internal auditors have been implemented or are being implemented by the audited structures; there have been no cases of deprecation of the recommendations made by the internal auditors and there have been no cases of unspoken recommendations. The Internal Public Audit Office shall continuously monitor the implementation of the recommendations and report on a half-yearly report to the Director-General and the Audit Committee on the status of the recommendations not implemented and in the process of being implemented.

The Internal Public Audit Bureau has updated the Methodological Norms on the exercise of the public internal audit activity and the Internal Audit Charter, following the request no. 28592/18.08.2021 transmitted by the Internal Public Audit Compartment within the Ministry of Energy and the Government Decision no. 316/2021 on the organization and functioning of the Ministry of Energy and sent them for approval to the Internal Public Audit Compartment within the Ministry of Energy. In advance, the Internal Audit Charter was endorsed in September 2021 by the Audit Committee of CONPET S.A.

External audit

The annual financial statements have been audited by the independent financial auditor BDO Audit SRL, appointed by GMS Decision no. 5/30.09.2019 for three years, starting with the financial year 2019. The financial auditor fulfilled to review interim quarterly financial statements drawn up for the first half of 2021.

4.1.11 Assessment of human resources and social dialogue activity

Personnel structure

The number of employees on December 31st, 2021 was of 1,543 persons.

Following the adoption, in 2020, of certain measures meant to resize the human resource, as well as of certain voluntary, or triggered to other causes personnel termination, the effective number of employees at 31.12.2021 decreased by 46 employees as compared to 31.12.2020.

The evolution of personnel structure by education categories reveals the interest of the company to cover the staff needs with high qualification specialists and by the continuous improvement of the existing staff.

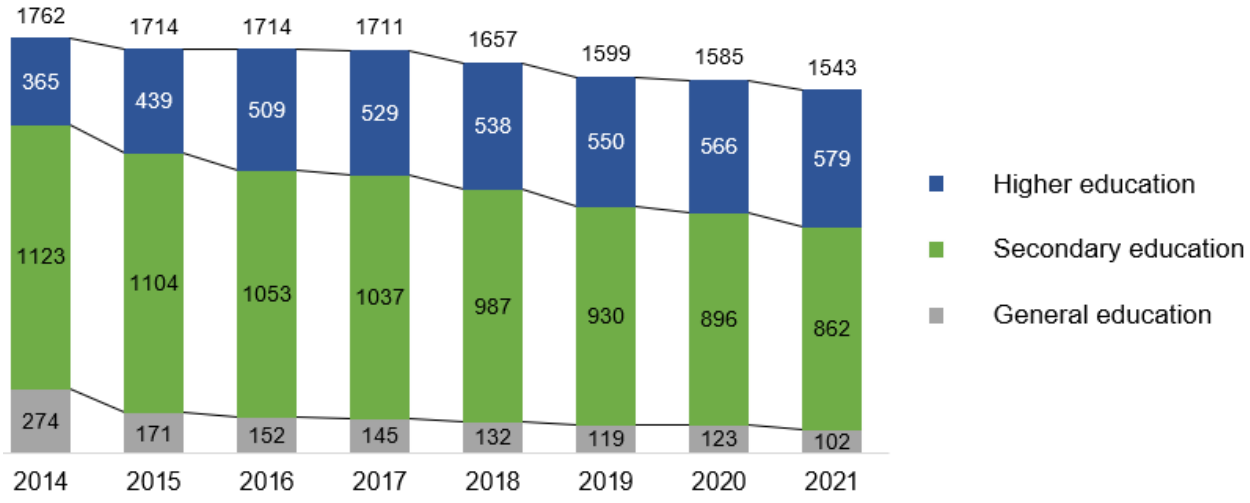


Chart 13 - Evolution of personnel structure by level of education between 2014 -2021

In 2021, the number of higher education employees was 579, increasing by 13 persons compared to 2020, and the number of secondary or general education employees has decreased from 1,019 people to 964 people.

Studies	Total	% in total employees	Women	% in total employees	Men	% in total employees
General	102	6.6%	9	0.6%	93	6.0%
Secondary education	862	55.9%	75	4.9%	787	51.0%
Higher education	579	37.5%	217	14.0%	362	23.5%
Total	**1543**	**100%**	**301**	**19.5%**	**1242**	**80.5%**

Table 15 - Personnel structure by education level and gender at December 31st, 2021

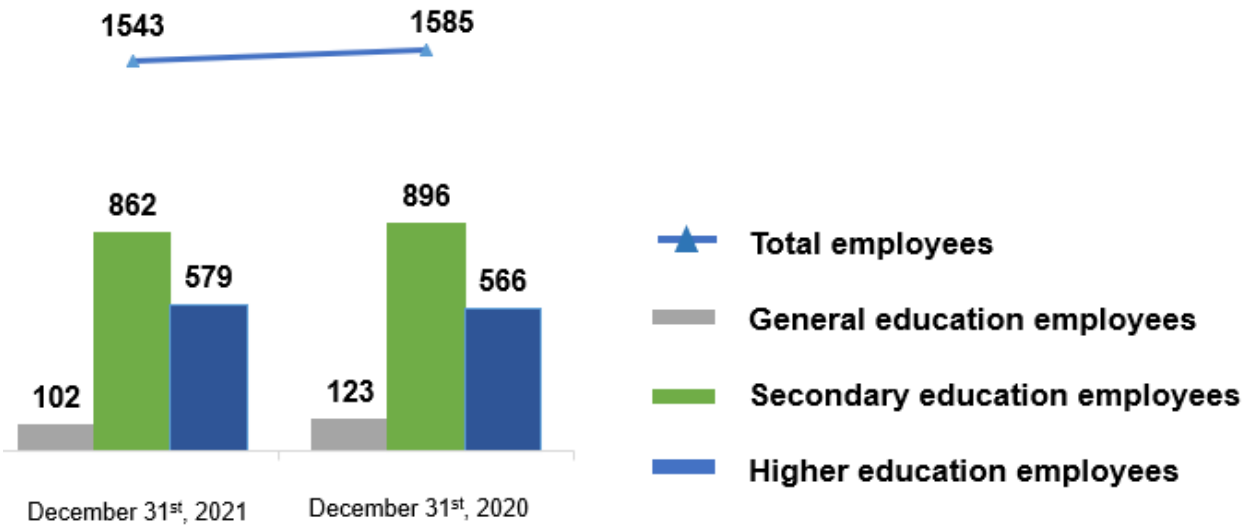


Chart 14 - Evolution of personnel structure by level of education at December 31st, 2021 as compared to December 31st, 2020

The evolution of the staff structure by education categories and gender reveals that the company promotes a non-discriminatory behavior by employing female specialists with higher education and professional skills that contributes to the growth of the company's activity results.

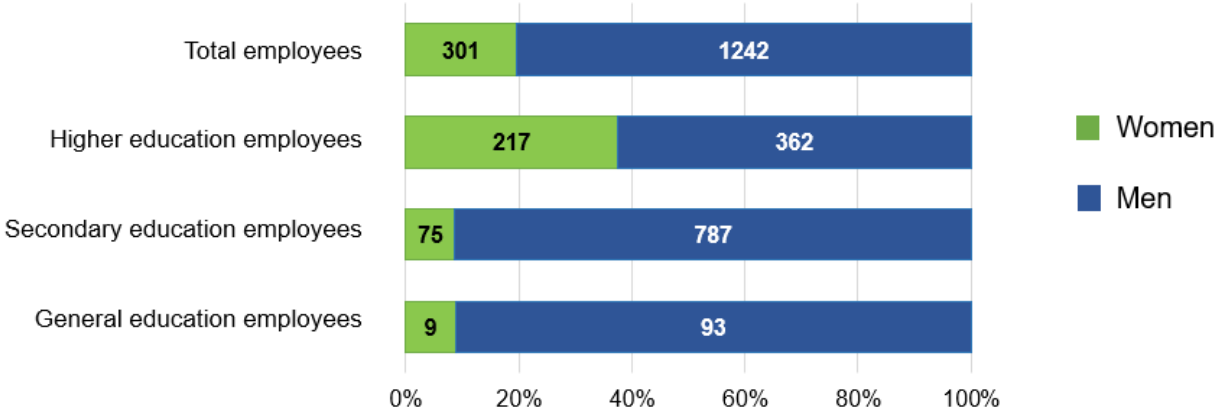


Chart 15– Personnel share structure by categories of studies and gender at December 31st, 2021

The staff with managerial functions represents 5.25% of the total number of employees and the executive staff amounts to 94.75%. Of all employees with managerial positions, 33% is represented by female personnel (December 31st, 2020: 25% of women in management positions).

In 2021 the structure of employees by categories was the following:

- ✓ Directly productive: 574 employees;
- ✓ Technically productive: 332 employees;
- ✓ Administrative: 268 employees;
- ✓ Indirectly productive: 241 employees;
- ✓ General service: 128 employees.

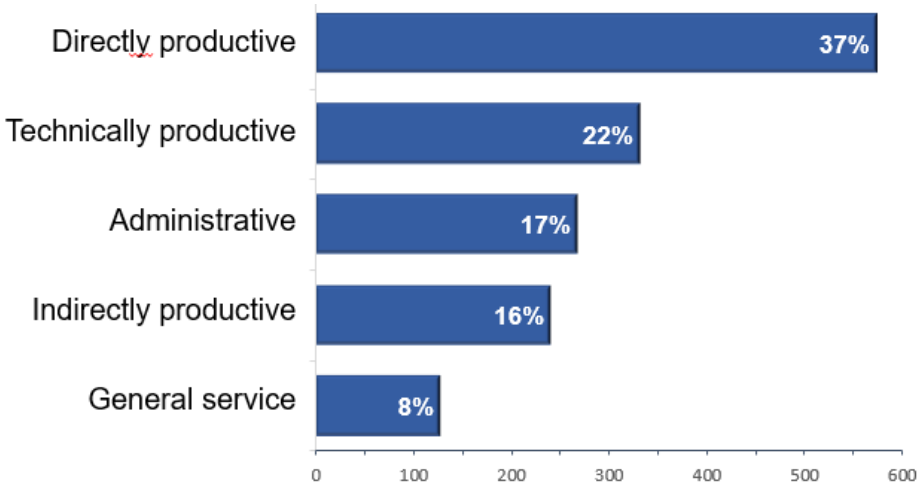


Chart 16 - The structure of employees by category in 2021

The degree of unionization of the workforce at the end of 2021 is of 98.7%. During 2021, there have been no elements of a conflicting nature between employees and the management of the company.

Aspects regarding the Collective Labor Agreement

The Collective Labor Agreement was approved by Decision of the Board of Directors for a period of two years, starting with 01.01.2019 and was registered with the Inspectorate of Labor Prahova

on 27.12.2018. The validity of the Collective Labor Agreement was extended until December 31st, 2021, as per Addendum no. 2 to the Collective Labor Agreement, the addendum being registered at Prahova Labor Territorial Inspectorate at 22.09.2020.
The rights of the employees existing in the labor agreement have been negotiated so that the business profitability be ensured, as well as a balance between the interests of the two parties, the Management and the Union, considering that the interests of the employees and the company\s management cannot be divergent, as well as the fact that the most important resource of the company is the human resource.
In applying the Collective Labor Agreement, in 2021, a number of nine protocols were concluded between CONPET S.A. and the Free Trade Union Conpet.
Following the change of the organizational structure starting with 15.06.2021, the Board of Directors has mandated the General Director for the negotiation and conclusion with the Free Conpet Trade Union of an addendum. Following the negotiation, the Addendum no. 3 to the CLA, which was registered with the Prahova Territorial Labor Inspectorate on 11.06.2021, having as object the update of the nomenclature of functions and of the salary grid, in accordance with the new organizational chart.

In December 2021, at the request of the Free Trade Union of Conpet, negotiations were held between the social partners, negotiations finalized by the conclusion of an Addendum no. 4 to the CLA, registered with the Prahova Territorial Labor Inspectorate on 14.12.2021. Through the concluded Addendum, the Nomenclature of functions, the Salary Grid, was modified in order to increase the basic salaries by 7% starting with December 15th, 2021 and the CLA was extended by 12 months, starting January 1st, 2022.

Changes in organizational structure

For the achievement of the objective regarding the *reshaping and ongoing adaptation of the human resources in correlation with the technical - economic requirements and realities of the company*, the adjustment of the human resources necessary is being adapted and monitored, having regard to:

- the efficient use of personnel;
- providing business continuity, under the conditions required by the permanent fluctuations in production;
- providing balance between the personnel number and the real technical-economic and administrative needs of the company.
- flexible redistribution of human resources in order to avoid possible blockage in supplying personnel and in view of ensuring the most effective use of the personnel.

CONPET S.A. management pays particular attention to the process of optimal sizing of the resources necessary to achieve the objectives set, through managerial measures, in order to reduce expenses and optimize the functional structures in accordance with the current needs of the company, by constantly ensuring a balance between the number of personnel and the real technical-economic and administrative needs of the company.
In this context, at the level of directorates and departments, a new analysis was started in February 2021 to resize the human resources needs in correlation with the needs of the company, with the aim of reorganizing the activity and streamlining work, leading to increased profitability by maximizing effectiveness in the use of human and financial resources and enhancing employees' time management at the workplace. The analysis aimed at:

- identifying the correlation between the number of positions and the work volume;

- identifying the degree of workload of every employee, as well as of the interaction of the activities performed between the occupants of the positions;
- Identifying the total use, by the occupant of the positions, of the working time related to the achievement of the work duties;
- Identifying the possibility that the duties of employees may be taken over by the other employees of the entity concerned, in compliance with the legal provisions on working time;
- the possibility of monitoring pipelines by extending routes or by alternatively tracking several routes by sector staff;
- the possibility for some employees to perform their duties at several low-activity points, and there is no need to maintain a full-time employee.

As a result of this analysis process, 29 posts were identified, which were disbanded in accordance with the Decision of the BoD.

Thus, the position was reduced by the 29 posts, with the consequence of the individual dismissal of 29 employees, occupants of those posts, for reasons not related to their person. The executive management has taken the necessary steps and drawn up all the necessary documents (modification of the state of functions, notices, dismissal decisions, etc.), so that the individual dismissal process of the employees is carried out in accordance with the legal regulations in force and in compliance with the provisions of the Collective Labor Agreement.

The Activity of Professional Training and Authorization

To maintain and/or develop specific skills and basic abilities of the human capital, the training activities are carried out on an ongoing and planned basis, based on the professional training and authorization programs of the company, as a result of the conduct of a comprehensive process of identification and priorities setting of the CONPET SA staff training needs.

Training of company personnel is achieved mainly through participation in external courses, organized in collaboration with certified trainers for all fields of activity within the company. Also, training is conducted internally by trainers and/or experts of the company, with a good knowledge and experience relevant to the activity of the company. They hold training sessions and trainings to update knowledge and skills specific to the job.

Training of the employees has two components: training (technical, economic and other specialties) necessary to perform duties in the job description and a general one on training and/or professional licensing in various fields.

CONPET management assures annually, by the Revenues and Expenditure Budget, sources for the provision of training. Special attention is paid to the training of technical staff (maintenance and operations), mainly for new skills necessary to carry out the safely operation of the National Transport System.

Crt. no	Type of training and professional authorization 2021 - 12 Months	Participant employees
1.	Various fields authorizations (specific of activity)	73
2.	Railway authorizations	245
3.	Training	302
4.	Qualifications/training/internal authorizations	454
Total		**1074**

Table 16 - Structure of training/professional authorization courses in 2021

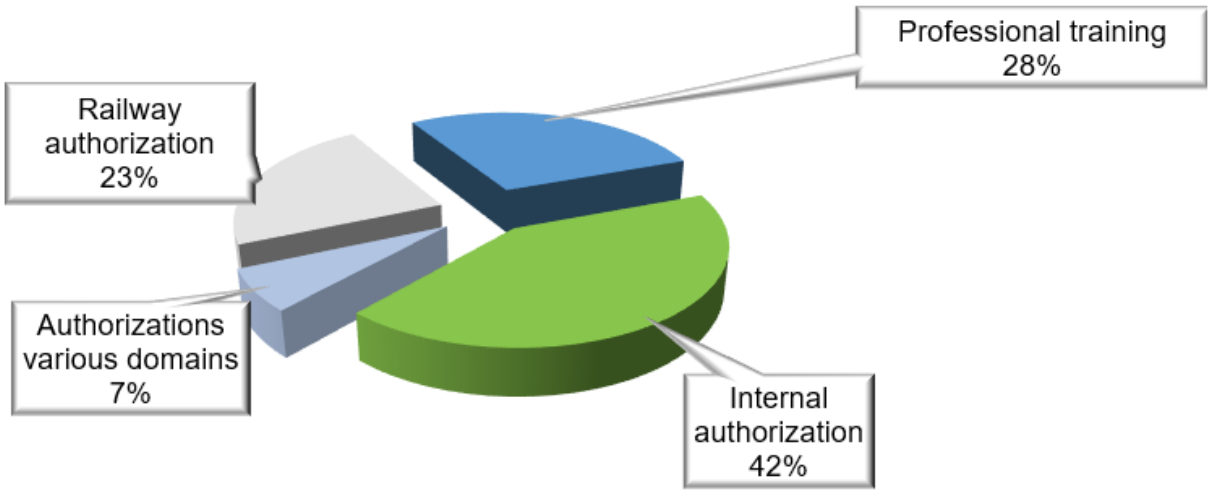


Chart 17 - Type of professional training and authorization 2021

The training and professional authorization activities of employees of the company for 2021 were carried out with the approved revenue and expenditure budget.

Regulation on the assessment of the professional performance of CONPET S.A. employees

In the first quarter of 2021 was carried out the action to evaluate the professional performance of employees for the work carried out in 2020. The evaluation was carried out in accordance with the Employee Performance Assessment Regulation - Annex 1 to the Internal Regulation.

Upon completion of the staff evaluation process, a professional performance evaluation report was prepared which included the results of the evaluation.

The evaluation of the professional performance of employees for the work carried out in 2021 will be carried out under a new regulation which was approved by the Board of Directors in December 2019. The document was drafted for:

- implementation of Standard 3 - *Competence performance* from the Development program of the Internal Control Management System in CONPET S.A.;
- optimization of integrated performance evaluation system of employees within CONPET SA which envisages the establishment of individual SMART objectives and performance indicators for management positions.

At the same time, the new Regulation on the assessment of the professional performance of CONPET SA employees is in line with OGSG no. 600/20.04.2018 on the approval of the Internal Management Control Code, Law no.53/2003 - The Labor Code and focuses on the individual professional performance.

The new evaluation criteria, individual objectives, performance indicators, target values and weights associated to the work of 2020 of the employees in management positions, were subject to conclusion of addenda to individual employment contracts of the employees, as laid down in each entity.

4.1.12 Analysis of the HSEQ activity

Identification of environmental aspects and environmental impact assessment

The environmental impact assessment activity is carried out in the production sectors whenever changes occur in the system involving environmental impact activities, the list of significant impact issues identified at company level being the basis for the development of the Environmental Management Program and the Action Plan for the achievement of environmental objectives.
During 2021, the entire documentation related to the Environmental Management System was reviewed, focusing on identifying environmental aspects, how risks and opportunities related to environmental aspects are treated to prevent and limit their consequences on human health and the environment, using opportunities for the benefit of the organization as well as the environment.
The following documents have been reviewed:
- The Environmental Management Program containing: the commitments associated to the environmental policy, general objectives and measurable environmental targets, the performance indicators on environmental protection, as well as the positions responsible for the achievement of the environmental targets;
- The actions plan for the achievement of the environmental objectives that considered the significant environmental aspects identified inside CONPET the measures from the inspection reports/protocols - authorities, regarding the compliance with the legal requirements and other applicable requirements.

During 2021, from the point of view of the environmental management system, an external audit was carried out, online, to verify compliance with the requirements of the ISO 14001:2015 standard. No non-conformities/deviations were found regarding the compliance obligations in this area.

Regulation of activities in terms of environment and water management

In terms of environmental protection and water management, CONPET activity is authorized in accordance with the provisions of EGO 195/2005 on environmental protection, as supplemented and amended and Water Law no.107/2005, with subsequent amendments and additions.
The company CONPET holds in this respect 39 permits for water management and 22 environmental authorizations.

For the operation in legality from the point of view of environmental protection, for the year 2021, the annual visas of the environmental authorizations were obtained. Also, the environmental permit related to the Berca Ramp (Buzau County) was revised.

As regards water management regulation, during 2021, 21 water management permits for watercourse crossings by SNTT- related piping routes were renewed during 2021.

Assessments of compliance with legal requirements and other environmental requirements

The assessment of compliance with the legal requirements or other applicable environmental requirements is carried out through: inspections carried out by the environmental authorities (representatives of the central and local environmental and water management authorities), inspections carried out by the HSEQ officials and the staff of the Environmental Protection Service, internal audits carried out by the internal auditors within the Internal Management and Management Systems Service. The staff from the sectors, respectively the HSEQ officers conduct scheduled inspections according to the annual inspection chart for compliance with the legal requirements and other applicable requirements, but also not scheduled inspections according to the attributions of the job description.
The environment and water management authorities are, carrying out scheduled audits in CONPET sites, unscheduled and thematic with regards to the observance of the legal requirements and other environmental regulations, not having been found major nonconformities. In order to verify compliance with the legal requirements, 50 external inspections were registered at the level of 2021.

Pollutions bearing significant impact on the environment

While pumping the crude oil, on the transport pipelines, accidental pollutions may occur, triggering the contamination of the geological environment. Therefore, in 2021 there have been reported accidental pollutions in the areas: Mislea (Prahova County), Cireșu (Brăila County), Ovidiu, Poarta Albă, Cuza Vodă, Constanța, Castelu, (Constanța County), Poieni (Teleorman County), Crevedia Mare, Videle (Giurgiu County).
The expenses made in 2021 for the decontamination of the affected areas reached 1.4 thousand RON.

For compliance with the regulations required by the national legislation on environment in force, regarding management of dangerous waste, “paraffin - type” and “tank sludge”, the company CONPET has the obligation to contract services for recovery/disposal thereof avoiding sanctions provided by EGO 195/2005 on environmental protection, Law 92/2021 on waste regime and GD 1061/2008 on the transport of hazardous waste in Romania.
Hazardous waste “tank sludge-type” is generated from the activity of storage of the crude oil in tanks (in time, mechanical impurities from crude oil settles generating this sludge), it must be periodically evacuated, in order to ensure the necessary storage space for the crude oil, respectively repairs/calibration of tanks, as well as the need to eliminate the risk of fires or pollution from oil storage tanks, tanks leaks, decanters and sewage that is no longer present in the technological and sludge deposits.
The expenses for the execution of the slurry cleaning services carried out in 2021 were of 240 thousand RON.

Within the technological flows carried out by CONPET Ploiesti, periodically, based on maintenance programs, the main and/ or local crude oil transport pipelines are subjected to cleaning operations of the interior space with special devices called "pigging". Following the execution of inside cleaning of these pipelines, of the related keyboards, of the filters from pumps or skids, paraffin is generated which is a hazardous waste according to environmental legislation in force. This waste was stored in metal dumps, located in the technological premises of the company, until its disposal by authorized operators.

Monitoring of environmental factors

Based on the requirements of the chapter "Environmental Monitoring" included in the environmental permits, "*The annual program for monitoring and measuring the characteristics of the environmental factors 2021*" has been developed, which has included the performance of the following parameters:

- ✓ concentration of pollutants in the exhaust emissions from the water surface into the water in the sewer network and the concentration of pollutants in the groundwater (existing monitoring wells) determining the level of pollution in the event of accidental pollution of rivers;
- ✓ the concentration of pollutants in atmospheric emissions of stationary sources and/or movable (thermal power stations, oil storage tanks), and the concentration of pollutants in the ambient air;
- ✓ concentration of specific pollutants from soil samples;
- ✓ noise level.

To determine the level of pollution for the environmental factors water, air, soil and noise analyzes are conducted by certified laboratories. The values recorded for each measured indicator were below the maximum limits provided for by the regulation, according to test reports issued. The physical and chemical analyzes to monitor environmental factors were taken through laboratories accredited according to SR EN 17025: 2005.

The results of monitoring the environmental factors are communicated to the environmental authorities as required by environmental permits. In 2021, the costs for environmental factors monitoring amounted to 20 thousand RON.

4.2 Analysis of the corporate activity

4.2.1 Main components of the NTS infrastructure

Below is represented, on the map of the country, the Crude oil, Condensate, Rich gas and Ethane National Transport System.

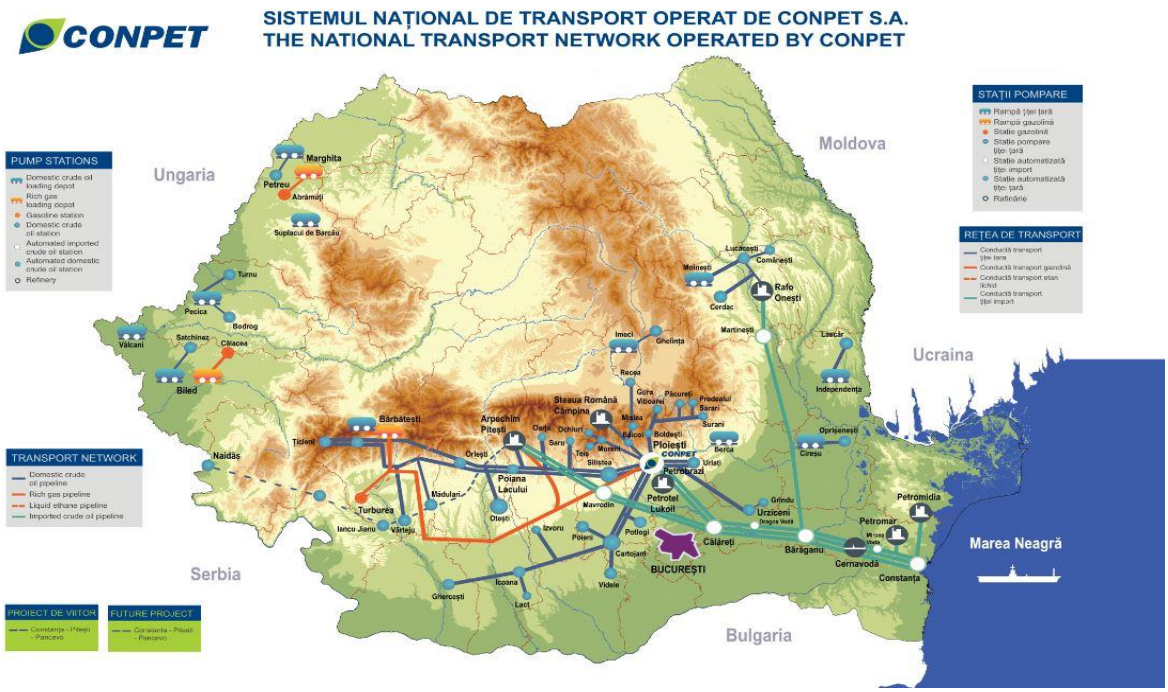


Chart 18- The National Transport System operated by CONPET

Given the natural distribution of the oil fields spread over the entire Romanian territory, the National Transport System was built so as to meet the transport needs from all those fields to the refineries. The system operation is being made based on the local dispatch centers, coordinated from the Company's Central Dispatch.

The Crude Oil, Rich Gas, Condensate and Ethane National Transport System has in composition 4 transport subsystems, grouped according to the transported products as follows:

The domestic crude oil and condensate subsystem transport

The subsystem contains pipelines describing approx. 1,700 km, for the transport of crude oil and condensate from the production units of OMV Petrom and third parties, operating areas throughout the country, to the refineries.

This subsystem has the following main components:

- Ardeal component, used to transport crude oil from the deposit to the railway loading ramps in rail tanks and by rail to the refineries in Ploiești or to Bărbătești unloading ramp.

- Moldova component used to transport crude oil from the production units related to Lucăcești, Comănești and Cerdac pumping stations to Rafo Onesti and Dărmănești refineries. Currently, as the processing plants of crude oil from Rafo Onești and Dărmăneşti refineries do not operate anymore, the pumping of the crude oil taken over for transport is taken to the warehouse of Moineşti loading ramp. From here the oil is transported by rail tanks to Petrobrazi, Petrotel- Lukoil refineries or other destination, depending on customer requests. During 2017, following the takeover of the concession by Mazarine of several oil fields in the region of Moldova, the Cerdac deposit was closed. The crude oil extracted from this area is being transported by the storage trucks to Ghelinţa/Comănești deposit.

Starting 2019, the crude oil from Ghelinţa storage warehouse is transported by tankers to the loading dock Imeci, loaded into railway tanks and transported to Petrobrazi/Lukoil refinery.

- Ghercesti - Ploiești component includes takeover of the crude oil from the production units related to Gherceşti, Lact, Izvoru, Videle, Poeni, Roata and Potlogi pumping stations and transport of crude oil by pipeline to Petrobrazi refinery in Ploiești.

- Țicleni–Ploiești component includes two major pipelines with a length of approx. 250 km, thread I and thread II.
Thread I major pipeline ensures the transport of crude oil from Țicleni and from Bărbătești unloading ramp to the refineries in Ploiești (with the possibility of pumping to Arpechim Pitești refinery, as well).
Thread II major pipeline collects the crude oil and condensate from the pumping and repomping stations Mădulari, Orlești, Otești, Poiana Lacului, Oarja, Saru, Siliște and Bucșani for supply to the refineries in Ploiesti (or to the terminal in Arpechim Pitești).

- Muntenia basin pipeline component includes pipelines used to transport crude oil from the stations and deposits close to the city of Ploiești.

- local pipeline component used to transport crude oil from deposits to the loading ramps in railway tanks, and from here to the refineries in Ploiești.

The rich gas transport subsystem

The subsystem is intended for the transport of rich gas from the recovery plants in Ardeal, Oltenia and Muntenia to the refineries in Pitești and Ploiești. The transport subsystem has the following composition:
- major pipeline thread I Țicleni-Ploiești (served the region from Oltenia and Muntenia and today is no longer used following the closure of production facilities by OMV Petrom);
- local piping in Ardeal.

Rich gas transport via pipeline in Arpechim refinery has been suspended since April 2011. In 2017, the dower of the rich gas pipeline $6^{5/8}$" thread I Bărbătești – Ploiești has been discharged, in length of 289 km.

Currently, there are running two recovery plants (Abrămuț and Calacea). The produced rich gas is transported via pipeline from the ramp Abrămuț to Marghita ramp, and from the ramp Calacea to Biled ramp, and from here by railway to Petrobrazi.

The ethane transport subsystem

This subsystem has been allocated for the transport of ethane from the deethanizer platform Turburea to Arpechim refinery Pitesti. At present, due to the inactivity of Arpechim refinery, the subsystem is not used. Ethane transport has been suspended since November 2008. We mention that a portion of this pipeline (11 km) is used to transport condensate from Totea deposit to Petrobrazi refinery, with the approval of NAMR.

Import crude oil transport subsystem

The import crude oil transport subsystem ensures the transport of crude oil from the Oil Terminal Constanta to the refineries in Ploiești, Arpechim-Pitești and Midia. The import crude oil transport subsystem includes Constanța Nord, Constanța Sud, Mircea Vodă, Bărăganu, Dragoș Vodă, Călărești, Mavrodin and Martinești pumping stations. Depending on the chosen pumping type, different pumping scenarios can be performed for each transport relationship.

Domestic production of crude oil, condensate and rich gas is transported only via pipeline, either by rail tanks, or combined (rail and pipeline).

During the transport process, CONPET uses a 90 of tanks of various capacities. Starting 2019 CONPET runs a big process of rehabilitation of tanks and replacing those with high degree of wear and storage capacity over the necessary of transport stream with new ones to meet the needs of current production, environment and energy consumption. The modernization and development process will be completed in 2030.

The company also owns a fleet of 242 vehicles, intended for the transport of personnel for work purposes, means of intervention vehicles, off-road vans and mixed transport of persons and goods and special vehicles (emptying, cranes, diggers, etc.).

4.2.2 The wear degree of the company's properties

In order to perform the transport of crude oil, rich gas and ethane, from and to all its business partners, in conditions of maximum operation, high efficiency and operating costs as low as possible, in compliance with the legislation in force relating to environmental protection and labor protection and the other normative acts in the field, CONPET carries out a continuous activity on the improvement of the technical condition of the National Transport System.
Between1995-2007, through the Modernization Project co-financed by the World Bank, works consisting of the rehabilitation and modernization/refurbishment itself of the Oil National Transport System have been conducted. This project has targeted:

- ✓ pipelines rehabilitation;
- ✓ rehabilitation of the pumping stations on the major pipelines and two crude oil and rich gas loading/unloading ramps;
- ✓ automation of the transport system and introduction of the SCADA system;
- ✓ introduction of crude oil tax measurement systems;
- ✓ development of a telecommunication system.

After 2007, the emphasis has been mainly placed on the further modernization of the pipeline system.

In order to correctly determine the portions of the pipes to be replaced, periodically the pipes of the transport lines are inspected with smart pigging for the determination of the portions of the spent pipe.

Furthermore, for safe operation, monitoring and maintenance of the National Transport System via pipelines, - considered the performance of works intended to secure the infrastructure of the water crossings designed to enhance the degree of safety in operation of the pipelines in question, indirectly, and the protection of the waters crossed against pollution.

The pipelines that make up the Crude Oil National Transport System cross over and underground various watercourses.

Another important component in terms of safe operation and environmental protection in order to pay attention to the investment process was to secure the crossings. The works carried out were:

- ✓ low weirs;
- ✓ bank protections upstream and downstream of the low weir;
- ✓ wave crushers;
- ✓ piles foundation consolidation;
- ✓ bank protections on the route of the pipelines which are parallel with the riverbed (damaged bank);
- ✓ other works related to pipeline consolidation.

The modernization of the main pipeline transport subsystems also includes the other technological components of the system, namely:

- ✓ pumping stations;
- ✓ technological installations;
- ✓ FEP facilities;
- ✓ technological and administrative buildings;
- ✓ energy and thermal plants, telecommunications;
- ✓ other auxiliary components.

The improvement of the technical status of the transport system, led to:

- ✓ reduced technological costs in the storage and transport process;
- ✓ minimized energy, fuel and lubricant consumptions;
- ✓ minimized operating costs and reduced operating difficulties;
- ✓ improved safety and flexibility of the system;
- ✓ reduced environmental impacts;
- ✓ improved quantitative and qualitative measurements of the crude oil transported.

Compared to the above, it can be appreciated that the technical condition of the National System of Transport of Crude oil through pipelines, operated by CONPET, is an appropriate one.

4.2.3 Investments achieved in 2021 as compared to programme

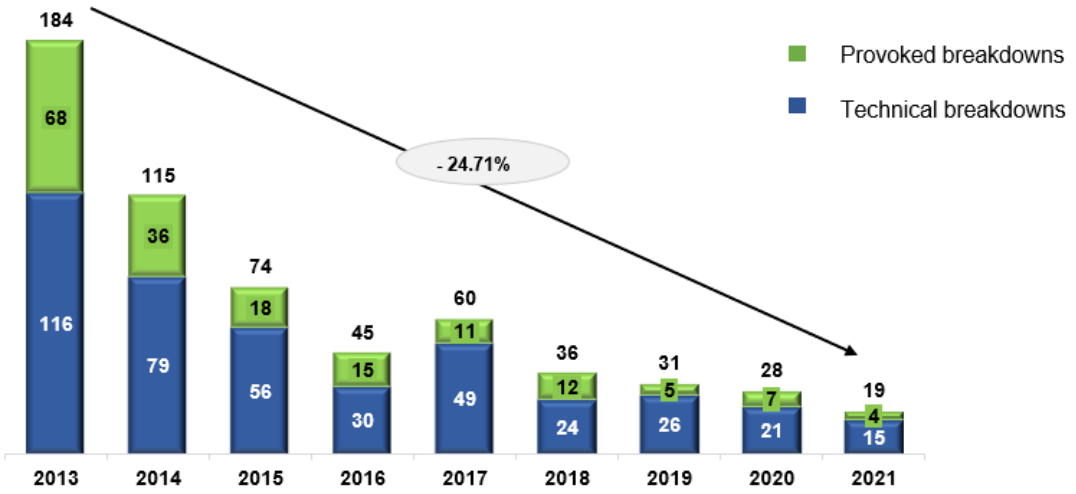
The current pipeline replacement frequency is given by the in line inspection thereof, the statistics of the technical and the provoked breakdowns. The pipeline replacements within the last few years were performed on the pipelines with the highest degree of utilization.

The total number of technical and provoked breakdowns decreased from 184 in 2013 to 19 in 2021.

Chart 19 - Evolution of the technical and provoked breakdowns during 2013-2021

The achievement of the investment program in 2021, as compared to the level scheduled for 2021 is the following:

thousand RON



Crt.No.	Name of the Objective	Program 2021	Achieved 2021	Degree of achievement %
	TOTAL GENERAL, out of which:	**96,000**	**63,536**	**66%**
I	**PUBLIC DOMAIN**	**69,000**	**45,596**	**66%**
1	*Pipelines rehabilitation, out of which*	*28,936*	*16,922*	*60%*
1.1	*Pipeline replacement*	*27,895*	*16,922*	*61%*
1.2	*Safe disposals*	*341*	*0*	-
2	*Replacement of connection lines Danube crossing C1-C2 and C3-C4 Borcea arm*	*1,768*	*301*	*17%*

Crt.No.	Name of the Objective	Program 2021	Achieved 2021	Degree of achievement %
3	*Modernization and monitoring of the cathodic protection system related to the NTS domestic and import - stage 2*	*4,000*	*3,649*	*91%*
4	*Technical support and consultancy*	*25*	*0*	*-*
5	*Tanks*	*16,052*	*13,342*	*83%*
6	*Energy works*	*353*	*171*	*48%*
7	*Telecommunication works*	*100*	*23*	*23%*
8	*Pumping systems modernization*	*1,308*	*250*	*19%*
9	*Stations/ramp modernization*	*7,939*	*4,937*	*62%*
10	*Buildings, fences stations*	*727*	*420*	*58%*
11	*Automation and SCADA works*	6,856	4,481	65%
12	*Other works*	1,236	954	77%
13	*Projects, Studies, Technical Appraisals*	400	146	37%
II	**OPERATING DOMAIN**	**27,000**	**17,940**	66%
1	*Pipelines rehabilitation*	*2,015*	*686*	*34%*
2	*Building rehabilitations*	*3,220*	*2,333*	*72%*
3	*LDH and tank cars*	*374*	*374*	*100%*
4	*Other works*	*6,690*	*1,144*	*62%*
5	*Intangible investments*	*4,249*	*3,438*	*81%*
6	*Modernization of Integrated IT System*	*675*	*-*	*-*
7	*Headquarters 2 CONPET new constructions – Archive, Data Center Building, Metrology (C18), with demolition of C14*	*100*	*-*	*-*
8	*Independent facilities and equipment*	*9,677*	*6,965*	*72%*

Table 17 - The achievement of the investment program 2021 as compared to Program 2021

The low level of achievement of the investments' program was mainly due to:

- suspension of the of certain works execution due to poor atmospheric conditions in the first part of 2021;
- suspension of the execution of certain works due to SARS-COV2 pandemic or the execution thereof with a reduced number of personnel;
- delays in the works execution as per the execution schedules, due to delays in the supply with materials and equipment, situation also triggered by the corona virus pandemics;

Some of the problems encountered in the execution of the works were solved by the measures adopted operatively: regular meetings with the contractors; redesign of the pipeline route in areas where difficulties have been encountered in obtaining the agreement of entry into the land from the landowners;
identification and settlement of technical solutions for the continuation and completion of works.

In 2021, a number of 19 Technical Projects, a solution study, and a technical expertise with a total investment value of 30,159 thousand RON were approved in CONPET CTE.

Significant investment objectives completed in 2021

- ✓ Execution works for new tank construction for the crude oil storage, 2,500 cm, inside Biled loading ramp;
- ✓ Replacement of crude oil pipelines 10 "F1 and F2 Silișteni-Ploiești, on a length of about 300m, located in Aricești Rahtivani, Prahova County;
- ✓ Rehabilitation works at Marghita loading ramp;
- ✓ Execution works for new tank construction for the crude oil storage, 2,500 cm, inside Orlesti pumping Station;
- ✓ Replacement of 14 inch crude oil pipeline Constanța - Bărăganu, Cuza Vodă area, on a length of 550 m;
- ✓ Thermal rehabilitation of locomotive parking shed inside Biled loading Ramp;
- ✓ Upgrade of the CONPET SA headquarters building in Ploiesti, 7 Independentei Avenue.
- ✓ Supply and installation of weighing system of railway wagons in the Marghita Ramp;
- ✓ Transformation of LDH 700 CP 139-2 in LDE;
- ✓ Replacement of a pipeline section, 3,500 m in length, with diameters Ø12$^{3/4}$'' and Ø14 $^{3/4}$'' Cartojani - Ploiești in the water tributary to Neajlov river and Sfantul Gheorghe forest".
- ✓ Replacement of a pipeline section, about 3,400 m in length, Ø 10$^{3/4}$"in diameter, from the pipeline Ø 10$^{3/4}$" Icoana – Cartojani necessary to be replaced, which has as starting point the entry to the forest from park 4 Roata ending to the exit part of forest park 4 Roata;
- ✓ Replacement of a crude oil pipeline section Ø 8⅝ " Lucăcești – Vermești , along the section Lucăcești Station- Măgura hill, about 2 km in length, + connection to Moinești crude oil loading ramp of 6", 700 linear meters in length;
- ✓ Optimization of SCADA system and upgrade of Hardware and Software of the remotes transmission units (RTU);
- ✓ Replacement of crude oil pipeline Ø 10 $^{3/4}$" Icoana – Cartojani, 4007 m in length, in Bucov forest area, Râca locality,1,500 m in length, in Miroşi locality - on a length of 5,550 m;
- ✓ Maintenance and recovery of alleys and platforms in Barbatesti storage warehouse and ramp;
- ✓ Smart pigging, pipe condition detection 12"F1 and 12"F2 Călărești - Petrotel;
- ✓ **Replacement of crude oil pipeline Ø 24" Călărești – Pietroșani (7 sections) in total length of 5.9 km and under crossing of Leaota river in length of about 0.1 km**;
- ✓ Execution of technological sewerage modernization works at crude oil tanks R2 and R3 Baicoi Station;
- ✓ Execution works for new tank construction for crude oil storage, with a capacity of 2,500 cm, inside Poiana Lacului pumping station;
- ✓ **Execution of modernization works at Baicoi tank farm, cathodic protection and grounding of R1, R2, R3 and R4 crude oil tanks**;
- ✓ Replacement of the 14 inch crude oil pipeline of Bărăganu - Călărești on a length of 15972 m., with an estimated pipeline repair coefficient higher than 0.8, set as a result of the smart pigging.

Significant investment objectives in progress on 31.12.2021

Public domain

- ✓ Replacement of the Ø10¾" F2 Siliste-Ploiesti crude oil pipeline, in Brazi Stadium area– inside Petrobrazi Refinery, Prahova County, on a length of approximately 1170m and replacement of cleaning installation.
- ✓ Construction works of a new tank for condensate (V=500 c.m.) - Bărbătești Pumping Station;

- ✓ Rehabilitation works at Cireșu loading ramp;
- ✓ Rehabilitation works at Imeci loading ramp;
- ✓ Rehabilitation works at Marghita loading ramp;
- ✓ Replacement of pipeline section Constanța – Midia 24", Năvodari area, approx. 1,100 m;
- ✓ Upgrade of Mislea station;
- ✓ Modernization of Potlogi pumping station;
- ✓ Moreni crude oil tanks station;
- ✓ Replacement of crude oil pipeline Ø10 ¾" LASCĂR CATARGIU-INDEPENDENȚA, (inv. No. 122406P/118536), domestic crude oil, on the section Capăt RK (2011) Lascăr Catargiu - irrigations major pipeline, diameter 10 ¾", in length of approx 3.5 km;
- ✓ Replacement of crude oil transport pipeline F1 8 ⅝" Țicleni Bărbătești, in the water access road site Primăria Bărbătești, approximately 200 m;
- ✓ Protection of the crude oil transport pipelines Ø12" and Ø14" Cartojani, route situated between rail lines CF Triaj Brazi and Ghighiului street, on a total length of 110 linear meters.

OPERATOR FIELD

- ✓ Replacement of Ø8⅝" crude oil pipeline NEW Vega-Brazi Refinery, in Petrobrazi Refinery-SKIDs keyboard area, Prahova County, on a length of approximately 800 m and replacement of cleaning installation
- ✓ LDH 1250 HP transformation 860 -2
- ✓ Dispatch building, Biled ramp

Commissioning achieved in 2021 amounted to 75,115 thousand RON, out of which, per financing sources:

- 52,603 thousand RON out of the modernization quota;
- 22,512 thousand RON out of other own sources;

4.2.4. Developments projects

The main investment projects started in the previous years which still continue in 2021 are the followings:

- ➢ **Modernization and monitoring of the cathodic protection system related to the NTS domestic and import - stage 2**

In order to ensure the life of the crude oil transport pipelines, it is necessary to protect the buried metal pipes against corrosion through good quality insulation and by applying an adequate cathodic protection system.

Protection against external corrosion of the buried pipe is necessary because: ensures safe operation without damage from corrosion for at least 20 years, which can be extended at minimum cost up to 40 years and allows surveillance and maintenance operations - service of the condition of the tubular material with specific, low-cost technologies and methods.
The anti-corrosion protection system used for the import crude oil and domestic crude oil transport pipelines consists of: passive protection - anti-corrosion insulation, designed to separate the metal of the pipe from contact with the aggressive outdoor environment and active protection (cathode) - to complement passive protection - by using an electric current, which gives it the slow aging of the insulation.

The project was divided into two stages. Stage I, during 2017-2019, 109 locations and stage II, during 2019-2022, 30 locations.
By the end of 2021, have been executed SPCs in 124 locations (109 locations stage I and 15 locations stage II), and the works will be ongoing for the other 15 locations.

- **Optimizing the SCADA system and hardware and software upgrade for the Remote Transmission Unit (RTU)**

SCADA and Automation initially implemented in 2002 has a life expectancy of 15 years. Close to expiration of the service life, a technical analysis of the system was made and it was found that it is necessary both to change the data transmission and automation equipment and to optimize the Scada System by updating all the related documents, reviewing them and implementing a "Historian" database type. Thus, the changes to be made to the SCADA system will lead to: increase of the safety in the operating system, providing analysis and automatic reporting and centralized, efficient tracking and archiving of process parameters for all locations unmonitored until now.
In September 2017, was signed a design and execution contract, with a value of 16.9 mRON and a fulfillment term: December 2021.
At December 31st, 2021, the physical degree of achievement is 100%; all the equipment for the 29 locations have been delivered, installed and tested.

- **Patrimonial Geographical Inventory System (GIS) Stage I and the supply of services after the implementation for a duration of 3 years**

The project implementation represents a continuation of the initiatives to improve CONPET computerization, started by the implementation of an Enterprise Resource Planing (ERP) system and addresses the need to streamline the company's technical activities, by means of a better management of the patrimonial, technical and operational information in order to: enhance safety of the system operation; be aware of the exact condition of the infrastructure; identify the risk areas and those bearing major impact in case of incident; understand the causes leading to integrity incidents, effectively plan the investments in boosting the network's level of integrity, increase the level of training and reactivity in case of incident, by way of specific intervention plans in every area identified as hazardous and proactive approach; reduce the operation costs and the technological consumptions by a better understanding of the behavior of the infrastructure over time; generally increase the labor productivity by easing access to information and reducing the direct and formalized interaction between various functional entities; make on line information available and lower the effort to search in printed historic archives; increase the individual value added of various IT subsystems by integrating them.

The implementation of the GIS system will be a staged process, as to enable the users to effectively adopt the system.
During stage I, the data model was implemented, the data from all available sources have been uploaded, the vector-borne and raster(digital) maps have been acquired, the entire pipeline network on a pilot station was modeled (with the subsystems/equipment deemed relevant). The interface with the ERP system has been developed, for the connection with the maintainable equipment and for easing access to the history of the work orders and with the management system of the Sharepoint documents for the management of all documents associated to the objects in GIS data base. All the available data related to properties (buildings and lands) have been uploaded, the flow addressing the applications for building permits in the pipeline protection area has been electronically implemented, with the import and preservation in the GIS system, of all information received and permits issued (and the possibility to view the issued permits, geographically "tied" with the property for which they have been issued), a mobile application was

developed for the Pipeline Route Operators (Ro:OTC - Operator Traseu Conductă) enabling both the monitoring of the patrol activity and the import and transmission of events (inclusive of description, positioning and pictures) along the patrol route. The mobile application is initially tested with 10 users to prove viability and reliability of the application and mobile equipment. In the first stage was procured the entire GIS application infrastructure necessary to build and initially operate the system, the date base software with the necessary equipment infrastructure related elements.

The implementation stage of the project ended in December 2020, and currently the project is in the post-implementation phase, with a duration of 36 months, during which the extension of the system to the other stations in the network continues, by uploading into the system the data related to the other stations, with its own staff and using the software tools purchased during the first stage. All along the post-implementation duration of stage I, the support and technical assistance is made available by the supplier. The responsibility of the system's operation will be borne exclusively by CONPET personnel.

- **Replacement of connection lines Danube crossing C1-C2 and C3-C4 Borcea arm**

The main pipelines for the transport of imported crude oil with Ø14'', Ø20'' and Ø28'' Constanța–Bărăganu have the route from OIL TERMINAL to the working point CONPET S.A. - C1, in Ialomita island between C2 and C3, and from C4 to Bărăganu station. Currently, the crossing of the Danube River and the Borcea Arm is done through pipelines of Ø $12^{3/4}$''. The pipes at the under crossings are laid in trenches at 4 m below the sole of the riverbed, continuously concreted on a thickness of 10 cm in radius.

The under crossing of the Danube and of the Borcea arm with the crude oil transport pipelines was carried out in two stages, depending on the year of installation of the main pipelines.

Thus, in 1968, 4 wires of Ø $12^{3/4}$'' were installed at the Danube under crossing and 4 wires of Ø $12^{3/4}$'' at the under crossing of the Borcea arm, wires assigned to the main pipeline of Ø14'' Constanța-Pitești.

In 1978, another 6 wires (wires 8÷13) are installed, which are allocated to the Ø20'' and Ø28'' pipes.

In 2003, the first corrosion detection inspection (executor - PIPETRONIX GERMANY) was carried out, followed by two more inspections (2008 executor – CALA ROMANIA and 2015-2016, executor - ROSEN GERMANY).

The obtained reports revealed that part of the wires that ensure the transport of crude oil through these under crossings no longer present safety in operation, requiring immediate measures to ensure the safety in operation of the pipelines, including the closure of some of the wires.

To ensure optimal conditions for transport of crude oil and avoid the risk of further damage with serious environmental consequences, replacing or restoring crossings have been imposed.

By replacing the pipes in the afore-mentioned crossings, the following objectives will be achieved:

- ensuring the functioning of the transport pipeline, on the route in question, under safety conditions and designed parameters;
- eliminating the major risk of crude oil pollution with a harmful impact on the environment;
- safety in operation;
- reducing maintenance costs;
- increasing the operational life;
- ensuring optimal energy efficiency conditions for the transport of crude oil to the projected parameters;
- major positive impact on the natural and human factor in these areas.

In a global context marked by climate change, global warming, increase of pollution level but also by the concerns of institutions to combat the effects of these phenomena, the construction of new

pipelines at the under crossing of the Danube and the Borcea arm, will help improve the quality of the environmental factors by ensuring the functionality of the crude oil transport pipelines under safety conditions and avoid the potential damages that may occur, in case of technical accidents.

In August 2021, the contract for design and execution services for works was signed for an investment value of 107 million RON and with a deadline for implementation by the end of 2023.

4.2.5 Litigations and other aspects on the company's tangible assets

During 2021 CONPET SA was involved in a total of 142 litigations. Among them, 65 litigations were solved definitively and irrevocably. None of the litigations pending resolution present risks related to the stability and continuity of the company's business.

a) Disputes concerning the ownership of the tangible assets of the company

During 2021 CONPET SA was involved in one lawsuit for claiming ownership of some buildings which is pending, as follows:

File no. 2782/229/2018 - Fetesti Court
Procedural status: Appeal
Parties: CONPET S.A.– plaintiff
Zacon Trandafir - defendant
Object: Conpet SA filed a summons for the named Zacon Trandafir so that based on the evidence that will be administered, the court will issue a court decision by which:
- found the absolute nullity of the sale-purchase contract no. 1047/03.02.1999, concluded between Conpet SA, as seller and Zacon Trandafir as buyer;
- orders to the defendant to pay the legal expenses.
In the alternative, the defendant Zacon Trandafir is required to pay the equivalent value of the property at the fair market value established following the administration of a forensic technical expertise.
The court ordered the stamping of the second end of the application with the amount of RON 4472. The fee was paid by Conpet.
Clarifications: By the Conclusion of 22.04.2021, the Fetesti Courthouse defers the judgement for the date of 05.05.2021, disjoins the second end of the request and orders the formation of a new file, having as object an application for damages.
By Sentence no. 828/2021 of 29.07.2021, it rejects as unfounded the request for summons filed by the claimant S.C. CONPET S.A. in contradiction with the defendant ZACON TRANDAFIR, having as subject matter the annulment of the deed (affirmance of absolute nullity). It admits the counterclaim filed by the defendant-claimant ZACON TRANDAFIR, in contradiction with the claimant-defendant S.C. CONPET S.A. having as subject matter the finding of a valid conclusion of the contract concluded between the parties. It obliges the claimant to pay to the defendant the amount of RON 7,471, as legal expenses (RON 3,000 - lawyer's fee, RON 4,471 - judicial stamp duty). The decision can be appealed in 30 days after the communication, which will be submitted at the Fetesti Courthouse. Pronounced by making the solution available to the parties through the court registry, today, 29.07.2021. Conpet appealed.

b). Disputes related to the structure of the share capital of CONPET

Case File no. 5212/105/2018 –Prahova Court of Appeal
Stage of trial: Appeal

Fondul Proprietatea S.A. files an appeal requesting the court to:
1. Oblige Conpet to pay the amount of RON 734,747.04, representing the net value of the dividends related to a share of 6% of the share capital of Conpet, respectively for a number of 524,366 shares held by the claimant on the registration date of AGOA Conpet from 25.04.2007 (i.e. 14.05.2007), for the financial year of 2006,
2. Oblige Conpet to pay damages, respectively the legal interest related to the dividends from the due date of the amount requested in point 1 and until the date of filing the summons (i.e. 09.11.2018), in the amount of RON 579,015.97.
3. Oblige Conpet to pay thereafter the legal interest related to the net value of the dividends, from the date of filing the summons and until the actual payment of the requested amounts,
4. Oblige Conpet to pay the legal expenses of the present litigation
Conpet S.A. filed an impleader of the Romanian State through the Ministry of Finance and A.A.A.S.
Clarifications: By the Conclusion of 25.06.2019, the Prahova Court rejected as unfounded the impleader of the Authority for the Administration of State Assets, formulated by the defendant Conpet S.A. Conpet and the Romanian State through the Ministry of Public Finance filed an appeal against this decision of the court. By the same Conclusion of 25.06.2019, the court admitted in principle the impleader of the Romanian State through the Ministry of Public Finance, formulated by the defendant Conpet S.A. and rejected as unfounded the plea of the lack of passive procedural quality of the Romanian State through the Ministry of Public Finance. The appeal was registered with the Ploiești Court of Appeal with no. 5212/105/2018 / a2. By the decision no. 515/05.11.2019 the Ploiești Court of Appeal admits the plea of the inadmissibility of the appeal declared by the Ministry of Public Finance. It dismisses this appeal as inadmissible. It rejects the plea of lack of interest and the exception of inadmissibility of the appeal declared by Conpet SA. It dismisses this appeal as unfounded. Final.
By the Conclusion of 20.09.2019, the Ploiești Court of Appeal suspended the trial of the case until the settlement of the appeals made against the decision pronounced on 25.06.2019. This conclusion remained final by non-appeal.
By Sentence no. 633/20.05.2021 The Court unfoundedly rejects the exception of the prescription of the right to action. It admits the action. It obliges the defendant Conpet SA to pay to the claimant the amounts of RON 734,747.04 representing the value of dividends, of RON 579,015.97, representing dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 and until the actual payment of the main debit. It admits in part the request for bail. It obliges the summoned in guarantee The Romanian State to pay to the defendant SC CONPET SA, the amount of RON 734,747.04, representing the value of dividends, and the legal interest related to this amount starting with 17.12.2018 and until the date of restitution to the defendant of the amount of RON 734,747.04. The decision can be appealed within 30 days from communication.
By Decision no. 814/01.07.2021 The Court admits the request for correction of the material error made by the claimant. It corrects the material error crept into the content of paragraph 3 of the operative part of sentence no. 633/02.06.2021 pronounced by the Prahova Court, in the sense that it is written: “It obliges the defendant S.C. Conpet S.A. to pay to the claimant the amounts of RON 734,747.04 representing the main debit, of RON 579,015.97, representing dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 until the actual payment of the main debit.”. It admits the request for completion of the decision made by the claimant. It orders the completion of the civil sentence no. 633/02.06.2021 in the sense that it also provides: It reduces to RON 70,000 the fee of the claimant's lawyer. It obliges the defendant S.C. Conpet S.A. to pay the claimant the following legal expenses: RON 20,347.63 representing judicial stamp duty, RON 4,300 expert fee, RON 8,481.87 expert fee, RON 70 lawyer's fee and RON 1,125 other expenses. It obliges the summoned in guarantee The

Romanian State to pay to the defendant S.C. Conpet S.A. legal expenses in the amount of RON 16,943. The decision may be appealed after communication.

c) Litigations where the company's administrators/members of the executive management were involved, in the last 5 years

In the last 5 years, the company had no litigation or administrative proceedings in which the company's directors and members of the executive management in office in 2021 have been involved.

Other aspects on the company's tangible assets

State of the lands not included in the share capital

Currently, all the lands owned by CONPET S.A. are registered in the Integrated Cadastre System and the Land Registry.
At 30.12.2021, CONPET has registered in the company's patrimony land plots in surface of 733,601 Sq.m, with a book value of 22,858,900 RON, held based on the land ownership Certificates (709,770 sq.m) and sale - purchase contracts (23.831 Sq.m).

The company has augmented the share capital with some part of the lands held based on the land ownership certificates (Ro. CADP), not being included in the share capital lands with a surface of 554,337 Sq.m, being comprised in 48 CADP. The Ownership certificates for these lands have been issued between 2001-2005 and the value evaluated at the time of issuing the certificates, established according to GD no.834/1992 is of 26,708,233 RON. These lands have been registered in the company patrimony on the expense of other equity reserves.

In 2013, the Court of Accounts performed an audit of the status of the public patrimony; subsequently, disposing, by Decision nr. 28/2013, the augmentation of CONPET share capital by the value of the lands for which have been obtained land ownership certificates, measure that was not fulfilled within the initial deadline (30.09.2014) and neither within the extended terms (30.06.2015, 31.08.2016, 31.03.2018, 30.06.2019 and 31.03.2020).
Pursuant to Decision no. 15494/08.02.2022, the Prahova Chamber of Accounts granted a new deadline for the achievement of the measures, respectively 09.12.2022.

The Board of Directors has undertaken all steps in view of augmentation of the share capital by the value of land held based on the land ownership certificates.
Thus, under the lands appraisal reports, in compliance with the provisions of Art. 6 of GD no.834/1991 on the value update, ulterior completions and amendments, drafted by expert valuer, the Board of Directors has summoned the Extraordinary General Meeting of Shareholders, on 19.05.2016, in first call, namely 20.05.2016, in second call. At both EGMS the quorum has not been met.
Although there have been convened two general meetings of shareholders, the Board of Directors has summoned a new EGMS for 05.07.2016, with the same Agenda. Following the cast vote by the shareholders present and represented, the proposal to augment the share capital has not been approved, due to the lack of necessary quorum for approval votes.
Subsequently, there have been undertaken all necessary steps for the augmentation of the share capital, and on 26.03.2019, the EGMS has approved the initiation of the procedure for the augmentation of the share capital and the appointment by the Trade Register Office of an authorized assessor to evaluate the lands contributed to the share capital. Based on the new

appraisal report the EGMS has been convened on 04.07.2019 in first call and 05.07.2019 in second call, with the Agenda - Approval of the augmentation of the share capital by maximum value of 101,763,954.60 RON, representing contribution in kind (lands) in amount of 59,751,935.10 RON and cash amounting to maximum 42,012,019.50 RON, from the current value of 28,569,842.40 RON at the value of maximum 130,333,797 RON, by issuing a number of maximum 30,837,562 new shares, nominative, dematerialized, at a price of 3.3 RON/share, equal to the nominal value, without share premium.
In both EGMS meetings has not been met the attendance quorum provided by the law, needed for the augmentation of the share capital with contribution in kind.

On 24.09.2020, the EGMS approved the initiation of the operation of increasing the share capital by the value of the land plots held based on 48 certificates attesting the property right and the initiation of formalities to the Trade Register Office attached to the Prahova Tribunal in order to appoint an authorized evaluator.
Through the application submitted to O.R.C, the company CONPET S.A. Ploiesti requested the appointment of an expert evaluator, under the conditions of articles 38 and 39 of Law no. 31/1990 on companies, republished, with subsequent amendments and completions, to draw up the evaluation report of the contribution in kind representing land. Based on the new appraisal report has been convened the EGMS, on 10.03.2021 in first call and 11.03.2021 in second call, with the Agenda - Approval of the augmentation of the share capital by maximum value of 108,798,558 RON, representing contribution in kind (lands) in amount of 63,882,386.70 RON and cash amounting to maximum 44,916,171.30 RON, from the current value of 28,569,842.40 RON at the value of maximum 137,368,400.40 RON, by issuing a number of maximum 32,969,260 new shares, nominative, dematerialized, at a price of 3.3 RON/share, equal to the nominal value, without share premium. The augmentation of the share capital by contribution in kind was not approved by the EGMS because during the two meetings the attendance quorum provided by law was not met.

State of the Real Estate Registration of lands and buildings belonging to CONPET

Land Tabulation Situation
By the reporting date there were completed and registered in the integrated cadastre and land register all land owned, namely the total area of 733,648 sqm.
The company has unused land areas, vacant since the abolition of some work sites. These lands have total area of 10,835.5 sq.m. and are associated to the work sites Frasin - Suceava county (1,241 sqm) and Frunzeasca - Galaţi county (9,594.5 square meters).

Building Tabulation Situation
Out of the total of 190 constructions that are subject to tabulation, 177 were tabulated, the remaining 13 unintabulated constructions are under analysis to solve the problems that led to the impossibility of tabulating them.

4.3 Analysis of the financial activity

The financial information presented in this report are taken from financial statements for the period ended December 31, 2021, prepared in accordance with Order of the Ministry of Public Finances Order no. 2844/2016, audited.

4.3.1 Statement of the Financial Standing

Indicator (thousand RON)	2021	2020	2019	Variation (%)	
				2021/2020	2020/2019
ASSETS					
Fixed assets					
Tangible assets	512,823	504,534	466,978	▲ 1.6%	▲ 8.0%
Intangible assets	6,942	4,313	2,998	▲ 61.0%	▲43.9%
Financial Assets	411	1,112	811	▼ 63.0%	▲37.1%
Receivables related to the deferred corporate tax	4,637	4,956	5,422	▼ 6.4%	▼ 8.6%
Total non-current assets	**524,813**	**514,915**	**476,209**	**▲ 1.9%**	**▲ 8.1%**
Current assets					
Inventories	5,312	5,912	8,170	▼ 10.1%	▼27.6%
Trade receivables and other receivables	48,922	40,260	42,249	▲ 21.5%	▼ 4.7%
Cash and cash equivalents	191,751	198,257	238,577	▼ 3.3%	▼16.9%
Prepaid expenses	624	603	1,862	▲ 3.5%	▼67.6%
Total current assets	**246,609**	**245,032**	**290,858**	**▲0.6%**	**▼15.8%**
TOTAL ASSETS	**771,422**	**759,947**	**767,067**	**▲1.5%**	**▼ 0.9%**
SHAREHOLDER'S EQUITY AND LIABILITIES					
Equities					
Subscribed and paid-up share capital	28,570	28,570	28,570	-	-
Legal reserves	5,714	5,714	5,714	-	-
Revaluation reserves	18,360	20,932	21,112	▼ 12.3%	▼ 0.9%
Other reserves	517,047	500,269	495,540	▲ 3.4%	▲ 1.0%
Retained Earnings	46,289	40,679	43,997	▲ 13.8%	▼ 7.5%
Year's Result	51,929	60,847	58,877	▼ 14.7%	▲ 3.3%
Total Equities	**667,909**	**657,011**	**653,810**	**▲ 1.7%**	**▲ 0.5%**
Long-term trade liabilities	1,288	-	-	-	-
Long-term liabilities to the employees	16,629	19,864	16,269	▼ 16.3%	▲22.1%
Other long-term liabilities	3,458	3,470	4,545	▼ 0.3%	▼23.7%
Total long-term liabilities	**21,375**	**23,334**	**20,814**	**▼8.4%**	**▲12.1%**
Current liabilities					
Trade liabilities	32,148	23,584	27,179	▲ 36.3%	▼13.2%
Current income tax	2,049	738	3,077	▲177.6%	▼76.0%
Other liabilities	27,106	29,893	33,053	▼ 9.3%	▼ 9.6%
Short-term liabilities to the employees	12,066	14,128	14,652	▼ 14.6%	▼ 3.6%
Short-term provisions	8,769	11,259	14,482	▼ 22.1%	▼22.3%
Total current liabilities	**82,138**	**79,602**	**92,443**	**▲ 3.2%**	**▼13,9%**
Total liabilities	**103,513**	**102,936**	**113,257**	▲ 0.6%	**▼ 9.1%**
TOTAL EQUITIES AND LIABILITIES	**771,422**	**759,947**	**767,067**	**▲1.5%**	**▼ 0.9%**

Table 18 - Company's Statement of the financial standing during 2019-2021

The total assets of the company record an increase by 1.5% (11,475 thousand Ron) as compared to December 31, 2020, mainly due to the increase in the fixed assets.

The intangible assets recorded 1.9% increase as compared to December 31, 2020, mainly generated by input of fixed assets by procurement, in a value higher than the amortization recorded in 2021.

The fixed assets input represents investments executed for the development and modernization of the National Transport System and for the provision of the achievement of the transport operations under safety conditions.

The current assets increased by 0.6% (1,577 thousand RON), from 245,032 thousand RON achieved at 31.12.2020 to 246,609 thousand RON at 31.12.2021.
In structure, as compared to December 31, 2020, the trade receivables and other receivables record an increase by 21.5% (8,662 thousand Ron), and cash availabilities decrease by 3.3% (6,506 thousand RON).

The cash from the modernization quota existing in bank accounts at 31.12.2021 was of 124,110 thousand RON, 7,706 thousand RON higher than 31.12.2020 (116,404 thousand Ron). The cash representing the modernization quota has a special usage regime, provided by GD no. 168/1998, this being destined exclusively to the financing of the modernization works and development works related to the goods belonging to the public domain.

The equities recorded an increase by 1.7% (10,898 thousand RON) as compared to December 31, 2020, reaching 667,909 thousand RON, the decrease being mainly determined by the increase of the modernization quota reserves.

The total liabilities increased by 577 thousand RON to December 31, 2021, as compared to the value on December 31, 2020 due to the increase in **current debts**.

Long-term liabilities record a decrease of 1,959 thousand RON, as compared to December 31,2020, due to the decrease of the provisions for employees' benefits.

The current liabilities, in amount of 82,138 thousand RON, decreased by 2,536 RON as compared to December, 2020, mainly due to the increase of the trade liabilities.

4.3.2. The global result

The evolution of the main financial indicators of the profit and loss account and other global result elements, during 2019-2021, is presented below:

Indicator (thousand RON)	2021	2020	2019	Variation (%)	
				2021/2020	2020/2019
Revenues from contracts	412,787	406,928	407,822	▲ 1.4%	▼ 0.2%
Other revenues	40,684	40,708	35,181	▼ 0.1%	▲15.7%
Earnings from disposal of assets	4,915	0	0	-	-
Total operating revenues	**458,386**	**447,636**	**443,003**	**▲ 2.4%**	**▲1.0%**
Expenditure on inventories	5,448	6,106	7,605	▼10.8%	▼19.7%
Expenses with energy and water	16,553	12,465	13,089	▲32.8%	▼ 4.8%
Personnel expenses	168,219	162,559	159,901	▲ 3.5%	▲ 1.7%
Value adjustments on fixed assets, less adjustments related to rights of use resulted from lease contracts	51,939	47,385	46,639	▲ 9.6%	▲ 1.6%
Value adjustments for fixed assets, less adjustments related to rights of use resulted from leasing contracts	1,673	1,926	1,622	▼13.1%	▲18.7%
Value adjustments on current assets	278	(347)	(717)	-	-
Expenses related to external services	109,776	107,482	107,103	▲ 2.1%	▲ 0.4%

Indicator (thousand RON)	2021	2020	2019	Variation (%)	
				2021/2020	2020/2019
Loss from disposal of assets	-	41	213	-	▼80.8%
Provision adjustments	(4,144)	(2,802)	10,480	-	-
Other expenses	50,907	47,805	34,920	▲ 6.5%	▲36.9%
Total Operating Expenses	**400,649**	**382,620**	**380,855**	▲ 4.7%	▲ 0.5%
Operating Profit	**57,737**	**65,016**	**62,148**	**▼11.2%**	**▲ 4.6%**
Financial Revenues	3,428	6,123	7,874	▼44.0%	▼22.2%
Financial Expenses	330	686	318	▼51.9%	▲115.7%
Financial profit	**3,098**	**5,437**	**7,556**	**▼43.0%**	**▼ 28.0%**
Profit before corporate tax	**60,835**	**70,453**	**69,704**	**▼13.7%**	**▲ 1.1%**
Expenses with current corporate tax	9,155	9,177	12,959	▼ 0.2%	▼29.2%
Expenses with (revenues coming from) deferred corporate tax	(249)	429	(2,132)	-	-
Profit of the year	**51,929**	**60,847**	**58,877**	▼14.7%	**▲ 3.3%**
Other global result elements which will not be reclassified later in profit or loss	**3,383**	**216**	**(941)**	-	-
Net increase of the modernization quota reserve	9,811	3,193	(1,017)		
Total other global result elements which will be reclassified later in profit or loss	**9,811**	**3,193**	**(1,017)**		
Total other global result elements	**13,194**	**3,409**	**(1,958)**		
Total global result	**65,123**	**64,256**	**56,919**	**▲1.3%**	**▲12.9%**
Earnings per share	**6.00**	**7.03**	**6.80**	**▼14.7%**	**▲ 3.4%**

Table 19 – Global result statement during 2019-2021

The summary of the results, in evolution 2019-2021, is as follows:

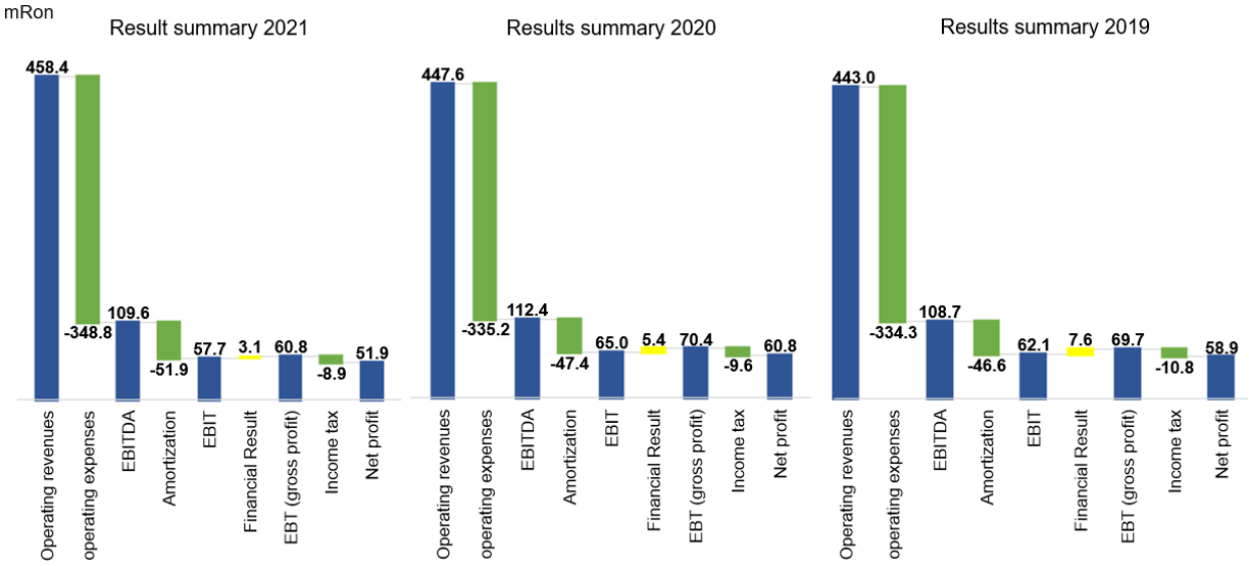


Chart 20 - Summary of the financial results during 2019-2021

The Operating Revenues

As compared to the approved budget and the previous (2020 - 2019) period, the total revenues of the operating activity and the transported volume in 2021 is as follows:

2021		Variation (%) 2021/ Budget	Indicators	2021	2020	2019	Variation (%)	
Achieved	Budget						2021/ 2020	2020/ 2019
			Revenues from transport services Domestic Subsystem					
3,241	*3,276*	*▼ 1.1%*	*Thousand tons*	*3,241*	*3,401*	*3,487*	*▼ 4.7%*	*▼ 2.5%*
296,280	*299,328*	*▼ 1.0%*	*Thousand RON*	*296,280*	*299,928*	*295,632*	*▼ 1.2%*	*▲ 1.5%*
			Revenues from transport services Import Subsystem					
3,410	*3,244*	*▲ 5.1%*	*Thousand tons*	*3,410*	*3,284*	*3,637*	*▲ 3.8%*	*▼ 9.7%*
114,197	*105,909*	*▲ 7.8%*	*Thousand RON*	*114,197*	*102,857*	*106,385*	*▲ 11.0%*	*▼ 3.3%*
			Total revenues from transport services					
6,651	**6,520**	**▲ 2.0%**	**Thousand tons**	**6,651**	**6,685**	**7,124**	**▼ 0.5%**	**▼ 6.2%**
410,477	**405,237**	**▲ 1.3%**	**Thousand RON**	**410,477**	**402,785**	**402,017**	**▲ 1.9%**	**▲ 0.2%**
1,633	1,625	▲ 0.5%	Revenues from rents	1,633	1,633	1,593	-	▲ 2.5%
677	568	▲19.2%	Other revenues	677	2,510	4,212	▼ 73.0%	▼ 40.4%
412,787	**407,430**	**▲ 1.3%**	**Turnover**	**412,787**	**406,928**	**407,822**	**▲ 1.4%**	**▼ 0.2%**
37,680	36,810	▲ 2.4%	Write-back to revenues of reserve constituted based on the expenses with the modernization quota	37,680	33,788	32,098	▲ 11.5%	▲ 5.3%
4,915	6,229	▼*21.1%*	Earnings from disposal of assets	4,915	0	0	-	-
3,004	6,855	▼56.2%	Other revenues	3,004	6,920	3,083	▼ 56.6%	▲124.4%
45,599	**49,894**	▼ 8.6%	**Other operating revenues**	**45,599**	**40,708**	**35,181**	▲ 12.0%	**▲ 15.7%**
458,386	**457,324**	**▲ 0.2%**	**Total Operating Revenues**	**458,386**	**447,636**	**443,003**	**▲ 2.4%**	**▲ 1.0%**

Table 20 - Operating income statement year 2021 compared to Budget and the period 2019-2021

The revenues achieved on the transport subsystems in 2021, as compared to the budget and the ones achieved in 2020, are as follows:

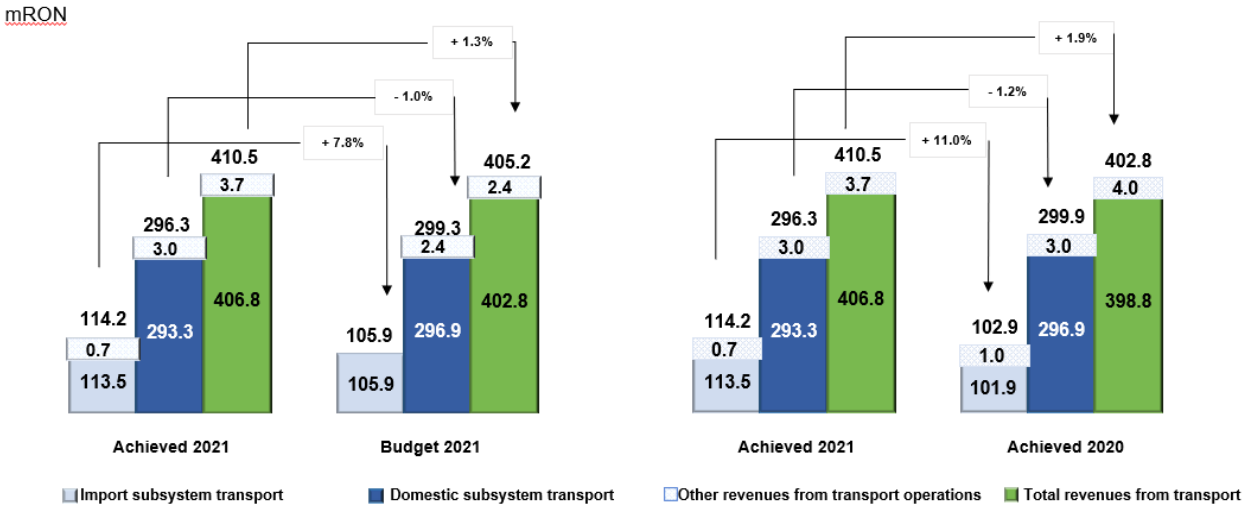


Chart 21 - The evolution of the revenues achieved from transport on the 2021 sub-systems vs 2021 Budget and achieved 2020

The operating revenues recorded an increase by 0.2% as compared to the budget, mainly determined by the increase in transport revenues by 1.3% (5,240 thousand Ron). As compared to 2020, the increase in the operating revenues was of 2.4% (10,750 thousand Ron).

In structure, by transport subsystems, the evolution of the revenues as compared to the Budget provisions is different, as follows:

- revenues decrease by 1.0% from the transport on the Domestic Subsystem;
- revenues increase by 7.8% from the transport on the Import Subsystem.

The transport revenues hold a share of 99.4% in turnover, the difference of 2,310 thousand RON (0.6%) representing revenues from various activities such as: leases of lands and telecommunication equipment, rail shunting.

Other operating expenses have registered an increase by 12.0% YoY, from 40,708 thousand RON to 45,599 thousand RON. As compared to the Budget, it was registered a decrease by 8.6%. Other operating revenues mainly include the revenues from the reserve related to the modernization quota, at the level of depreciation of the tangible assets financed out of this source. The revenues representing modernization quota have registered an increase by 11.5% in 2021, as compared to the same period of 2020.

Operating Expenses

The operating expenses made in 2021, as compared to the last 2 years and the budget provisions, are as follows:

Achieved 2021	Budget 2021	Variation (%) 2021/ Budget	Indicators (thousand RON)	2021	2020	2019	Variation (%)	
							2021/2020	2020/2019
5,448	**6,098**	**▼10.7%**	**Material expenses, out of which:**	**5,448**	**6,106**	**7,605**	**▼ 10.8%**	**▼ 19.7%**
2,981	*3,294*	*▼ 9.5%*	*-expenses with consumables*	*2,981*	*3,244*	*4,023*	*▼ 8.1%*	*▼ 19.4%*
1,569	*1,599*	*▼ 1.9%*	*- fuel expenses*	*1,569*	*1,427*	*2,038*	*▲ 10.0%*	*▼ 30.0%*
16,553	**12,738**	**▲29.9%**	**Other outside Expenses (with energy and water)**	**16,553**	**12,465**	**13,089**	**▲32.8%**	**▼4.8%**
168,219	**168,362**	**▼ 0.1%**	**Personnel expenses, out of which:**	**168,219**	**162,559**	**159,901**	**▲ 3.5%**	**▲ 1.7%**
133,956	*134,048*	*▼ 0.1%*	*- salaries expenses*	*133,956*	*130,062*	*128,070*	*▲ 3.0%*	*▲ 1.6%*
3,755	*3,800*	*▼ 1.2%*	*- expenses related to insurances, social protection, and other legal obligations*	*3,755*	*4,323*	*4,550*	*▼ 13.1%*	*▼ 5.0%*
30,508	*30,514*	*▼ 0.02%*	*- other personnel expenses*	*30,508*	*28,174*	*27,281*	*▲ 8.3%*	*▲ 3.3%*
51,939	**50,227**	▲ 3.4%	Value adjustments on fixed assets, less adjustments related to rights of use	**51,939**	**47,385**	**46,639**	**▲ 9.6%**	**▲ 1.6%**

Achieved 2021	Budget 2021	Variation (%) 2021/ Budget	Indicators (thousand RON)	2021	2020	2019	Variation (%)	
							2021/2020	2020/2019
			resulted from lease contracts					
1,673	**2,154**	**▼22.3%**	Value adjustments for fixed assets, less adjustments related to rights of use resulted from leasing contracts	**1,673**	**1,926**	**1,622**	**▼ 13.1%**	**▲ 18.7%**
109,776	**110,051**	**▼ 0.2%**	**Expenses with external services, out of which:**	**109,776**	**107,482**	**107,103**	**▲ 2.1%**	**▲ 0.4%**
2,317	*2,900*	*▼20.1%*	*-Maintenance (maintenance, current repairs)*	*2,317*	*1,985*	*2,541*	*▲16.7%*	*▼ 21.9%*
63,202	*61,886*	*▲ 2.1%*	*- expenses with crude oil transport by rail*	*63,202*	*63,567*	*60,907*	*▼ 0.6%*	*▲ 4.4%*
1,474	*1,683*	*▼12.4%*	*- expenses with decontamination works*	*1,474*	*805*	*659*	*▲ 83.1%*	*▲ 22.1%*
31,527	*31,224*	*▲ 1.0%*	*- oil royalty*	*31,527*	*30,903*	*31,308*	*▲ 2.0%*	*▼ 1.3%*
11,256	*12,358*	*▼8.9%*	*-other services performed by third parties*	*11,256*	*10,222*	*11,688*	*▲ 10.1%*	*▼12.5%*
278	**361**	**▼23.0%**	**Value adjustments on the current assets**	**278**	**(347)**	**(717)**	-	-
(4,144)	**952**	-	**Provision adjustments**	**(4,144)**	**(2,802)**	**10,480**	**-**	**-**
-	**-**	-	**Loss from disposal of assets**	**-**	**41**	**213**	**-**	**▼ 80.8%**
50,907	**50,582**	**▲ 0.6%**	**Other operating expenses, out of which:**	**50,907**	**47,805**	**34,920**	**▲ 6.5%**	**▲ 36.9%**
47,490	*46,940*	*▲ 1.2%*	*- modernization quota expenses*	*47,490*	*36,981*	*31,080*	*▲ 28.4%*	*▲19.0%*
400,649	**401,525**	▼ 0.2%	**Total operating expenses**	**400,649**	**382,620**	**380,855**	**▲ 4.7%**	**▲ 0.5%**

Table 21 - Operating income statement year 2021 compared vs. Budget and vs. 2019-2021 period

The operating expenses achieved in 2021 increased by 4.7% as compared to 2020, from 382,620 thousand RON to 400,649 thousand RON.

Th increase in the operating expenses was mainly determined by the increase of the expenses with the modernization quota, of the personnel expenses and of the energy and water expenses.

As compared to the approved budget, in 2021 were registered savings at the following types of expenses: third- party expenses (1,102 thousand RON), material expenses (650 thousand Ron), maintenance expenses (583 thousand RON), decontamination works (209 thousand RON), personnel expenses (143 thousand RON).

Statement of the profitability for 2021 vs 2020 is rendered in the chart below:

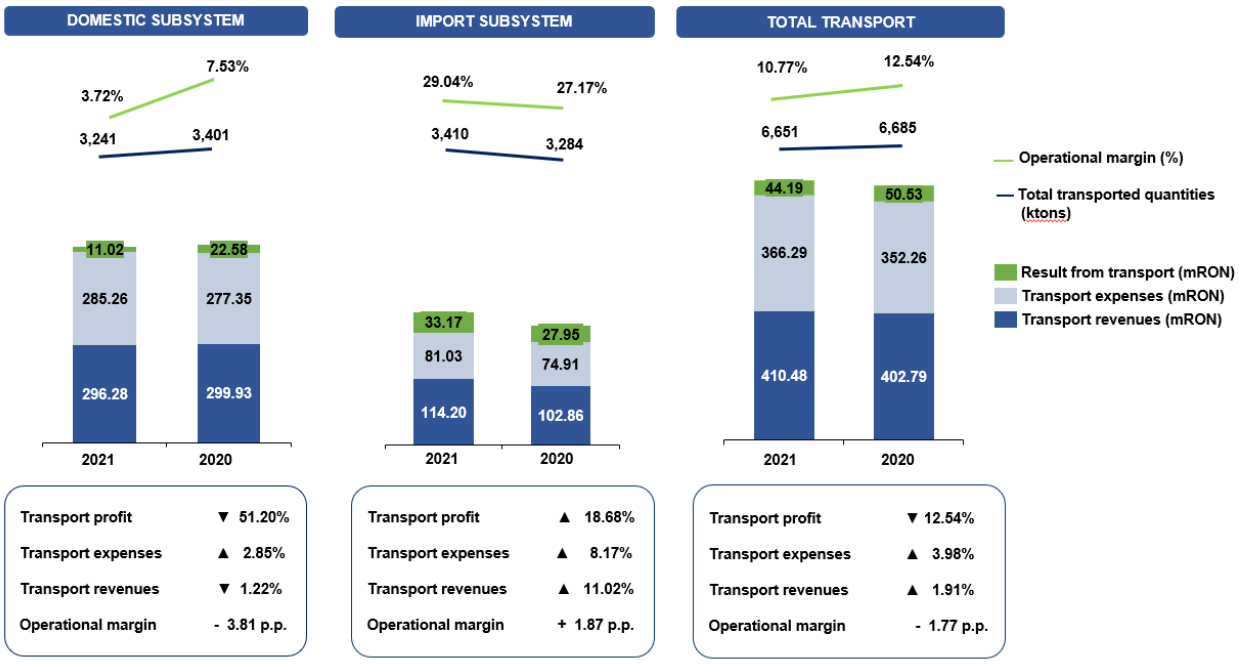


Chart 22 - Profitability of the transport subsystems in 2021 and 2020

The 2021 resulting profit from the transport activity on the two sub-systems (Domestic and Import) lowered by 12.54% from 50.53 million RON in 2020 to 44.19 million RON in 2021. In 2021, on the entire transport network (Domestic and import) was achieved an average profit/ton of 6.65 Ron, as compared to 7.56 RON in 2020.

The operating profit achieved in 2021, of 57,737 thousand RON, increased by 3.5% (1,938 thousand Ron), as compared to the budget provisions. As compared to the previous year, the profit lowered by 11.2%.

Financial Result

Indicator (thousand RON)	2021	2020	2019	Variation (%)	
				2021/2020	2020/2019
Revenues from interests	3,402	6,097	7,854	▼ 44.2%	▼ 22.4%
Revenues from operations with securities and other financial instruments	-	-	-	-	-
Other financial revenues	26	26	20	-	▲ 30.0%
Total financial revenues	**3,428**	**6,123**	**7,874**	**▼ 44.0%**	**▼ 22.2%**
Total financial expenses	**330**	**686**	**318**	**▼ 51.9%**	**▲115.7%**
Financial Result	**3,098**	**5,437**	**7,556**	**▼ 43.0%**	**▼ 28.0%**

Table 22 - Financial results during 2019-2021

The financial revenues are lower by 44% in 2021 YoY, due to the reduced interests at the bank deposits.

The financial expenses lowered by 356 thousand RON in 2021 as compared to 2020, mainly due to the 38% decrease (330 thousand RON) of the expenses regarding the interests related to leasing contracts.

Based on this evolution, **the financial result** lowered by 43.0% in 2021, as compared to 2020 (from 5,437 thousand RON to 3,098 thousand RON).

The company ended 2021 with a net profit amounting to 51,929 thousand RON, 5.3% over the budgeted level, and as compared to 2020 level, records 14.7% decrease.

4.3.3. Economic-financial Indicators

Name of the indicators	Calculation formula	2021	2020	2019	Variation	
					2021/2020	2020/2019
PROFITABILITY INDICATORS						
Gross sales margin	EBIT (operating profit) / Turnover	14.0%	16.0%	15.2%	▼2.0 p.p.	**▲0.8 p.p.**
operating profit margin	EBIT (operating profit) / The Operating Revenues	12.6%	14.5%	14.0%	▼1.9 p.p.	**▲0.5 p.p.**
EBITDA in total sales	EBITDA / Turnover	26.6%	27.6%	26.7%	▼1.0 p.p.	**▲0.9 p.p.**
EBITDA adjusted in total sales	Adjusted EBITDA / Turnover	28.9%	28.4%	26.4%	**▲0.5 p.p.**	**▲2.0 p.p.**
EBITDA in equity	EBITDA / Total Equities	16.4%	17.1%	16.6%	▼0.7 p.p.	**▲0.5 p.p.**
EBIDTA adjusted in equity	Adjusted EBITDA / Total Equities	17.9%	17.6%	16.5%	**▲0.3 p.p.**	**▲1.1 p.p.**
Gross Profit Rate	Gross result / Turnover	14.7%	17.3%	17.1%	▼2.6 p.p.	**▲0.2 p.p**
LIQUIDITY INDICATORS						
Current liquidity indicator (times)	Current assets / Current liabilities	3.00	3.08	3.15	▼ 2.6%	▼ 2.2%
The quick ratio indicator (acid test)	Current assets - Inventories / Current liabilities	2.94	3.00	3.06	▼ 2.0%	▼ 2.0%
PROFITABILITY INDICATORS						
Return on Assets (ROA)	Net result / TOTAL ASSETS	6.7%	8.0%	7.7%	▼1.3 p.p.	**▲0.3 p.p**
Return on Equity (ROE)	Net result / Total Equities	7.8%	9.3%	9.0%	▼1.5 p.p.	**▲0.3 p.p**
Return on Sales (ROS)	Net result / Turnover	12.6%	15.0%	14.4%	▼2.4 p.p.	**▲0.6 p.p.**
Inventories turnover speed (days)	Average stock / Sales costs	370.7	416.6	415.5	▼ 11.0%	▲ 0.3%
Duration of stocks rotation (times)	Sales costs / Average stock	0.97	0.86	0.87	▲ 12.8%	▼ 1.2%
Rotation speed of the clients' debits (days)	Average stock clients X360 / Turnover	28	28	29	-	▼ 3.4%
Rotation duration of the clients' debits (times)	Turnover / Average stock clients	13.05	12.98	12.37	▲ 0.5%	▲ 4.9%
Rotation speed of supplier credits (days)	Average stock suppliersX360 / Procurement from suppliers of goods and services	26	28	28	▼ 7.1%	-

Name of the indicators	Calculation formula	2021	2020	2019	Variation	
					2021/2020	2020/2019
Rotation speed of the suppliers' credits (times)	Procurement from suppliers of goods and services	13.67	12.96	12.86	▲ 5.5%	▲ 0.8%
	Average balance suppliers					
RISK INDICATORS						
Leverage degree indicator	Borrowed capital	0.59%	0.53%	0.70%	▼0.06 p.p.	▼0.17 p.p.
	Total Equities					

Table 23 - Economic - financial indicators during 2019-2021

4.3.4 Execution of the revenues and expenditure budget

Execution of 2021 Revenues and Expenditure Budget is presented in the format and structure of the Order of the Ministry of Public Finances no. 3818/2019.

			INDICATORS		BUDGET YEAR 2021	Achieved year 2021	%
I.			**TOTAL REVENUES**		**460,243**	**461,814**	**100.3%**
	1		Total Operating Revenues		457,324	458,386	100.2%
	2		Financial Revenues		2,919	3,428	117.4%
II			**TOTAL EXPENSES**		**402,243**	**400,979**	**99.7%**
	1		Operating expenses, out of which:		401,525	400,649	99.8%
		A.	goods and services expenses		98,362	100,923	102.6%
		B.	Taxes, fees, and similar levies related expenses		33,562	33,796	100.7%
		C.	Personnel expenses, out of which:		168,362	168,219	99.9%
			C0	Salary related expenses	154,550	154,451	99,9%
			C1	Salary expenses	134,048	133,956	99.9%
			C2	Bonuses	20,502	20,495	99.9%
			C3	Other personnel expenses, out of which:	1,798	1,798	100,0%
				expenditure on severance payments relating to personnel layoffs	1,798	1,798	100.0%
			C4	Expenses related to the Contract of Mandate and other management and control bodies, committees and commissions	4,894	4,892	100.0%
			C5	Expenses with contributions due by the Employer	7,120	7,078	99.4%
		D.	Other operating expenses		101,239	97,711	96.5%
	2		**Financial Expenses**		**718**	**330**	**46.0%**
III			**GROSS RESULT (profit/loss)**		**58,000**	**60,835**	**104.9%**
IV			**INCOME TAX**		**8,682**	**8,906**	**102.6%**
V			**ACCOUNTING PROFIT REMAINING AFTER THE DEDUCTION OF THE INCOME TAX**		**49,318**	**51,929**	**105.3%**
VI			**REVENUES FROM EUROPEAN FUNDS**		**0**	**0**	**-**
VII			**ELIGIBLE EXPENSES FINANCED OUT OF EUROPEAN FUNDS**		**0**	**0**	**-**
VIII			**INVESTMENT FINANCING SOURCES**		**96,000**	**63,573**	**66.2%**
IX			**INVESTMENT RELATED EXPENSES**		**96,000**	**63,573**	**66.2%**
X			**SUBSTANTIATION DATA**				
	1		Number of employees estimated at the end of the year		1,556	1,543	99.2%
	2		Total average number of employees		1,543	1,511	97.9%
	3		Average monthly earnings per employee (RON/employee) determined based on payroll expenses *		7,698	7,856	102.1%
	4		Labor productivity in value units per total average number of employees (kRON/employee)		296	303	102.4%

			INDICATORS	BUDGET YEAR 2021	Achieved year 2021	%
	5		Total expenses per each 1000 RON of total revenues	874	869	99.4%
	6		Overdue payables	0	0	-
	7		Outstanding receivables	285	97	34.0%

Table 24- Implementation of the Revenues and Expenditure Budget for 2021

4.3.5 Cash-flow

	Indicators (thousand RON)	2021	2020	2019	Variation 2021/2020	Variation 2020/2019
	Cash flows from operating activities:					
+	Proceeds from services supply	447,653	451,157	451,818	▼ 0.8%	▼ 0.1%
+	Proceeds from interests related to banking investments	3,320	6,572	7,956	▼ 49.5%	▼ 17.4%
+	Other proceeds	9,830	4,902	6,615	▲100.5%	▼ 25.9%
-	Payments to the suppliers of goods and services	121,740	117,925	119,161	▲ 3.2%	▼ 1.0%
-	Payments to and on behalf of the employees	166,735	160,130	155,944	▲ 4.1%	▲ 2.7%
-	VAT Payments	51,158	43,943	46,788	▲ 16.4%	▼ 6.1%
-	Payments related to corporate tax and specific tax	7,869	11,515	13,667	▼ 31.7%	▼ 15.7%
-	Other payments regarding operating activities	43,856	41,803	36,819	▲ 4.9%	▲ 13.5%
A	***Net cash from operating activities***	***69,445***	***87,315***	***94,010***	**▼ 20.5%**	**▼ 7.1%**
	Cash flows from investment activities					
+	Proceeds from sale of tangible assets	302	63	38	-	▲ 65.8%
+	Proceeds from modernization quota	47,490	36,981	31,081	▲ 28.4%	▲ 19.0%
-	Payments for purchase of tangible assets	63,416	102,602	84,149	▼38.2%	▲ 21.9%
B	***Net cash from investing activity***	***(15,624)***	***(65,558)***	***(53,030)***	**-**	**-**
	Cash flows from financing activities:					
+	Proceeds of dividends transferred to Depozitarul Central	0	0	2,786	-	-
-	Paid Dividends	57,690	59,118	62,873	▼ 2.4%	▼ 6.0%
-	Payments on the account on the debt related to the leasing	2,430	2,765	1,755	▼ 12.1%	▲ 57.5%
-	Interest payments	207	194	243	▲ 6.7%	▼ 20.2%
C	***Net cash from financing activities***	***(60,327)***	***(62,077)***	***(62,085)***	**-**	**-**
	Net increase of the cash and cash equivalents =A+B+C=D2-D1	***(6,506)***	***(40,320)***	***(21,105)***	-	-
D1	***Cash and cash equivalents at the beginning of the period***	**198,257**	**238,577**	**259,682**	**▼ 16.9%**	**▼ 8.1%**
D2	***Cash and cash equivalents at the end of the period***	**191,751**	**198,257**	**238,577**	**▼ 3.3%**	**▼ 16.9%**

Table 25 - Statement of cash flows in period 2019 - 2021

The cash and cash equivalences in balance at 31.12.2021 decreased by 3.3% as compared to December 31, 2020 (191.8 million RON as compared to 198.3 million RON), due to the decrease in cash from operating activity.

Out of the total of 191.8 million RON cash accounted in balance at 31.12.2021, the share related to the modernization quota is in amount of 124.1 million RON.

The effects of the three activity areas (operation, investment and financing) over the cash in the 12 months period of 2021 reveal the followings:
- the operating activity triggered a cash-flow in amount of 69 million RON;
- the investment activity ended with a negative cash flow in amount of 16 million RON;
- The financing activity lowered the total cash flow by 60 million RON, mainly due to the cash outputs for the payment of dividends (58 million RON);

The value of the net cash flows from the operating activity records a diminution by approximately 17.8 million RON generated by the increase in payments to the utility suppliers due to the augmentation of the electricity and natural gas prices and of the payments to the employees and the State budget.

The net cash from investment activities registers a negative value, lower by approximately 50mRON compared to the level registered in 2020, due to the decrease in cash outflow for the payment of the investment suppliers.

The net cash from the financing activity registers in both compared periods negative amounts determined by the payment of dividends to the shareholders and the amounts related to leasing.

4.3.6. The internal audit and the risks management systems in the financial reporting process

The internal audit and the risks management systems in the financial reporting process have the following main objectives:
- ✓ Compliance with the financial-accounting legislation in force and the reporting standards;
- ✓ The application of the accounting standards approved and of the instructions drafted by the management with regards to the financial information;
- ✓ Ensuring the reliability of the financial information. The objective aims to ensure that accounting, financial and management information communicated or published are complete and accurately reflect the activity and situation of the entity;
- ✓ Prevention and detection of frauds and accounting and financial irregularities.

The fulfillment of these objectives is being supported by:
- ✓ Personnel recruitment with an adequate level of competence, in compliance with the company's needs and the existence of a continuous professional development plan to enable the upgrade of knowledge related to the accounting and fiscal legislation;
- ✓ Clear definition of the responsibilities related to each person involved in the financial reporting process, respectively the separation of attributes related to the performance of operations among persons, so that the approval, audit and registration attributions be, in a fair measure, awarded to different persons, as per the company's organization chart;
- ✓ Design and implementation of several internal procedures regarding the counting and control of the accounting-financial operations, settlement of the information circuits and the related audits thereof, to ensure the quick, fair and complete centralization of the financial information, as per the internal procedures manual;
- ✓ The financial preventive audit system;
- ✓ Identification of risks in relation to the financial reporting process, the assessment of the effectiveness and efficiency of the application of the internal procedures regarding the processes relevant to the financial reporting by the internal audit department and communication of the identified shortcomings to the Board of Directors*;*

- ✓ The accounting policies manual drafted as per the legislation in force, approved by the Board of Directors;
- ✓ The existence of a calendar and a well-defined process with regards to the elaboration of accounting and financial information compliant with the financial-accounting and capital market reporting requirements, as well as the checking and appropriate approval thereof by the Board of Directors, in view of publication thereof.

4.3.7 Related Parties

In 2021, the Company performed related party transactions, out of which, significant are the procurements from SNTFM CFR Marfa (over 95%).

Partner	Unsettled amounts at December 31, 2020	Procurements during 01.01.2021-31.12.2021	Settlements during 01.01.2021-31.12.2021	Unsettled amounts at December 31, 2021
SNTFM CFR Marfă S.A.	6,709,061	75,544,240	76,460,702	5,792,599

**The amounts are in RON and VAT inclusive.*

4.4 Analysis of the corporate activity

4.4.1 Activity on the capital market

Evolution of "COTE share"

The shares issued by CONPET S.A. are traded on the regulated market administered by Bucharest Stock Exchange, on Main segment, at Equity sector - category Premium, under "COTE" symbol.

At the end of 2021, the trading price of CONPET shares recorded an increase by 3.67% compared to the closing price of the last day of the previous year.

In summary, the transactions recorded with CONPET shares on Bucharest Stock Exchange in 2021 are as follows:
- 15,019 transaction have been performed, 31% more YoY (11,498 transactions);
- The total volume of traded shares amounted to 965,333 shares, 21.83% lower than the volume recorded in 2020 (1,234,934 shares);
- The total value of trades amounted to 84,336,132 RON, 9.75% lower than the value recorded in the same period of 2020 (93,442,522 RON);
- the average trading price was of 87.36 RON/share, higher by 10.92 RON/share versus the average price of the shares registered during 2020 (76.44 RON/share);
- the trading price registered maximum value, respectively 99.60 Ron/share at the beginning of February;
- A peak of the transactions was recorded on 29.04.2021, when a total volume of 77,353 shares was traded, in amount of 7,194,371 RON, representing 8.01% of the total volume of COTE shares traded during 2021;
- the market capitalization at the end of December 2021 was of 683,944,712 RON, increasing by 3.67% as compared to the value recorded at the end of 2020 (659,703,634 RON).

The main trading indices of 2021 for the shares issued by CONPET are presented in the following table:

Indices / Month	Average price (RONs/share)	No. shares	No. of traded shares	Value of trades (RON)
January	83.56	1,722	103,050	8,610,351
February	94.12	2,739	173,161	16,298,442
March	90.06	1,596	88,151	7,939,145
April	92.77	861	133,527	12,387,218
May	93.17	1,378	74,337	6,925,972
June	87.88	1,178	51,907	4,561,496
July	83.97	736	30,372	2,550,412
August	81.83	936	27,099	2,217,635
September	82.15	769	88,037	7,232,002
October	82.72	660	47,161	3,901,250
November	80.02	1,203	72,975	5,839,181
December	77.73	1,241	75,556	5,873,029
Cumulated	**87.36**	**15,019**	**965,333**	**84,336,132**

Table 26 - Main trading indices

Currently, the company CONPET S.A. is included in 7 out of the total of 9 indices of the Bucharest Stock Exchange, respectively ***BET, BET-TR, BET-XT, BET-XT-TR, BET-BK, BET-NG*** and ***BET Plus indices.***

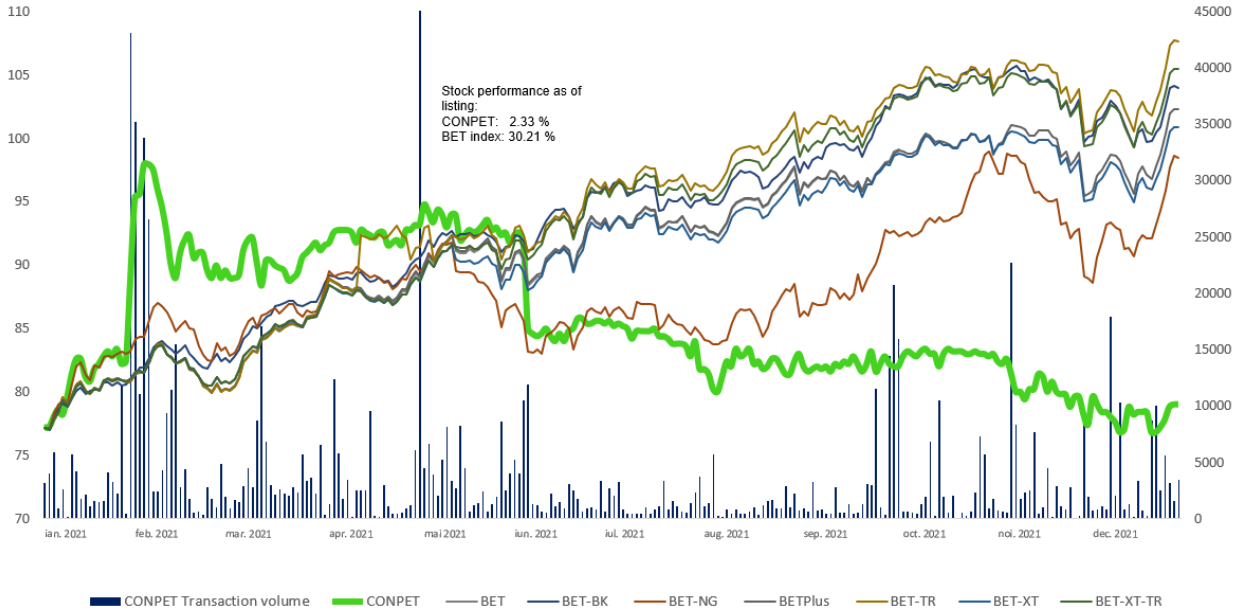


Chart 23 - Evolution of COTE share vs. stock indices (rebased) where it is included in 2021 (RON)

Graphically, the evolution of the trading price of CONPET S.A. shares, along 2021 is the following:

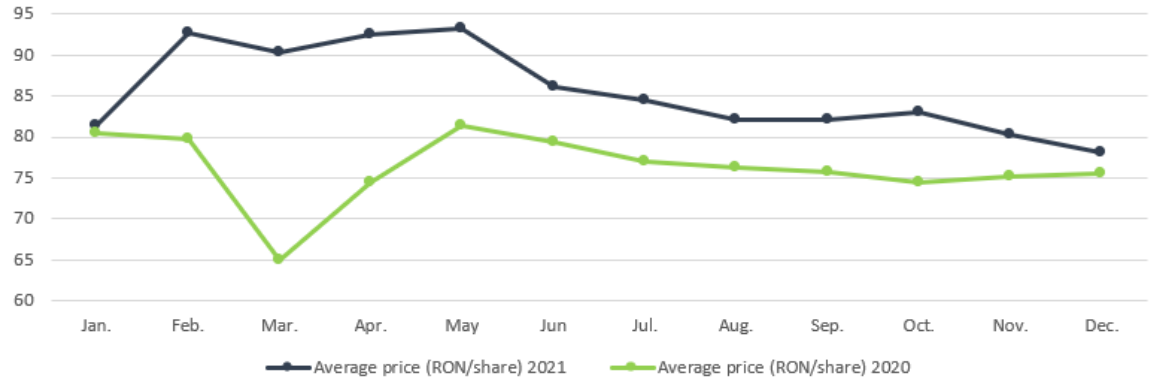


Chart 24 - Evolution of the trading price of the shares

Stock Market indicators	Period					
	2016	2017	2018	2019	2020	2021
PER	10.79	12.03	9.04	11.36	11.20	12.13
P/BV	0.89	1.08	1.02	1.04	1.01	1.09
EPS	7.30	8.26	8.59	7.01	6.80	6.51
DIVY (dividend yield)	9.26	26.56	10.35	9.38	9.26	8.73

Table 27 - Main stock performance indices

On 31.12.2021, according to the TOP 30 Issuers according to capitalization, CONPET ranked the 26th, with a market capitalization of RON 683,944,712 (138.21 mEUR), which accounts for 0.30% share in the total market capitalization.

The Dividend Policy

Within the last 5 years, CONPET fulfilled its commitment to award a yield to its shareholders by means of a sustainable policy and distributed dividends in a quota comprised between 88% and 93% of the net accounting profit.

The dividend policy of the Company CONPET S.A. was approved by the Board of Directors on 28.01.2021.

The net profit distribution decisions concern the company's options between partial or full reinvestment of the net profit and/or distribution in the form of dividends.

Depending on the situation prevailing at the time of the proposed profit allocation, deviations from the Policy may occur because of specific legal requirements applicable at that date, changes in the tax framework, depending on capital requirements for investments, etc.

The dividend profit distribution rate, set out in the dividend policy, which the Board of Directors will consider in the formulation of the proposal to the General Meeting of Shareholders of CONPET S.A. will range between **85 % and 100 % of the net accounting profit.**

The gross dividend per share is the share of the company's net profit that is calculated and paid to shareholders for each share held.

The evolution of the dividends distributed from the net profit for the period 2018- 2020 is as follows:

Share of profit	GMS date	Registration date	Total gross dividends due - RON-	% of net profit	Gross dividend/share - RON-	Paid gross dividends - RON-	Net dividends accumulated at 31.12.2021
2018-Dividend Profit of the period, from reserves and retained earnings	23.04.2019	11.06.2019	64,652,923	90.1%	7.47	62,359,443.70	2,293,479.30
2019-Dividend out of the Profit of the year, from reserves and retained earnings	29.04.2020	11.06.2020	61,055,584	87.6 %	7.05	58,831,750.46	2,223,833.54
2020-Dividend out of the Profit of the year, from reserves and retained earnings	28.04.2021	08.06.2021	59,707,439	84.5%	6.89	57,412,401.50	2,295,037.50

Table 28 - Evolution of dividends distributed in the period 2019-2021

The return on investment and dividend yield in the period 2014-2021 are shown in the chart below:

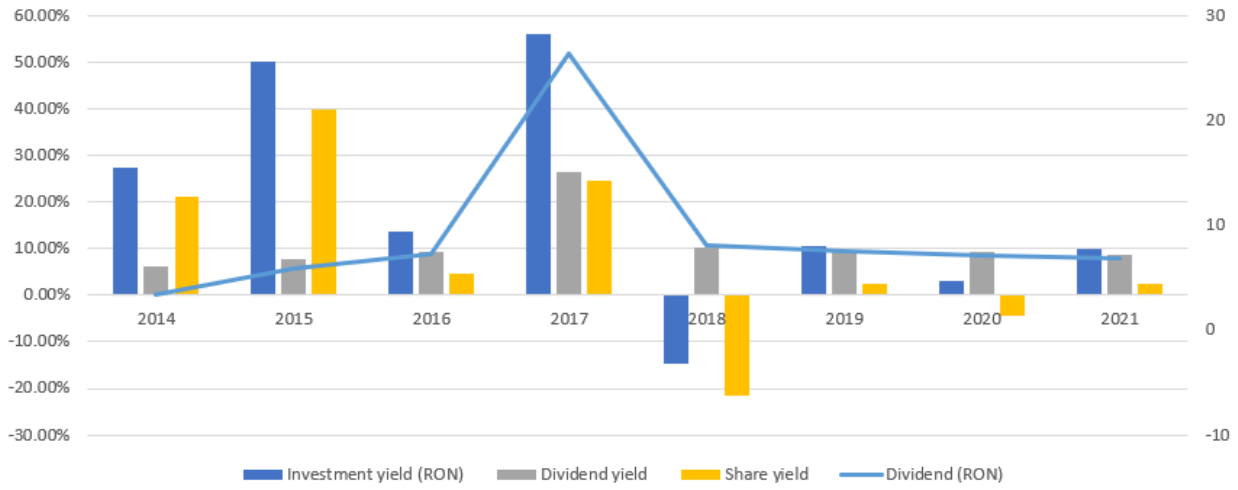


Chart 25 – Evolution of return on investment and dividend yield

Total dividend per share was 6.89 RON, thus offering its shareholders a dividend yield of 8.73%, thereby positioning itself on the second place in the top of the dividends granted by a company listed on the Bucharest Stock Exchange.

Own shares, issuance of bonds or other debt instruments

CONPET did not perform transactions having as scope purchase of own shares and does not hold own shares at the end of 2021.
CONPET has no subsidiaries and there are no shares issued by the parent company and owned by the subsidiaries.
CONPET has not issued bonds or other debt instruments.

4.4.2. Corporate Governance

Corporate governance continues to be in a process of adapting to the demands of a modern economy, to the obvious globalization of social life as well as to the information needs of investors and third parties interested in the activity of the companies.
The corporate governance at the level of CONPET is organized and conducted in accordance with the Romanian legislative framework, namely the Companies Law no. 31/1990 and the Government Emergency Ordinance no. 109/2011 on corporate governance of the public enterprises.

CONPET shares are traded, starting with September 5th, 2013, on the regulated market managed by the Bucharest Stock Exchange (BSE), at category I, under the COTE symbol.
Starting January 5th, 2015, CONPET SA is included in PREMIUM category of the regulated market managed by Bucharest Stock Exchange.
The Corporate governance system is constantly improved, as to be compliant with the rules and recommendations applicable to a company listed at the BSE.
Among the measures already implemented, please note:

- ✓ the inclusion in the administrators' annual report of a chapter devoted to corporate governance with reference, inter alia, to the information related to the Board of Directors and the established consultative committees, namely: the Audit Committee, the Nomination and Remuneration Committee, the Development and Investors Relationship Committee and Authorities Relationship Committee;
- ✓ diversification of communication with shareholders and investors through the inclusion on the web page of the releases addressed to market participants, half-yearly financial statements, annual reports, procedures to be followed in order to access and participate to the GMS;
- ✓ the establishment of a specialized entity dedicated to the relationship with investors and shareholders.

The Corporate Governance Rules

As an issuer listed on Bucharest Stock Exchange, CONPET has promoted and approved, by the Decision of the Board of Administration in March 2014, the CONPET Corporate Governance Rules. This document accounts for the voluntary assumption by the Company of the corporate governance principles, given the characteristics and its specific activity in accordance with the principles set out in the Corporate Governance Code of Bucharest Stock Exchange. The regulation is a public document and can be read on the company's website by accessing the following link:https://www.conpet.ro/guvernanta-corporativa/regulament-de-guvernanta-corporativa/.

Other applicable documentation

For the application of the general regulatory framework, CONPET has adopted documents by which corporate governance is transposed into practice:

- ✓ The Articles of Incorporation of CONPET, comprising provisions relating to the management bodies (General Meeting, Board of Directors, Executive Management) as well as their powers and operating procedures;
- ✓ The Rules for the organization and functioning of the Board of Directors, detailing and operationalizing how this body meets, how it analyzes, discusses and makes decisions, how it interacts with the executive management and with other parts.

✓ The Regulation for the organization and functioning of CONPET, the Code of Ethics, the Internal Regulations, which incorporate, detail and operationalize certain aspects incident to the governance framework of the company.

Statement on the Conformity with the Provisions of the Corporate Governance Code issued by Bucharest Stock Exchange

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
A.1. All companies should have internal regulation of the Board which includes terms of reference/responsibilities for Board and key management functions of the company, applying, among others, the General Principles of Section A.	YES		Delimitation of BoD responsibilities of the ones of the Director General is provided in the Corporate Governance Regulation.
A.2. Provisions for the management of conflict of interests should be included in the Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	YES		Both the Rules of Organization and Operation of the Board of Administration of the company CONPET S.A and the Corporate Governance Rules approved by the Board of Administration contain provisions concerning the management of the conflict of interests. In practice, the members of the Board inform the Board, whenever needed, on any conflict of interests having arisen or that may arise and refrain from taking part to discussions and from the voting for the adoption of a Resolution regarding the issue giving rise to such conflict of interests.
A.3. The Board of Directors or the Supervisory Board should have at least five members.	YES		
A.4. Most of the members of the Board of Directors should be non-executive. In case of the Premium Tier companies, at least two non-executive members of the Board of Directors should be independent. Each independent member of the Board of Directors should submit a declaration at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, on the grounds on which he/she is considered independent in character and judgment in practice and according to the following criteria: A.4.1. Not to be the CEO/executive officer of the company or of a company under	YES		

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
his/her control and not have been in such position for the previous five years; A.4.2. Not to be the CEO/executive officer of the company or of a company under his/her control and not have been in such position for the previous five years; A.4.3. Not to receive and not have received additional remuneration or other advantages from the company or from a company under his/her control, apart from those corresponding to the capacity of non-executive administrator; A.4.4. Not to be or not have been an employee of, or not have or have had any contractual relationship, during the previous year, with a significant shareholder of the company, controlling over 10% of the voting rights, or with a company under his control; A.4.5. Not to have and not have had during the previous year a business or professional relationship with the company or with a company under his/her control, either directly or as a customer, partner, shareholder, member of the Board/Administrator, Director General/executive officer or employee of a company having such a relationship if, by its substantial character, this relationship could affect his/her objectivity; A.4.6. Not to be and not have been in the last three years the external or internal auditor or a partner or associate employee of the current external financial auditor or internal auditor of the company or of a company under his/her control; A.4.7. Not to be a Director General/executive officer in another company where another Director General/executive officer of the company is a non-executive administrator; A.4.8. Not to have been a non-executive administrator of the company for more than twelve years; A.4.9. Not to have family ties with a person in the situations referred to at points A.4.1. and A.4.4.			
A.5. Any relatively permanent professional commitments and engagements of a member of the Board, here included the executive and non-executive Board positions in companies and not-for-profit	YES		Part of the professional commitments and obligations are communicated in the Statements of Assets and Liabilities of the Board members

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
institutions, should be disclosed to shareholders and to potential investors before appointment and during his/her mandate.			(in compliance with provisions of Law 176/2010 regarding integrity in the exercise of the positions and public dignities, for the amendment and complementation of Law no.144/2007 regarding the incorporation, organization and operation of ANI, as well as for the amendment of other normative acts).
A.6. Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	YES		The existing provisions included in the independence statements, respectively in the Corporate Governance Rules regarding the conflict of interest provide compliance with the requirement.
A.7. The company should appoint a secretary of the Board responsible for supporting the work of the Board.	YES		
A.8. The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the president or the nomination committee and, if so, summarize the key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.		Partially compliant	In compliance with the provisions of the EGO 109/2011, the assessment of the administrators' activity is being performed annually by the general meeting of shareholders and is aiming at both the contract execution and the administration plan. The Nomination and Remuneration Committee drafts a report regarding the administrators' evaluation, also considering the assessment surveys filled in for every BoD member.
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by the administrators (in person and in absentia) and a report of the Board and committees on their activities.	YES		
A.10 The corporate governance statement should contain information on the precise number of the independent members of the Board of Administration or of the Supervisory Board.	YES		
A.11. The Board of Premium Tier companies should set up a nomination	YES		The procedure for the appointment/nomination of the

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
committee formed of non-executives, which will lead the process for new Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.			Board members is performed in compliance with the provisions of the EGO no.109/2011 on the corporate governance of the public enterprises.
B.1 The Board should set up an audit committee where at least one member should be an independent non-executive. The majority of members, including the President, should have proven an adequate qualification relevant to the functions and responsibilities of the committee. At least one member of the audit committee should have proven an adequate auditing or accounting practice. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee should be independent.	YES		
B.2. The President of the audit committee should be an independent non-executive member.	YES		
B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal audit.	YES		
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal audit reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal audit failings or weaknesses and their submission of relevant reports to the Board.	YES		
B.5. The audit committee should review conflicts of interests in relation to the transactions of the company and its subsidiaries with related parties	YES		
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.	YES		
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	YES		

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
B.8. Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by recurrent (at least annual), or ad-hoc reports to be submitted to the Board afterwards.	YES		
B.9. No shareholder may be given undue preference over other shareholders regarding transactions and agreements made by the company with shareholders and their related parties.	YES		The company CONPET S.A. observes the recommendations of the Corporate Governance Code of the BSE.
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies it has close relations with, that is equal to or bigger than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Board's audit committee, and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.		Partially compliant	We have no policy in this respect.
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by hiring an independent third-party entity.	YES		
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the Audit Committee. For administrative purposes and in the scope related to the liabilities of the management to monitor and mitigate risks, it should report directly to the Director General.	YES		
C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period subject to review.	YES		
D.1. The company should have an Investor Relations function - indicating, to the general public, the person (s) responsible or the organizational unit. In addition to the information required by legal provisions, the company should include on its website a dedicated Investor Relations section, both in Romanian and	YES		

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
English, with all relevant information of interest for investors, including:			
D.1.1 The main corporate regulations: the articles of incorporation, the procedures on general shareholders' meetings;	YES		On the company website are published information relevant for the investors (Articles of Incorporation, shareholders' rights etc.). The General Meetings of Shareholders are held by the observance of the legislation in force regarding the companies and the capital market, in compliance with the legal provisions regarding the call and performance of the general meetings.
D.1.2. Professional CVs of the members of the governing bodies of the company, other professional commitments of the Board members, including the executive and non-executive Board positions in companies or non-profit institutions;	YES		
D.1.3. Current and periodic reports (quarterly, semi-annual and annual reports) – at least the ones provided at item D.8 – including current reports with detailed information related to non-compliance with this Code;	YES		
D.1.4. Information related to general meetings of shareholders: the agenda and supporting materials; the procedure for the election of Board members; the rationale for the proposal of candidates for the election to the Board, together with their professional CVs; shareholders' questions related to the agenda and the company's answers, including the decisions made;	YES		
D.1.5. Information on corporate events, such as payment of dividends and other distributions to the shareholders or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions;	YES		
D.1.6. The name and contact data of a person who should be able to provide, upon request, relevant information;	YES		
D.1.7. Corporate presentations (e.g. investors presentations, quarterly results presentations, etc.), financial statements	YES		

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
(quarterly, semi-annual, annual), auditor reports and annual reports.			
D.2. The company should provide a policy related to the annual distribution of dividends or other benefits to the shareholders, proposed by the Director General or the Management Board and adopted by the Board of Administration, as a set of directions the company intends to follow regarding the distribution of net profit. The principles of the annual dividend distribution policy should be published on the corporate website.	YES		
D.3. The company should adopt a policy with respect to forecasts, whether they are disclosed or not. Forecasts refer to the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions): by nature, such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. Policy rate forecast will establish the period considered and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual, or quarterly reports. The forecast policy should be published on the corporate website.	YES		The forecasts have been presented in the summary of the Administration Plan approved in the GMS dated 18.12.2018, published on the company website.
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	YES		
D.5. The external auditors should attend the shareholders' meetings when their reports are presented there.	YES		
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal audit and significant risk management systems, as well as opinions on issues subject to resolution at the general meeting.	YES		
D.7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Board. Accredited journalists may also participate in the general meeting of	YES		

Provisions of the Corporate Governance Code	Complies	Fails to comply or partially complies	Reason for Non-Compliance
shareholders unless the President of the Board decides otherwise.			
D.8. The quarterly and semi-annual financial reports should include information, in both Romanian and English, regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.	YES		
D.9. A company should organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the "Investors Relation" section of the company website at the time of the meetings/conference calls.	YES		
D.10. If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company is part of its business mission and development strategy, it should publish the policy guiding its activity in this area.	YES		

Table 29– Statement on the Conformity with the Provisions of the Corporate Governance Code issued by Bucharest Stock Exchange

Actions for further improvement of CONPET corporate governance

With its listing at the BSE, CONPET has undertaken the application of the Corporate Governance Code of Bucharest Stock Exchange and, therefore, of the highest corporate governance standards currently existing in Romania.

One of the goals of the company CONPET S.A. is to increase the transparency and visibility of the company on the stock market and to ensure greater openness to shareholders and investors to increase the credibility of the company.

Transparency, information and communication

As a company listed at the Bucharest Stock Bucharest, CONPET fully complies with the obligations of reporting to the investors and the market in general, drafting and submitting the periodic and current reports required by the regulations of the Stock Exchange.
As a company that operates in a competitive environment of great significance for the economy in general, CONPET seeks to achieve the right balance between information of a confidential nature and of public interest. Internal regulations have been adopted for the dissemination of information and compliance with confidentiality.

In accordance with the principles of corporate governance, CONPET has announced the timetable for meetings with analysts and investors. In 2021, conference calls with financial analysts from the capital market have been organized, for the analysis of the periodic reports of the company. The presentation materials prepared on the occasion of the events mentioned above have been published on the company's website.

Furthermore, particular importance has been given to the relationship with shareholders and investors, by showing increased transparency. The company's representative answered positive to all the participants to the capital market. In 2021, the company CONPET took part in numerous events organized within the capital market, showing openness towards both institutional and individual investors.

The company has also provided a contact number and an email address (infoinvestitori@conpet.ro), through which investors can clarify certain aspects or ask various questions, thus getting in direct contact with the company's investors' relation team.

The evolution of CONPET S.A. share is monitored by the research departments of the major financial investment services companies from the Romanian capital market. Furthermore, the entity that manages the investor relation maintains a permanent connection with all financial analysts in the capital market.

At CONPET level, the corporate governance structures are:

-The General Meeting of Shareholders;
- the Board of Directors and the Consultative Committees;
- The Director General.

The General Meeting of Shareholders

At the reference date 31.12.2021, the total number of shares was 8,657,528, owned by 13,774 shareholders. The shareholding structure, corresponding to the consolidated synthetic structure of the shareholders at the same date, was the following:

✓ The Romanian State by the Ministry of Energy (1 Shareholder)

Number of shares:	5,083,372
- Value of contribution to the share capital (RON):	16,775,127.6
- Share on profit and loss (%):	58.7162

✓ Legal persons (93 shareholders)

Number of shares:	2,292,221
- Value of the contribution to the share capital (RON)	7,564,329.3
- Share on profit and loss (%):	26.4766

✓ Natural persons (13,680 shareholders)

Number of shares:	1,281,935
- Value of the contribution to the share capital (RON)	4,230,385.5
- Share on profit and loss (%):	14.8072

The shareholders exercise their rights at the General Meeting of Shareholders ("GMS"), which is the highest decision-making body of the company. The powers of approval of the General Meeting of Shareholders, the organization and validity conditions of these meetings are set out in the Articles of Incorporation of the company, in accordance with the applicable regulations, and are supplemented with the incident legal provisions. Both the Articles of Incorporation of the company and shareholders' rights are posted on the company's website at the following addresses:
https://www.conpet.ro/wp-content/uploads/2015/11/Articles-of-Incorporation-18.12.2018.pdf
https://www.conpet.ro/relatia-cu-investitorii/info-actionari/

According to the law, each subscribed and paid share gives the holder the right to one vote in the General Meeting of Shareholders, the right to elect and to be elected to the governing bodies, the right to participate in the distribution of dividends according to the provisions of the Articles of Incorporation and of the legal dispositions, as well as other rights provided for herein.

The shareholders are entitled to a fair and complete information in the General Meeting of Shareholders on the company's situation. In the case of issuance of new shares, the existing shareholders have preference right to subscription, under the law.
General Meetings are ordinary and extraordinary.
The General Meeting of Shareholders is convened by the Board of Directors, whenever necessary. The convening of the General Meeting of Shareholders shall comply with the legal provisions regarding the companies, as well as the capital market regulations and the provisions of the Articles of Incorporation. The meeting deadline cannot be less than 30 days as of the publishing of the Convening Notice in the Official Gazette of Romania, part IV.

To provide equal treatment and full and fair exercise of all shareholders' rights, CONPET makes available to them all relevant information regarding the GMS and adopted resolutions, according to the law, both by mass-communication means and in the special section opened on the company's website.

CONPET pays all diligence, in compliance with the requirements of the relevant legislation, to ease the participation of the shareholders in the sessions of the General Meetings, as well as for the full exercise of the rights thereof. The shareholders may take part and vote, in person, in the General Meeting of Shareholders, but also have the possibility to exercise the vote by representation or by correspondence.
The General Meeting of Shareholders is opened and presided by the President of the Board of Administration or, in his absence, by another administrator appointed by the President of the Board of Directors.
During the General Meetings of Shareholders, the dialog between the shareholders and the members of the Board of Directors and/or the Director General is allowed and encouraged. Each shareholder may address questions to the administrators regarding the company activity, according to the legal provisions.
The decisions made by the General Meetings of Shareholders within the limits of the law and of the Articles of Incorporation are mandatory even for the shareholders who did not take part in the meeting or voted against.
The decisions of the General Meeting of Shareholders which are contrary to the law or the Articles of Incorporation can be challenged in court, according to the law.

The Ordinary General Meeting of Shareholders has the following main responsibilities:

- ✓ discusses, approves or modifies the annual financial statements, based on the administrators' report and the financial auditor's report;

- ✓ elects and revokes the administrators according to the law;
- ✓ approves the financial and non-financial performance indicators of administrators, belonging to the component management proposal of the management plan drafted under art. 30 of EGO no. 109/2011 on corporate governance of public enterprises;
- ✓ appoints or revokes the financial auditor and sets forth the minimum duration of the financial audit contract;
- ✓ sets the remuneration level and any other amounts and advantages due to the administrators, as well as the general limits of the remuneration of the Director General with mandate;
- ✓ approves the Organization and Functioning Regulation of the Board of Administration and sets out the competencies thereof;
- ✓ approves the revenues and expenditure budget and the investment program for the next financial year, as well as the Budget rectification;
- ✓ approves the profit distribution according to the provisions of the normative acts in force and determination of dividend per share profit;
- ✓ passes judgments over the administrators' management and the means to recover the losses they have caused to the company;
- ✓ decides upon the pledging, leasing or dissolution of one or several units of the company.

The Extraordinary General Meeting of Shareholders has the following main responsibilities:

- ✓ changing the legal form of the company;
- ✓ changing the location of the company's headquarters;
- ✓ changing the company's line of business;
- ✓ establishment or disestablishment of subsidiaries;
- ✓ prolongation of the company's life;
- ✓ share capital increase;
- ✓ reduction of the share capital or replenishment thereof by issuing new shares;
- ✓ merger with other companies or division of the company;
- ✓ anticipated dissolution of the company;
- ✓ conversion of the shares from one category into another;
- ✓ conversion of a category of bonds into another category or into shares;
- ✓ bond issuance;
- ✓ change of nominal value and number of shares;
- ✓ decides upon the contracting of medium- and long-term bank loans, including external ones; establishes the competencies and level for contracting the current bank loans, trade loans, as well as the level of the guarantees;
- ✓ decides upon the participation, according to the law, in the establishment of new legal persons or in the association with other legal or natural persons in the country or abroad;
- ✓ may delegate to the BOA the execution of responsibilities specified in Art. 15 para. (4) letters b), c) and f). The delegation of the duty in Art. 15 para. (4) letter c) cannot concern the main business area and the core business of the company.
- ✓ decides on what market the securities issued by the company are to be traded and chooses the authorized independent registrar that manages the registers of the shares issued by the company.
- ✓ any other amendment of the Articles of Incorporation or any other decision for which the approval of the Extraordinary General Meeting of Shareholders is asked.

The Board of Directors

The Company is administered by a Board of Directors, composed of 7 administrators. The administrators can act as shareholders. For the appointment of an administrator to be legally valid, the person appointed must expressly accept.

The Board of Directors is ruled by a President. The President is elected by the Board of Directors, among its members. The revocation from the position of chairman of the Board of Directors is still the attribute of the Board of Directors. The decision regarding the appointment or revocation thereof is being made with the majority vote of the members of the Board of Directors.
The President of the BOD of the company cannot be the Director General.
The Board of Directors usually meets at the company's headquarters or any place of business of the company or in any place communicated by the convening notice. Operational meetings of the Board of Directors may be organized by means of remote communication meeting the technical conditions necessary for the identification of the participants, their effective participation in the meetings of the Board of Directors and the retransmission of deliberations on a continuous basis (via e-mail, telephone, video conference or other communication equipment), whenever necessary, but at least every 3 months, at the convocation of the President or at the reasoned request of 2 of its members or of the Director General. The Board is being presided by the chairman. If the president is temporarily unable to exercise his powers, during the respective state the Board may assign another administrator serving as president. If his case, the Board shall be convened at the reasoned request of at least two of the administrators or the Director General. The Agenda is set by the authors of the request. The Chairman must act on such a request.
The Board of Directors may decide on matters not included on the Agenda, except for emergencies that were accepted by all administrators. The President shall decide on the urgency of the problems. To decide on the emergencies, the absent members will also be consulted, by various remote communication devices.
The Board operates under its own rules and regulations in force.
For the validity of resolutions, the presence (directly or by proxy) of at least five council members is required and decisions are taken by majority vote of the members present. The president of the Board will have a casting vote in case of equal votes.
Board members can represented at meetings of the respective body only by other members of it. A present member may represent one absent member.
In case of decisions made during the meetings where a member of the Board failed to participate, the latter remains liable in connection therewith if, within 30 days of acknowledgment thereof, did not challenge it in the forms provided by the law.
The Agenda is set by the President. The call, agenda and meeting materials are sent to administrators in sufficient time before the meeting date, the time-limit being established in the regulation of the Board. The protocols of the meeting are contained in a register of meetings and deliberations of the Board, by the care of the president of the Board. The protocol contains the names of participants, policy deliberations, decisions, number of votes and dissenting opinions. This is signed by the Chairman of the Board of Directors and the other administrators and by the BoD Secretariat, being included in the registry of the meetings and deliberations of the Board of Directors. The BoD Secretariate is from outside the Board of Directors, being provided by staff from the BoD and GMS Secretariat.

The structure of the Board of Directors is diverse, the administrators having different professions (engineers, lawyers and economists), with professional experience in oil&gas, energy, investment, capital market analysis, legal etc.

After completing the selection procedure provided by EGO no. 109/2011 *on corporate governance of public enterprises*, approved with amendments and completions by Law no. 111/2016, the Ordinary General Meeting of Shareholders, in the meeting dated 22.08.2018, following the application of cumulative voting method, appointed the following administrators of the company: Gheorghe Cristian – Florin, Iacob Constantin – Ciprian, Popa Claudiu – Aurelian, Gavrilă Florin –

Daniel, Albulescu Mihai – Adrian, Meșca Darius – Dumitru, Pavăl Karina, with a period of 4 years mandate, respectively starting from 22.08.2018 up to 21.08.2022 (inclusive of).

By the BoD Decision no. 16/07.06.2019 the Board of Directors took note of the address received from Mrs. Pavăl Karina registered at CONPET SA with no. 21798/04.2019 regarding the waiver of mandate and the capacity of administrator due to reasons non attributable to the parties, as per Art. 37.7 from the Contract of mandate concluded at 22.08.2018, the notification coming into force from the date of registration of the address within the company.

Pursuant to the BoD decision no. 17/04.07.2019, the BoD appointed as Mr. Nicușor– Marian Buică, in the capacity of provisional administrator on the vacancy, starting with 05.07.2019 until the date of the OGMS meeting. The appointment of the provisional administrator is carried out in accordance with Art. 137^2 Para 1 of Law no. 31/1990 on companies, republished, with subsequent amendments and completions, of the Art. 19 Para. (4) of the Articles of Incorporation of CONPET S.A..

By the OGMS Decision. no. 5/30.09.2019, Mr. Buică Nicuşor - Marian was appointed as administrator of the Company CONPET S.A., the duration of the mandate of the elected administrator starting from the date of the OGMS Resolution (30.09.2019) up to the end of the mandate of the current Board of Directors (21.08.2022, inclusive of).

On 23.03.2021, the Board of Directors took act of the Notification received from Mr. Meșca Darius - Dumitru, based on which he communicates his waiver to the administrator mandate as per Art. 37.7 of the Mandate Contract concluded on 22.08.2018 (due to causes non-attributable to the parties), the administrator position remaining vacant starting with 08.04.2021. On the vacancy was appointed, on 23.03.2021, Mrs. Kohalmi - Szabo Luminița - Doina acting as provisional administrator, in compliance with the provisions of Art. 137^2 para. 1 of Law no. 31/1990 on the companies, republished, further amendments and completions and of Art.19 para. (4) of the Articles of Incorporation of CONPET S.A., with a duration of mandate starting 08.04.2021 until the meeting of the Ordinary General Meeting of Shareholders, but no later than 07.08.2021.
Subsequently, Mrs. Kohalmi - Szabo Luminița - Doina (...) was appointed, pursuant to the OGMS Resolution no. 2/04.08.2021, in the capacity of provisional administrator of the Company CONPET S.A., with a term of office of 4 months, respectively as of the date of the OGMS Resolution (04.08.2021) until the date of 03.12.2021 (inclusive of) or until the completion of the recruitment and selection procedure provided for in EGO no. 109/2011 on the corporate governance of public enterprises, if this takes place earlier than 4 months as of the appointment of the provisional administrator by the OGMS.
By the OGMS Resolution no. 4/ 07.12.2021, Ms. Kohalmi - Szabo Luminița - Doina was appointed in the capacity of provisional administrator of the Company CONPET SA, with a term of office of 4 months as of the OGMS Resolution, respectively as of 07.12.2021 until 06.04.2022 (inclusive of) or until the completion of the recruitment and selection procedure provided for in EGO no. 109/ 2011 on corporate governance of public enterprises, if this takes place earlier than 4 months after the appointment by the OGMS of the provisional administrator.
The CV's of the members of the Board of Directors of CONPET S.A. are available on the company's website https://www.conpet./Guvernanță corporativă/Consiliul de Administrație.
All along 2021, the members of the Board of Directors did not hold shares at CONPET S.A..

Consultative Committees

Within the Board of Directors there have been established the following consultative committees:

- ✓ The Nomination and Remuneration Committee;
- ✓ The Audit Committee;
- ✓ *The Committee for Development and Relation with the Authorities* and Investors

Composition of the Consultative Committee

The Nomination and Remuneration Committee is made of 5 non - executive administrators: Albulescu Mihai – Adrian – Chairman; Popa Claudiu - Aurelian - member, Gavrilă Florin - Daniel - member, Buică Nicușor - Marian - member și Kohalmi - Szabo Luminița - Doina - member.

The Audit Committee is made of 3 (three) non-executive, independent administrators: Gavrilă Florin - Daniel - Chairman; Iacob Constantin - Ciprian - member and Buică Nicușor - Marian – member.

The Development and Investor Relations Committee is made of 3 (three) non-executive independent administrators: Popa Claudiu - Aurelian - Chairman, Albulescu Mihai - Adrian - member, Iacob Constantin - Ciprian – member.

The terms of reference and duties of the Board of Directors and of the Consultative Committees may be consulted at the web pages: https://www.conpet.ro/wp-content/uploads/2015/10/Regulamentul-de-Organizare-si-Functionare-al-Consiliului-de-Administratie.pdf pentru Consiliul de Administraţie, respectiv https://www.conpet.ro/wp-content/uploads/2015/10/Regulament-intern-de-Organizare-si-Functionare-Comitete-Consultative1.pdf for the Consultative Committees established at the BoD level.

The Consultative Committees meet whenever necessary at the call of the President, and the proposals/recommendations made to the Board of Directors (to substantiate its decision-making) are adopted by a majority of the votes cast. Attributions and responsibilities of the consultative committees are being established by the Board of Directors.

The Summary of the Activities

In 2021, the Board of Directors held 26 meetings. The Consultative Committees also held 37 meetings, as follows: 10 meetings of the Audit committee, 20 meetings of the Nomination and Remuneration committee and 7 meetings of the Development and Investor and Authorities Relation committee.

The meetings of the Board of Directors took place according to the agenda sent to the administrators, the main decisions made having as object the followings:

- ✓ approval of the Revenues and Expenditure Budget of CONPET S.A. for the period 2021 and estimates for 2022 – 2023;
- ✓ endorsement of the Investments Program for 2021 by the OGMS. (also comprising the estimates of the investment expenses in 2022 and 2023) and approval of 2021 Investments Program, the structure being broken down by objectives;
- ✓ approval of Current Repairs Program for 2021;
- ✓ approval of the new organizational structure of CONPET, of the Organizational and Operational Rules of CONPET and of the Classification of functions of the company, correlated with the new organizational structure;
- ✓ approval of continuing to delegate to the Director General the authority to approve the resulting new Staff Establishment and its subsequent amendments by the observance of the organizational structure and with the framing in the staff number approved by the Board of Directors;
- ✓ approval of the resizing of the personnel necessary eliminating posts in the organizational entities of society, having as result individual dismissal;

- ✓ approval of the results of the annual inventory of the elements similar to assets, liabilities and equities, as per the Report concluded by the Inventory Central Committee;
- ✓ Approval of 2021 annual procurement program and of the amendments/modifications made thereof;
- ✓ endorsement of the proposal advanced to the OGMS to augment the share capital of the company CONPET S.A.;
- ✓ periodical monitoring of the physical and value achievement of the 2021 Investment Program;
- ✓ Periodical monitoring and information regarding the status of the procurement performed by the Company;
- ✓ analysis of the company's business presented by the executive management in the monthly reports;
- ✓ periodic information concerning the fulfillment stage of measures decided by the Board of Administration and the current activity of the company and the issue related to the performance on the technical, economical, legal components and other aspects;
- ✓ approval of the decommissioning/downgrade of the goods (fixed assets and inventory goods in use) belonging to the company patrimony, whose operation is no longer justified and the approval of the proposed means to capitalize these goods;
- ✓ endorsement of the proposals to decommission/downgrade the goods (fixed assets and inventory goods in use) belonging to the company patrimony, whose operation is no longer justified and the endorsement of the proposed means to capitalize these goods;
- ✓ approval of the Activity Report of the Directors with mandate contracts for the period ended 31.12.2020;
- ✓ approval of the Annual Report of the company's administrators for the financial year ended 31.12.2020, report presented in the OGMS;
- ✓ endorsement of the annual financial statements at the date and for the financial year ended 31.12.2020;
- ✓ endorsement of the proposals advanced by the executive management to the OGMS on the distribution of the net profit related to the financial year 2020 and the distribution of the retained earnings, establishment of the gross dividend per share (from the amounts allocated from the profit for 2020 and from the amounts allocated from the retained earnings), setting the date of registration and the date of payment of dividends to the shareholders;
- ✓ approval of the Annual Report of the Nomination and Remuneration Committee to the OGMS related to the remunerations and other benefits awarded to the administrators and the directors with mandate contract during 2020 financial year;
- ✓ Submission for approval of the OGMS of the Board of Directors on the management activity in 2020, prepared in compliance with the provisions of Article 55 of EGO 109/ 2011 on corporate governance of public enterprises and the provisions of the mandate contract;
- ✓ approval of the Report of the Board of Directors regarding the monitoring of 2020 Key Performance Indicators (KPIs) of Administrators falling within the limits approved by the OGMS and submission, to the OGMS, of the proposals related to the approval of the total degree of fulfillment of financial and non-financial performance indicators (KPIs) for 2020, approved for administrators by OGMS Resolution no. 7 of 18.12.2018 and to granting of the variable component due to the administrators for the term of office in 2020, in accordance with the provisions of the mandate contracts;
- ✓ approval of the Report of Directors with mandate contract to monitor the framing of key financial and non-financial performance indicators (KPIs) for 2020 within the limits approved by the Board of Directors, i.e. approval of the total degree of compliance of the financial and non-financial performance key indicators (KPIs) of the Director General, the Deputy Director General and the Economic Director for 2020 and the approval of the granting of the variable

component due to directors for the term of office in 2020, in accordance with the provisions of the mandate contracts and within the limits approved by the OGMS;

- ✓ approval of the Report of the Nomination and Remuneration Committee on the evaluation of the activity of directors with a mandate contract for 2020, which can be found posted on the website of the Ministry of Energy;
- ✓ approval of the report of the Nomination and Remuneration Committee on the evaluation of the company's administrators activity in 2020;
- ✓ approval of quarterly reports of the administrators regarding the economic-financial activity of CONPET S.A., accompanied by the interim financial statements prepared in compliance with IAS 34;
- ✓ endorsement of the quarterly reports prepared by the executive management on monitoring the financial and non-financial key performance indicators and of the total degree of fulfillment;
- ✓ approval of the quarterly reports of the directors with contracts of mandate regarding the activity of CONPET S.A.;
- ✓ approval of the rectified Revenues and Expenditure Budget for 2021 (Annexes no. 1, 2, 4 and 5);
- ✓ approval of revision of the Investment program for 2021 and estimates for the years 2022 and 2023, within the same values, for the levels falling under the duties of the BoD;
- ✓ endorsement of the Information Note to the Ordinary General Meeting of Shareholders with regards to the ascertainment of the prescription of the shareholders' rights to additional dividends, unclaimed until 31.01.2021, respectively 28.06.2021;
- ✓ approval of the establishment and registration, at the Trade Register Office attached to Prahova Law Court, of a work site, as secondary establishment of the company where are being performed own office activities for the company;
- ✓ analysis of the notification on the monitoring of the performance of the internal/management control system and management of the risks CONPET level in 2020;
- ✓ analysis and endorsement/approval of the Consultative Committees Reports, as appropriate;
- ✓ approval of the Convening Notices of the General Meeting of Shareholders and of the materials related to their Agenda;
- ✓ approval of sponsorship requests and periodical monitoring of sponsorship contracts concluded by the company;
- ✓ approval of the company representation to different internal events, establishing the composition of the delegations in what regards the administrative leadership and the Director General;
- ✓ monitoring the activities and actions carried out monthly by the non - governmental organizations in which CONPET S.A. is a member;
- ✓ approval of the Rules on the Organization and Functioning of the Consultative Committees established at the BoD level; - update of the composition following the reconfiguration of the composition of the consultative committees established at thew Board of Directors' level;
- ✓ approval of the Rules on the Organization and Functioning of the Board of Directors, updated from the point of view of the BoD composition with the provisional administrator;
- ✓ approval of the initiation of the procedure for the recruitment and selection of the Director General of the Company, in compliance with the provisions of the GEO no. 109/2011 on the corporate governance of the public enterprises, approved with further amendments and completions by Law no. 111/2016 and granting mandate to the Nomination and Remuneration Committee for the deployment thereof;
- ✓ appointment of a provisional Director General as of 05.02.2021, until the completion of the recruitment and selection procedure for the Director General, in accordance with the provisions of GEO no. 109/ 2011 on corporate governance of public enterprises, but not more than 4 months, respectively from 05.02.2021 to 04.06.2021 (inclusive of);

- ✓ approval of the Contract of Mandate of the provisional Director General;
- ✓ settlement of the timeline of the procedure for recruitment and selection of the Director General, with deadlines, approval of the criteria regarding the recruitment and selection of the Director General, approval of the notice on recruitment and selection, settlement of the duration of the mandate contract of the Director General at 4 years, as of the date of his appointment;
- ✓ approval of the report of the Nomination and Remuneration Committee on the settlement of the matrix of candidates and weights in the final grade during the process for recruitment and selection of the Director General;
- ✓ appointment of the Director General, following the deployment of the recruitment and selection procedure as per the provisions of the GEO no. 109/2011, with a term of mandate, starting 21.04.2021;
- ✓ approval of the Contract of Mandate of the Director General and granting mandate to the Chairman of the BoD to sign it;
- ✓ appointment of a provisional administrator following the waiver of the mandate of one of the BoD members, the approval of conclusion of a contract of mandate with the provisional administrator and granting mandate to the Chairman of the BoD to execute the contract.
- ✓ endorsement of the Policy relating to the remuneration of administrators and directors with a mandate contract, applicable at company level, published on CONPET S.A. website, following the approval thereof by the OGMS; 2021- April;
- ✓ approval of the accounting policies Manual of the company CONPET S.A., - updated April 2021;
- ✓ approval of the Company policy regarding the dividend - January 2021;
- ✓ approval of the Code of Ethics and Integrity of CONPET S.A.- May 2021;
- ✓ Approval of the anti-bribery applicable at CONPET S.A. level - March 2021;
- ✓ approval of the composition of the management of the Administration Plan 2018 – 2022 of the company CONPET S.A., prepared by the Director General;
- ✓ approval of the financial and non- financial Key Performance Indicators (KPIs) for the period 2021 – 2025 (estimates for 2023 – 2025), Annex 1 to the Contract of Mandate of the Director General;
- ✓ approval of Addendum no. 1 comprising certain amendments to the contract of mandate of the Director General and Addendum no. 2 to the Contract of Mandate, having as scope the financial and non- financial Key Performance Indicators (KPIs) for the period 2021 – 2025 (estimates for 2023 – 2025) and some mentions regarding the variable component of the remuneration thereof and granting mandate to the Chairman of the BoD for the execution thereof;
- ✓ approval of the Corporate Governance Rules of CONPET S.A. -updated June 2021;
- ✓ endorsement of the Contract of Mandate of the provisional administrator recommended for the approval of the OGMS, its remuneration being composed of a fixed gross monthly allowance in the same amount as that approved by OGMS Resolution no. 5/ 22.08.2021 for the other administrators;
- ✓ approval of decommissioning of certain fixed assets belonging to the company patrimony proposed to be scrapped and the proposed capitalization means in relation to these goods;
- ✓ approval of the start auction prices for the capitalization of certain fixed assets belonging to the Company/State patrimony, as per the proposals in the reports drafted by the appraiser.
- ✓ approval of the conclusion of a single insurance policy to include the directors with a contract of mandate together with the company's administrators (the minimum amount insured, the compensation limit) approved by the OGMS is 12,000,000 Euro in aggregate);

- ✓ endorsement of the amounts representing additional insurance premium related to the extension of the availability of the insurance policy of the administrators until 31.12.2021, amounts subsequently approved by the OGMS;
- ✓ approval of the amounts representing additional insurance premium related to the extension of the availability of the insurance policy of the directors with contract of mandate until 31.12.2021.
- ✓ approval of the sale of crude oil stocks originating from the pipeline decommissioning, stored at the work sites from Siliste and Orlesti;
- ✓ approval of the transfer on the company's expense of certain amounts representing the exchange value of certain fines;
- ✓ Approval of the amendment and supplementation of the Procedural Internal Procurement Norms - revision 4, November 2021;
- ✓ Granting the Director General of the Company for the negotiation and conclusion, with CONPET Free Union, of an Addendum to the Collective Labor Agreement applicable at Company level.

Directors with contracts of mandate (the Director General, Deputy Director General and Economic Director)

Following the execution of the recruitment and selection procedure of the Director General and Financial Director (known as Economic Director) carried out in accordance with EGO no.109/2011 on corporate governance in public enterprises, by the Nomination and Remuneration Committee, The Board of Directors appointed the directors with contract of mandate, as follows:

- ✓ CHIȘ Timur - Vasile, in the capacity of Director General of CONPET S.A. starting 07.11.2018, for a 4 years' mandate, respectively until 06.11.2022 (inclusive of), delegating the management of the company in accordance with the legal provisions in force, the Articles of Incorporation and the Contract of Mandate. Pursuant to the BoD Decision no. 1/12.01.2021, the BoD took note of the waiver of the Director General mandate of Mr. Chiș Timur - Vasile, entrusted by the Board of Directors, the contract of mandate terminating under the conditions of Art. 12.1. (C), with the mention that the accepted notice period accepted by the BoD was by the end of the date 18.01.2021 and also empowered Mrs. Mihaela Anamaria Dumitrache - Deputy Director General, to carry-on the attributions and responsibilities related to the Director General position (here-included the delegations awarded to him by the GMS), as of 19.01.2021, being delegated to her the company management in compliance with the legal provisions in force and the Contract of Mandate, until the appointment of a Director General.
- ✓ Dorin Tudora was appointed by the BoD Decision no. 3/05.02.2021, in the capacity of Provisional Director General starting 05.02.2021, until the completion of the recruitment and selection procedure for the Director General, in accordance with the provisions of GEO no. 109/2011 on corporate governance of public enterprises, but not more than 4 months, respectively from 05.02.2021 to 04.06.2021 (inclusive of).

  By the BoD Decision no. 8/20.04.2021, following the unrolling of the recruitment and selection procedure of the Deputy Director General carried out in accordance GEO no.109/2011 on corporate governance in public enterprises approved pursuant by Law no. 111/2016, further amendments and completions, the BoD appointed Mr. Dorin Tudora in the capacity of Director General, with a term of office of 4 years, respectively starting with 21.04.2021 until 20.04.2025 (inclusive of).
- ✓ Toader Sanda in the capacity of Economic Director of CONPET S.A., starting 07.11.2018, for a 4 years' mandate, respectively until 06.11.2022 (inclusive of), delegating the management of the company in accordance with the legal provisions in force, the Articles of Incorporation and the Contract of Mandate.

- ✓ Dumitrache Mihaela - Anamaria was appointed in the capacity of Deputy Director General starting with 18.02.2019, for a 4 years' mandate, respectively until 17.02.2023 (inclusive of), delegating to her the management of the company in accordance with the legal provisions in force and the Mandate contract.

The Director General of the company has the attributions specified in the contract of mandate, supplemented by provisions of the Articles of Incorporation, the Rules of Organization and Operation completed with the applicable legal provisions.

The Director General supplies to the Board of Directors, regularly and comprehensively, detailed information regarding all outstanding aspects for the company business. Additionally, any outstanding event is immediately communicated to the Board of Directors.
Moreover, any member of the Board of Directors may request the Director General information regarding the operative company management.
The management and administration bodies are active, have the freedom to adopt the decisions they consider right, acknowledge their role and are permanently capable of supporting their decisions against the administration structures or other interested parties that have the right to obtain such information.

The Deputy Director General and the Economic Director have the attributions specified in the contract of mandate, supplemented by provisions of the Articles of Incorporation, and in accordance with the applicable legal provisions.

The Remuneration Policy

The remuneration policy of the administrators and directors with contract of mandate, which also includes the remuneration criteria thereof, was approved by the OGMS Resolution no. 1/28.04.2021 and is posted on the company's web page.

- ➢ **The Board of Directors**

Remuneration for the members of the Board of Directors, respectively the non-executive directors is determined by the General Meeting of Shareholders in the structure and limits set by GEO no.109/2011, consisting of gross monthly fixed compensation and a variable component.

1. Monthly gross fixed allowance

- *The members of the Board of Directors with mandate starting 22.08.2018.*

According to OGMS Resolution no.5, dated 22.08.2018, the members of the Board of Directors have monthly fixed gross allowance equal to twice the average for the last 12 months of the average gross salary per month for work done according to the core business recorded by the Company, at class level according to the classification of the national economy, announced by the National Institute of Statistics, prior to the appointment.

According to Article 7 of the OGMS Resolution no. 5/22.08.2018, the maximum gross monthly fixed allowance established for administrators is 13,022 RON gross/person.

- *Member the Board of Directors with mandate after 30.09.2019*

By Decision no. 5/30.09.2019, Mr. Buică Nicușor - Marian was appointed by the OGMS as administrator of the company CONPET SA, on the place left vacant, following the waiver of Ms. Pavăl Karina to the mandate and the administrator capacity. The duration of the elected

administrator's mandate is as of the date of the OGMS decision (30.09.2019) and up to the end of the mandate of the current Board of Directors (21.08.2022, inclusive of).

The monthly fixed gross allowance of the new administrator is being set at the same level with the administrators appointed in the OGMS meeting from 22.08.2018, respectively 13,022 RON/month.

- *Member the Board of Directors with provisional mandate starting with 08.04.2021.*

By the OGMS Resolution no. 5/30.09.2019, Mrs. Kohalmi Szabo Luminita - Doina was appointed by the OGMS as administrator of the company CONPET SA, on the place left vacant, following the waiver of Mr. Meșca Marius Dumitru to the mandate and the administrator capacity.

The monthly fixed gross allowance of the new administrator was set at the same level with the administrators appointed in the OGMS meeting dated 22.08.2018, respectively 13,022 RON/month.

The gross fixed remuneration due to the members of the BoD for the period 01.01.2021-31.12.2021 was of 1,092,588 RON.

2. Variable component

According to Article 37 Para. (2) of GEO no.109/2011, the variable component is determined based on financial and non-financial performance indicators negotiated and approved by the GMS.
By OGMS Resolution no. 7/18.12.2018 were established the key performance indicators and related weights. The variable component of the non-executive members is of maximum 12 monthly fixed allowances.
The variable component due to administrators is granted in conjunction with the annual total degree of fulfillment of financial and non-financial KPIs approved by the contract of mandate.

At the meeting dated 28.04.2021, the OGMS approved the total degree of achievement (102.6%) of the financial and non-financial key performance indicators for the year 2020, based on the monitoring report on the framing of the performance indicators within the limits approved by OGMS for the year 2020 and granting the variable component due to administrators for the term of office in 2020, as per the provisions of the mandate contract. The total gross variable component related to 2020 and paid in April 2021 was in amount of 1,093,848 RON.
In the financial statements related to 2021 are included provisions representing variable allowances for mandate contracts for non-executive administrators in amount of 1,092,588 RON and will be paid after the approval of the financial statements by the OGMS and the report in relation to the total degree of compliance with the key performance indicators.

- **The Directors with mandate contracts**

The Director General
For the Director General - Mr. Chiș Timur, who carried on his activity until the date of 18.01.2021 (inclusive of) the Board of Directors set the monthly fixed gross allowance of the Director General for execution of the entrusted mandate in the amount of 40,416 RON, that is 6 times the average for the last 12 months of the average gross earnings per month for the activity carried out according to the scope of business recorded by the company, at class level, according to the classification of the activities of the national economy, announced by the National Nationality of

Statistics prior to the appointment, effective starting from the date of signing the addendum to the contract of mandate.

The gross fixed allowance of the Director General of CONPET S.A. between 01.01.2021 – 18.01.2021 was of **22,229** RON.
The gross variable component related to 2020 and paid in April 2021 to the Director General was in amount of 484,992 RON.

For the provisional Director General – Mr. Tudora Dorin, appointed by the BOD Decision no. 3 dated 05.02.2021, who carried on his activity starting 05.02.2021 and until the completion of the process for the recruitment and selection of the Director General, as per GEO no .109/2011 regarding the corporate governance of public enterprises, but no more than 4 months, the Board of Directors set, as per Article 3 of the same decision, the gross monthly fixed allowance in amount of 40,416 RON /month (the same amount as of the former Director General with contract of mandate), which does not exceed the limit established by the GMS pursuant to the Decision no. 7/18.12.2018, with applicability as of 05.02.2021.

As of 21.04.2021, pursuant to the Board of Directors' Decision no. 8/20.04.2021 Mr. Tudora Dorin in the capacity of Director General, following the procedure for recruitment and selection of the Director General, as per the provisions of the EGO no. 109/2011 on corporate governance of public enterprises approved by Law no. 111/2016, further amendments and completions, with a mandate duration of 4 years, respectively as of the date of 21.04.2021, until the date of 20.04.2025 (inclusive-of).
In the same Board of Directors' meeting has settled the monthly fixed gross allowance of the Director General, for the execution of the entrusted mandate in amount of 53,160 RON, amount which does not exceed the limit set in the GMS pursuant to Decision no. 7/18.12.2018, respectively 6 times the average on the last twelve months of the monthly gross average earnings for the activity performed as per the core business registered by the company, at level of class, as per the classification of the activities in the national economy, communicated by the National Institute of Statistics, prior to the appointment.

The gross fixed allowance of the Director General of CONPET S.A. between 05.02.2021 – 31.12.2021 was of **542,693** RON.

Deputy Director General
The Board of Directors has set the gross monthly fixed allowance for the Deputy Director General for the execution of the entrusted mandate, respectively 35,290 RON, meaning five times the average for the last 12 months of the gross average earnings for the activity performed as per the core business registered by the company, at class level, according to the classification of the national economy, communicated by the National Institute of Statistics prior to the appointment, with applicability as of the date of the addendum to the contract of mandate.

The gross fixed allowance granted to the Deputy Director General of CONPET S.A. between 01.01.2021– 31.12.2021 was of **423,480** RON.
The gross variable component related to 2020 and paid in 2021 to the Deputy Director General was in amount of 423,480 RON.

The Economic Director
The Board of Directors has set the gross monthly fixed allowance for the Economic Director of the entrusted mandate, respectively 33,680 RON, meaning five times the average for the last 12

months of the gross average earnings for the activity performed as per the core business registered by the company, at class level, according to the classification of the national economy, communicated by the National Institute of Statistics prior to the appointment, with applicability as of the date of the addendum to the contract of mandate.

The fixed gross allowance granted to the Economic Director of CONPET SA between 01.01.2021– 31.12.2021 was of **404,160** RON.
The gross variable component related to 2020 and paid in April 2021 to the Economic Director was in amount of 404,160 RON.

The total gross fixed allowance due to the directors with mandate for the period 01.01.2021 – 31.12.2021 was of 1,392,562 RON.

The general limits of the variable component have been approved by the OGMS at the meeting dated April 23, 2019. The variable component is being paid following the approval of the annual financial statements, according to the degree of achievement of the key performance indicators.

In the meeting dated 28.04.2021, the Board of Directors approved:
- The Annual Report of the Nomination and Remuneration Committee related to the remunerations and other benefits awarded to the administrators and the directors with mandate contract during 2020 financial year.
- The annual report of the administrators.

The total degree of achievement of the key financial and non-financial performance indicators of the directors with contract of mandate for the year 2020 accounted for 104.8%, as per the reports mentioned-above and approved pursuant to the OGMS Decision no.1 dated 28.04.2021.

The total gross variable component related to 2020, paid in April 2021 was in amount of 1,312,632 RON.

The variable component related to 2021 shall be paid following the approval of the financial statements, according to the degree of achievement of the key performance indicators.
In the financial statement of 2021 are included provisions representing variable allowances related to the contracts of mandate for the directors with contract of mandate, in amount of 1,292,870 RON and shall be paid after the approval of the financial statements.

Status of achieving the Key Performance Indicators for 2021

Total Degree of achievement of the performance indicators (GT_{ICP}) is the amount of the degree of achievement of every KPI (GI_{ICP}) weighted by the weighting coefficient (W_{ICP}) related to every KPI.

The calculation formula is the following:

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

where:
GT_{ICP} = Total annual degree of achievement of the KPI
W_{ICP} = Weighting Coefficient (weight) for every KPI
GI_{ICP} = Degree of achievement of the individual KPI

The degree of achievement of every KPI (GI_{ICP}) is the degree of achievement of every KPI, considering the means of calculation provided at every KPI, subsequently weighted by the weighting coefficient (W_{iICP}) related to each KPI.

The variable component of the remuneration due to the administrators will be directly proportional to the GT_{ICP} for the corresponding financial year or part of the corresponding financial year and is being granted as follows:

In the event that:

a) **$GT_{ICP} \geq 100\%$**, the maximum variable remuneration component approved by the OGMS for each administrator is granted in the maximum amount approved by the OGMS.

b) $80\% \leq GT_{ICP} < 100\%$, the maximum variable component of remuneration for each director with contract of mandate is being awarded in proportion to the total degree of achievement of the performance indicators

c) $GT_{ICP} < 80\%$, the variable component shall not be awarded.

- **Financial and non-financial Key performance indicators for 2020 approved for the administrators of the company**

According to OGMS Resolution no. 7/18.12.2018 the financial and non-financial performance indicators of the company's administrators were approved (KPIs), for the period 2018-2022, which will be used for granting the variable remuneration component of the administrators during the execution of the contract of mandate.

The structure of financial and non-financial KPIs, the performance objectives of each KPI, their weight and the degree of achievement are shown in the table below:

Crt.no.	Performance indicator	Performance objective	MU	YEAR 2021		Degree of achievement KPI(%)	KPI weights for the settlement of the remuneration	Degree of achievement weighed KPI(%)
				Contract of Mandate	Achievements			
A. KEY PERFORMANCE INDICATORS - FINANCIAL: 25%								
1.	Outstanding payments	Level zero	Thousand RON	0	0	100.0%	2%	2.0%
2.	The decrease of the operating expenses = (Operating expenses– Impairments of assets and impairments of provisions)/ Turnover	The maintenance of the share of the operating expenses in turnover at the level assumed by way of the Administration Plan	%	81.5%	85.4%	95.2%	8%	7.6%
3.	Adjusted EBITDA = Operating profit - write-back of the reserve out of the modernization quota + Expenses regarding the settlement of the modernization quota + Impairments of tangible and intangible assets, here included the revaluation differences).	The realization of adjusted EBITDA target assumed by the Administration Plan	Thousand RON	98,872	119,486	120.8%	10%	12.1%
4.	Labor Productivity	Achievement of the labor productivity level provided in the annual Budget approved	Thousand RON/person	296	303	102.4%	5%	5.1%

Crt.no.	Performance indicator	Performance objective	MU	YEAR 2021		Degree of achievement KPI(%)	KPI weights for the settlement of the remuneration	Degree of achievement weighed KPI(%)
				Contract of Mandate	Achievements			
B. NON- FINANCIAL KEY PERFORMANCE INDICATORS: 75%								
B1. OPERATIONAL: 25%								
5.	Framing within the specific consumptions for the crude oil transport (does not include the crude oil quantity lost during provoked breakdowns or in case of breakage resulting in contamination, where the owners do not ease access for remedy).	The target value is lower than the value of the maximal technological consumption, for crude oil	%	Domestic crude oil Target: ≤ 0.361% Achieved: 0.343% Import crude oil LUKOIL Target: ≤ 0.290% Achieved: 0.180% Import crude oil Petrom Target: ≤ 0.143% Achieved: 0.140% Import crude oil Midia Target: ≤ 0.108% Achieved: 0.100%	0.296%	0.250%	115.5%	3%	3.5%
6.	Monitoring of the electricity average annual specific consumption for technological purposes	Maintenance of the electricity average annual specific technological consumption at a level of max.3, Kwh/to	Kwh/to	Max 3.3 Kwh/to	3.3	2.79	100.0%	2%	2.0%
7.	Achievement of the investments financed out of the modernization quota	95% of the annual Investments Plan financed out of the Modernization Quota	%	≥95 %	95%	96.0%	100.0%	20%	20.0%
B2 OF CORPORATE GOVERNANCE: 50%								
8.	Implementation/Development of the management control system in compliance with the legal requirements in force	100% achievement of the actions included in the program	%	100%	100%		100.0%	20%	20.0%
9.	Duly reporting of the degree of achievement of the performance indicators of the company	Framing within the reporting due deadlines	%	100%	100%		100.0%	20%	20.0%
10	Boost institutional integrity by inclusion of the measures to mitigate corruption as an element of the management plans	Minimum 90% achievement of the measures assumed by the approved Integrity Plan	%	≥90 %	100%		100.0%	10%	10.0%
Total degree of achievement of the performance indicators								**102.3%**

*) Average technological consumption (calculated according to the share of each type of transport)

Table 30 - Key financial performance indicators 2021

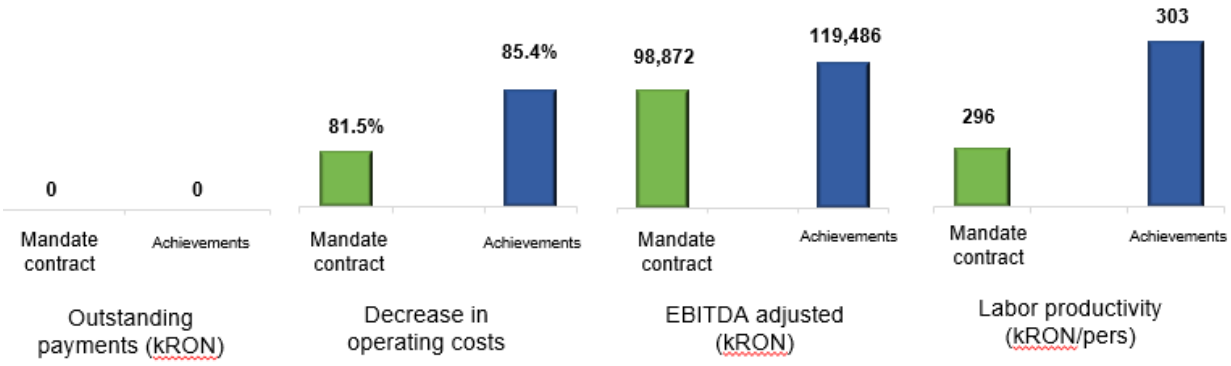


Chart 26- Financial Key Performance Indicators

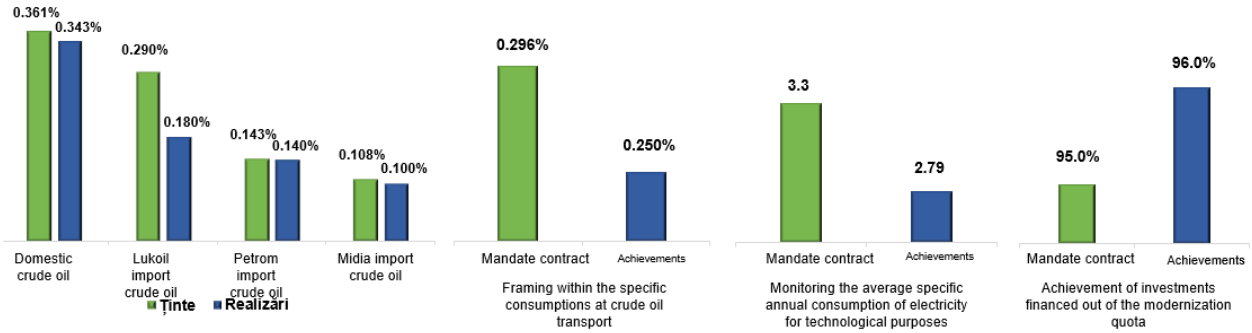


Chart 27- Operational non-financial Key Performance Indicators

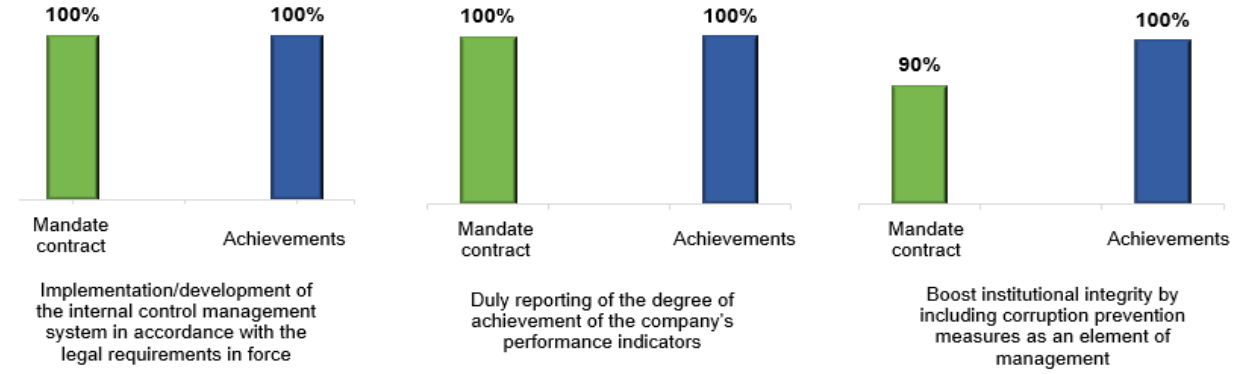


Chart 28 - Key non-financial governance performance indicators

For 2021, the total degree of achievement of the key performance indicators for administrators is 102.3 %.

- **Financial and non-financial key performance indicators for 2021 set for the directors with contract of mandate**

For 2021, the degree of achievement of the performance indicators set for the directors with contract of mandate was of 104.1%.

In Annex 3 of the Report of the Administrators is presented the calculation of the total degree of fulfillment of the financial and non-financial key performance indicators of directors with contract of mandate.

The remunerations and degree of fulfillment of the key performance indicators of the administrators and directors with contract of mandate are presented in the annual report of the Nomination and Remuneration Committee.

Management of the conflicts of interests

During 2021, within CONPET SA there were registered no conflicts of interest, as shown in the declarations of interest submitted by the senior management and the BoD members, pursuant to Law 176/2010 regarding the integrity in exercising public functions and dignities, for amending and completing Law 144/2007 on the establishment, organization and functioning of the National Integrity Agency, as well as amending and supplementing other normative acts.

In view of implementation of the National Anti-corruption Strategy 2016-2020, to which CONPET S.A. has adhered, in 2017, has been approved the Integrity Plan, document upgraded in 2021 by decision of the Director General of CONPET S.A. - which details, in a personalized manner, the measures applicable to CONPET S.A., subsumed to the general and specific objectives provided in SNA for the identification of risks, vulnerabilities and specific intervention needs.
The measures/actions in relation to the deployment of programs related to the training, raising awareness and anti-corruption education of the personnel have been performed at the level of 2021.

The periodical staff awareness activity was of a society-wide level in the field of integrity, based on actions deployed all along 2021 in relation to the instruction of the personnel regarding their awareness on the provisions of the Code of Ethics and Integrity (May 2021) and training, evaluation and testing of the personnel on the conflicts of interest and incompatibilities (September-December 2021).
Consequently, the awareness and anti - corruption education program in what concerns the provisions of the legislation in force and the internal norms in terms of conflict of interests and incompatibilities, which took place during 20.09.2021 - 20.12.2021, materialized in higher results from our employees, respectively:
- 99.61% of the total personnel was instructed when the program was initiated;
- the degree of knowledge of the norms regarding the conflicts of interest and incompatibilities is 99.80% (no. of employees who obtained qualifier VERY GOOD and GOOD/no. of tested employees*100).

Subsequent to the education and acknowledgment charges of CONPET S.A. personnel in the integrity and Anti-corruption issues, have been initiated a series of activities related to information of employees, by elaboration, presentation and dissemination of informative materials, with reference to the provisions of the Anti-corruption National Strategy 2016-2020 and the Integrity Plan adopted at the company's level, as well as those related to the corruption crimes provided by the Criminal Code. Have been prepared materials in respect of corruption mitigation, inter alia the informative material regarding the conflicts of interests and incompatibilities (personnel training topic in view of employees' instruction, evaluation and testing).
CONPET has developed its own Code of Ethics, based on clear principles of observance of the legal frame and internal rules, focusing on quality, confidentiality, avoiding conflicts of interest, respect and trust, responsibility towards the local community, responsibility towards the environment, transparency and loyalty.
The employees of the company have been informed through various means of communication (electronic mail, posting on the company's website, presentation sessions conducted by the Integrity Office, direct communication from the heads of the workplace on the: implementation of

NAS, particularly with regard to the Declaration of Accession to NAS and provisions of the Integrity Plan.
The Administrator or the Director General having, in a certain operation, directly or indirectly, interests contrary to the company, must notify in relation thereto the other administrators and the internal auditor and not take part to any deliberation regarding this operation. The same is the duty of the Administrator or the Director General if, in a particular operation, knows that the spouse, relatives or affiliates up to the fourth degree inclusively are interested.

The members of the Board of Directors keep confidentiality on any facts, data or information they have acquired in the course of exercising their responsibilities and understand that they have no right to use or disclose them during the activity or after cease of the activity.

In order to avoid the occurrence of conflicts of interest, the company has established several ethical rules both by the members of the Board of Directors and by the Director General and employees of the company, in correlation with the applicable legal provisions.

Both in the Rules of Organization and Operation of the Board of Directors of the company CONPET S.A., as well as the Corporate Governance Rules there are dispositions with regards to the management of the conflicts of interests. In practice, the members of the Board of Directors shall inform the Board of any conflicts of interest that have arisen or may arise and shall refrain from attending the discussion and voting for the adoption of a ruling on the matter giving rise to the conflict of interest concerned.

No cases of conflicts of interest and incompatibility alerts have been recorded in 2021.

Social and Corporate Responsibility (CSR)

Corporate Social Responsibility is the permanent commitment of CONPET towards ethical behavior that includes social and environmental concerns in its business and contacts with other parties and contributes to economic development by improving the quality of life for, both its own human resources and for the community it belongs to.

Corporate Social Responsibility is an inherent part of CONPET's strategy. Respect for people, responsibility for the environment and involvement in community life are essential values and major priorities CONPET.

The actions the company CONPET undertook in 2021, in terms of CSR, targeted both the internal dimension, which has as main purpose the alignment of the employees to the company's values and mission, provision of a safe and sound environment, improvement of the employees' quality of life, as well as the external dimension, that of the company's relation with third parties, who commits to support the development of the community he is part of.

In the context of the COVID-19 pandemic, in addition to the prevention and protection measures taken at the level of all CONPET worksites in order to protect the health of employees, an internal information, awareness and accountability campaign on issues related to the corona virus pandemic has been initiated, using the internal communication channels and social media.

Through Revista Presei/Press Review, CONPET employees, received daily official Information regarding COVID-19 prepared by the Strategic Communication Group, as well as the relevant articles released in the national and international media about the evolution of the pandemics,

measures considered at national and international level, the prevention rules etc. Moreover, the company's Facebook account was used in view of correct information, from official sources, of the persons following CONPET social media communication channel.

As regards the strengthening of the organizational cultures and shared values, as well as the creation of more powerful liaisons between the company's employees, have been organized actions for the promotion of the company's employees and image, inter alia the traditional annual awarding of the employees with seniority in the company: 30 years for women, respectively 35 years for men, congratulating the seniors, achievement of an anniversary number of ''Informația CONPET" newspaper - online release on the occasion of Company's Anniversary Day, January 22, 2021.

Moreover, for easing the internal communication of all employees, they have been informed and kept up to date with the most important news which occurred at the company's premises and work sites, by way of internal communication sent to all employees. Internal communications and articles in the internal newspaper "Informația CONPET" have been made about the main sponsorship and social responsibility activities.

Sponsorship

The sponsorship actions were performed in compliance with the annual Revenues and Expenditure Budget, falling within the sponsorship expenses broken down by areas of interest.

The sponsorship policy of the company supports both traditional projects, those that have an important and lasting impact on the community, as well as requests for smaller scale, which promote, through ideas and actions, the individual performance.

In the context of the Covid-19 corona virus epidemic, in 2021, 50% of CONPET funds approved for sponsorship have been allocated and used, mainly for medical and health major projects. Thus, have been supported the public health units from Prahova, as well as organizations directly involved in the fight against Covid-19 pandemics, namely:

- Ploiesti Municipal Hospital for the purchase of an electrocardiograph with stand and mobile arm, respectively of an EKG Recorder Holter, medical equipment necessary for the Cardio Department;
- Ploiesti Pediatric Hospital which purchased an automatic microbiology analyzer to streamline the flow of analyzes performed within the hospital.

- Association for the Support of Prahova Ambulance - the purchase, as a matter of urgency, of rapid tests necessary to test patients with Sars-Cov-2 specific symptoms in Prahova County.

Also, CONPET S.A. continued to support the equipment of the education units in rural and urban areas with computers, targeting to improve the students' access to modern educational resources as well as the performance of the sports activities in certain prestigious clubs for the benefit of the children and youngsters in Prahova county.

In 2021, in the Revenues and Expenditure Budget of CONPET S.A. were provided sponsorship expenses amounting 700,000 RON.

At the company's Board of Directors meetings there have been approved, 01.01.-31.12.2021, sponsorship amounting to 673,050 RON, as follows:

- "Education, social and sports activities" 270,050 RON
- "Medical and causes" 350,000 RON
- "Other actions and activities" 53,000 RON

The statement of the sponsorship is disseminated to the public by the publishing of an annual report of the sponsorship awarded by CONPET S.A. on the company website, at the following address https://www.conpet.ro/relatia-cu-investitorii/raportari/rapoarte-anuale/

4.4.3. The Executive Management

4.4.3.1 Strategic objectives regarding the management of the company CONPET

Actions carried out in view of achieving the strategic objectives contained in the Administration Plan

The strategic objectives comprised in the company's administration Plan for the period 2018-2022 derive from the expectations Letter of the major shareholder, the Romanian State, by the Ministry of Energy and target the increase of business efficiency and the improvement of business performance, optimization of the operating expenses, the development of new activities related and non-related to the core business, definition of the company as regional payer, efficient management of human resources and the implementation and development of the corporate governance principles.

The actions undergone in 2021 for the achievement of the objectives in the Administration Plan

Objective 1 INCREASING THE EFFICIENCY AND IMPROVEMENT OF BUSINESS PERFORMANCE

Redefining the necessary of the transport infrastructure

A new scenario to pump crude oil extracted from the Ariceşti oil field was implemented, which consisted of transport of crude oil extracted from Ariceşti to the Petrobrazi Refinery in mixture with crude oil extracted in Baicoi Vest. This new scenario leads to the reduction of costs achieved at the Ariceşti workstation.

To decrease costs on the Import transport system, activities were continued to reactivate the Pietroşani-Brazi transport route through a new 14" pipeline, with a view to defining a new pumping scenario. This pumping scenario was created in the context of the rehabilitation of the 24" Călărești-Pietroşani pipeline as well as the project to rehabilitate the Pietroşani fixed point – the 24" and 14" smart pigging stations. The project of 14" Pietroșani-Brazi transport pipeline is in process of obtaining Building Permit.

Multi annual investment program

The multi-annual investment program of the company consists mainly of investment objectives to increase efficiency of the National Transport System and its operational safety.
When establishing the multi-annual investment program is intended first, to respect the commitment assumed by the company through the minimum investment program communicated to NAMR annex to the concession agreement.
The Maintenance Development Unit prepared a scope of work for the implementation of good practices and informatization of CONPET project management processes.
In September 2021 was deployed the process related to the procurement and signing of the contracts for the implementation of good practices and informatization of CONPET project management processes and has been initiated the contractual stage on the instruction of Conpet personnel appointed to implement this project.

The main investment projects carried out in 2021 to achieve the strategic objective

The continuation of the project "System for location and detection of the Pipeline leaks"(LDS)

In 2020 was monitored the post-implementation of the pilot project "System for location and detection of the Pipeline leaks" along the route Poiana Lacului - Silişte - Ploiesti and was analyzed the possibility to implement the project on other transport routes. Following the analysis of the implementation of an LDS system on other transport routes in 2021 Q4, has been postponed the implementation along Constanța - Ploiești route until the completion of the project regarding the under-crossing of the Danube river and Borcea Arm, as well as the achievement of the works execution "Replacement of linking lines Danube C1-C2 and Borcea arm C3-C4 crossing".

Optimization of SCADA system and upgrade of Hardware and Software of the remotes transmission units (RTU). In 2021, there have been finalized and commissioned the SCADA system optimization works and upgrade Hard and Hardware and Software of the Remote Transmission Units (RTU) for a total of 29 locations.

The modernization and monitoring of the Cathodic Protection System related to the National Transport system via Pipelines Modernization and monitoring of the cathodic protection system for the crude oil transport system via pipelines aims at slowing down or even stopping the corrosion process occurring at the surface of the underground metal pipes.

Starting 2013, CONPET has initiated a comprehensive project to modernize and monitor the cathodic protection system of the crude oil pipeline transport system.
The project was divided into two stages. Stage I, during 2017-2019, 109 locations and stage II, during 2019-2022, 30 locations.
By the end of 2021, have been executed SPCs in 124 locations (109 locations stage 1 and 15 locations stage II); the works execution will be ongoing in 2022 as well for the remaining 15 locations.

Implementation of a GIS System

The feasibility study for the implementation of a patrimonial geographic evidence system has been completed and launched the procurement process for technical assistance services for system implementation management. In August 2019 was signed the execution contract for the management of the implementation system (technical assistance services).
In December 2020 was finalized stage 1 of the implementation of the GIS patrimonial geographic evidence system. At the end of 2021 were finalized 12 months of post-implementation technical assistance from the total of the 36 contractual months (stage 2).

ERP Upgrade

During 2020, the scope of work for the analysis phase was developed and approved in view of reconfiguring the current ERP system. The procurement of these services was achieved in 2021, the scope of the contract being to identify the new business requirements in view of ERP upgrade.

Rehabilitation of the pipelines under crossing Dunarea river and Borcea Arm
In 2021, was deployed the procurement procedure in what regards the works design and execution for “Replacement of the connection lines crossing Danube C1-C2 and Borcea arm C3-C4”, the contract was signed and the site for works execution was handed over.

The implementation of a system for the tele-transmission and telemetering of the power consumptions in CONPET S.A. locations.
In 2020 the scope of work was drafted and in September 2021, the technical project was submitted for the contracting of the works execution. To date, there is in progress a procedure for the analysis of the bids submitted by the bidders. The implementation of the telemetering system will be achieved in 19 locations (oiana Lacului, Cartojani, Videle, Lucăcești, Imeci, Moreni, Siliștea, Cireșu, Băicoi,, Bărbătești,Țicleni, Orlești, Ghercești, Otești, Biled,, Pecica,Marghita; Constanța Sud, Călărești).

Objective 2 DEVELOPMENT OF NEW RELATED AND NON-RELATED TO THE CORE BUSINESS

The development of storage activities/crude oil and oil products handling for third parties
In the context of defining and updating the legal framework on the procedure for delegating the storage obligation in order to ensure the storage of strategic stocks on the territory of Romania, CONPET analyses the conditions necessary for the development of this type of activity. In this respect, addresses for information letters were sent to NAMR on the intention of CONPET SA to develop the activity of storage of crude oil/petroleum products, including the updated situation of the company's storage capacities as well as an estimation of the tariff for the provision of storage services.
In September 2020, a Collaboration Committee was set up, with CONPET acting as a member, together with representatives of the National Defense Ministry, the Ministry of Foreign Affairs, the Ministry of Energy, NAMR, Oil Terminal S.A., the Oil and Gases University. The purpose of the Committee is to analyze the possibilities of transport and storage for military destinations. I

Assessment of the opportunity/feasibility of the increase efficiency related scenarios of the Rail transport activities
From the point of view of the efficiency of the railway transport, the re-commissioning of the railway ramp from the Astra Refinery was taken into account, a decision justified by the delays in unloading and the maneuver in the railway ramp from the Brazi refinery, declared depleted infrastructure.
In 2020, the feasibility study was completed, approved by the Technical-Economic Council and the Certificate of Urbanism was obtained.
Another project aiming at reducing fuel consumption and reducing maintenance and repair costs on existing locomotives consists in the conversion of diesel-operated locomotives into electric-operated locomotives. Consequently, in the multi annual investments programs have been budgeted:

- the conversion of 3 (three)hydraulic diesel-operated locomotives (LDH 1250 HP) into electrical-operated locomotives LEA (spread over 4 years, starting 2019), with commissioning early 2022;

- the conversion of a hydraulic diesel-operated locomotive (LDH 700 HP) into electrical-operated locomotives LDE - it was commissioned within the month of May 2021 in Marghita ramp.

Assessment of the feasibility of the development of transport for atypical products

During 2021, the executive management initiated a series of meetings and discussions with representatives of companies active in the oil, chemical and petrochemical industries. Preliminary discussions were launched subsequently, on the possibility of providing services for the transport, storage and loading of agricultural and chemical products in areas where CONPET ramps are adjacent to areas with intensive agricultural activity. As a result of the participation to public consultations for POTJ framework - The Just Transition Operational Program organized by Prahova County Hall, has been submitted the draft project - conversion of the crude oil transport pipeline forthe use in the transport of natural gas/hydrogen mixture.

Electricity production from renewable resources (pilot project);

In May 2021, was updated the analysis on the possibility of implementing a photo voltaic system for local electricity production (photo voltaic power plant) with an installed power of 10 kw on-grid located in Tămădău Mare, Călărași County - Călărețti Pumping Station. The analysis includes both technical and economic elements and cost-benefit analysis elements, with costs updated at May 2021 level. Later on, in Q4 have been reviewed the work hypothesis considered in the study deployed in 2017, by updating certain parameters at 2021 level (photo voltaic plant for production of electricity 5 MW).

Objective 3 DEFINING THE COMPANY AS REGIONAL PLAYER

In order to support collaboration opportunities by providing information or participation in actions coordinated by the ministry, for the works of the Joint Intergovernmental Commissions for Bilateral Energy Cooperation, was submitted to the Ministry of Energy the proposal regarding topics of interest for discussions within the Energy Working Group Romania.

In 2021, the European Commission - the Directorate General for Energy, launched the consultation regarding the inclusion of two new topic areas: intelligent network infrastructures (electric power) and trans-border transport infrastructure of the carbon dioxide.

Objective 4 HIGH PERFORMANCE MANAGEMENT OF THE HUMAN RESOURCES

Reshape and ongoing adaptation of the human resources in correlation with the technical economic requirements and realities of the company.

To achieve this objective, the human resources necessary has been continuously monitored and adapted, given the specific activity of CONPET, respectively the workload fluctuations at the level of workstations, which triggers the deployment of numerous redistribution of employees from one worksite to another, by way of:

- ✓ identification of the correlation between the number of positions and the work volume;
- ✓ the degree of workload, as well as of the interaction of the activities performed between the occupants of the positions;
- ✓ the total use, by the occupant of the positions, of the working time related to the achievement of the work duties;
- ✓ the possibility that the duties of certain employees be taken over by the other employees within the same unit, by the observance of the legal provisions regarding the work time;
- ✓ The possibility to supervise the pipelines based on the extension of some routes or by alternative tracking of various routes by the sectors' personnel;

- ✓ The possibility that some employees exercise the job duties in more work sites with reduced activity, necessary to maintain a full-time job employee.

As a result of this analysis process, 29 positions were identified and terminated as per the Decision of the Board of Directors dated 24.02.2021.
Consequently, the staff establishment was reduced by the 29 positions, with the consequence of individual dismissal of 29 employees, occupants of the respective positions, for reasons not attributable to them. The executive management paid all due diligence and prepared all necessary papers (amendments to the staff establishment, notifications, dismissal decisions etc), such a way that the individual dismissal process of the employees be carried out in compliance with the legal regulations in force and by the observance of the provisions of the Collective Labor Agreement of CONPET S.A..

In 2021 S1 was approved a new organizational structure of the company applicable as of 15.06.2021 as per the BoD Decision dated 27.05.2021. For the design of the organizational structure, the followings have been considered:
- The company's current developments, the obtained results and performance, its visibility on the capital market;
- The development of the corporate government principles at company level in order to improve business efficiency, the processes within the company and boost confidence of the investors;
- Improvement of the coordination of the duties of the company's entities in accordance with the needs and complexity of the activity deployed;
- Optimization of the decision-making framework and streamlining the internal communication flows (by way of the new organizational structure, the number of the management positions reduced from 95 to 81 positions);
- Necessity to enhance flexibility of the organizational structure, per components and as a whole, as to correspond to the current and future development needs of the company;
- The need to strengthen the commercial capacity.
Following the reanalysis of the functional flows pursuant to Decision dated 30.06.2021, the Board of Directors of CONPET S.A. approved the amendment to the company's organizational structure, as of 01.07.2021. Also, following the Board of Director Decision dated 12.08.2021, was approved a new amendment to the company's organizational structure, applicable as of 01.09.2021.

The development of the specific competencies and basic skills of the human capital
The training and professional authorization programs of the company's employees were drafted and approved in this respect for the year 2021, following the identification of professional training needs and personnel authorization necessities, in correlation with the duties in the job description, in view of maintaining/developing the skills, specialized knowledge and the necessary competencies related to the position held.

The training program, respectively the professional authorization program for 2021 were reviewed by the observance of the legal provisions and other needs arising during the year.

Training is provided through collaboration with external partners, authorized training company, but also internally within the company.
Internal Training is organized by internal trainers and/or experts from the company with a good knowledge of the field and/or relevant experience in the field of technical activity, supporting qualifying session Internship/training/maintenance knowledge in various industries and audit/verification of employees participating in those sessions. There is a permanent concern for

the extension of the trainers' body in other domain as well, (such as ethics and integrity counseling, GDPR).

Through the company's trainers, in 2021 were trained/retrained/ qualified inhouse: fluid products receivers predators, employees with operating duties in the micro SCADA domain.

Development of the employees' results assessment system
The new evaluation criteria, individual objectives, performance indicators, target values and weights associated thereof, for the activity carried out in 2021 of the employees in management positions, were subject to conclusion, in this respect, at the end of 2020, of addenda to the individual employment contracts of the employees, as laid down in each entity.

Negotiation of the Collective Labor Agreement
Following the amendment of the organizational chart starting with 15.06.2021, the Board of Directors empowered the Director General to negotiate and conclude, with Conpet Free Union, an addendum to the Collective Labor Agreement having as scope the update of the Job title Classification and the Wage Grid, in accordance with the new Organizational Chart.
The Board of Directors empowered the company's Director General to negotiate and conclude with Conpet Free Union, an addendum to the Collective Labor Agreement, as per the Decision Dated 13.12.2021. The rights of the employees in the CLA were negotiated to ensure achievement of financial performance indicators set out in the Management Plan, concurrently framing in the annual revenues and expenditure budget, succeeding, at the same time, to ensure a balance between the interests of Employer and Union, taking into account that the interests of employees and the management of the company cannot be divergent,
Following the negotiations dated 14.12.2021, the social partners concluded Addendum no. 4 to CLA which has been filed and registered at Prahova Labor Territorial Inspectorate (ITM Prahova). Based on the concluded addendum, have been amended the job classification, the wage grid and the CLA was extended by 12 months, starting January 1, 2022.
Also, for the purposes of CONPET CLA application registered at Prahova Labor Territorial Inspectorate, in 2021, between CONPET S.A. and Conpet Free Union have been concluded 9 protocols.

Objective 5 IMPLEMENTATION AND DEVELOPMENT OF THE PRINCIPLES OF CORPORATE GOVERNANCE

Issue of a Code of Ethics and Integrity
According to EGO no. 109/30.11.2011 on the corporate governance of public enterprises and within the Development Program of the Internal Control Management System elaborated in accordance with OSGG 600/2018, considering the need to build an integrity culture within CONPET, a new Code of Ethics and Integrity was drafted and an ethics counselor within the Integrity Office was appointed.

Active involvement in corporate social responsibility
In 2021, 23 sponsorship contracts in total value of 673.05 thousand RON have been concluded. The public health units in Prahova and the humanitarian organization National Red Cross Society were supported mainly by sponsorship actions, the "medical and health" sponsorships had the highest share, respectively 52%.

Starting March 2020, the official information on COVID-19 made by the Strategic Communication Group - Ministry of Internal Affairs is distributed daily on CONPET's Facebook page, in order to

correctly inform, from official sources, the employees and persons following the communication channel of CONPET.

Development of reporting, control and risk management capabilities
The project of the development program of the internal control management system at CONPET S.A. for 2021. In September 2021, the Program for the development of CONPET S.A. internal management control system for 2021 was revised, by the introduction of new actions triggered by the amendments to the organizational structure. The program revision was achieved following the meeting of the Monitoring Commission dated 02.09.2021. The development program of the internal control management system of CONPET S.A. for 2021 was approved by the Director General.
All actions due in 2021 were deployed.

Implementation of SR ISO 37001:2017 requirements anti-bribery management systems

The action is included in the Program for the implementation of the requirements of SR ISO 37001: 2017 anti-bribery management systems.

The program for implementation of the requirements of SR ISO 37001: 2017 anti-bribery management systems has been developed, approved and disseminated to all functions that have responsibilities in implementation. In March 2021, the Program for the implementation of ISO 37001 requirements was revised and approved by the Director General.
In 2021, various SMI documents have been revised, to be enclosed in SR ISO 37001:2017 requirements. The program for the implementation of SR ISO 37001:2017 requirements in force did not have actions due in 2021 Q3 and 2021 Q4.

The Executive Management

Between 01.01.2021– 31.12.2021, the executive management had the following composition:
Directors:

Position	Name and Surname	Observations
Director General	Eng. TUDORA Dorin	- contract of mandate of 4 years, period 21.04.2021 – 20.04.2025 (inclusive of); - provisional appointment starting with 05.02.2021 (as per Art.2 of the BoD Decision no.3/05.02.2021) until 20.04.2021, inclusive of)
	Legal expert DUMITRACHE Mihaela–Anamaria	- empowered during 19.01 2021 – 04.02.2021 as per Art. 2 of the BoD Decision no.1/12.01.2021 to also carry out, the attributions and responsibilities connected to the Director General position.
	PhD Eng. CHIŞ Timur Vasile	- contract of mandate of 4 years, period 07.11.2018 - 06.11.2022, (inclusive of). In the meeting dated 12.01.2021, the Board of Directors took notice of the decision of Mr. Chiș Timur Vasile to waiver the mandate of Director General.
Deputy Director General	Legal expert DUMITRACHE Mihaela–Anamaria	- contract of mandate of 4 years, period 18.02.2019 - 17.02.2023, inclusive of.

Economic Director	Econ. TOADER Sanda	- contract of mandate of 4 years, period 07.11.2018 - 06.11.2022, inclusive of
Deputy Director General 2	Legal expert LUPEA Ioana Mădălina	- as of 15.06.2021 (as per the Director General Decision no. 338/04.06.2021) until 17.02.2024, inclusive of.
	Eng. NECŞULESCU Radu Florentin	- starting with 05.02.2021 (as per the Director General Decision no. 59/05.02.2021) until 14.06.2021(inclusive of) as per the Director General's decision no.232/21.04.2021.
	Eng. TUDORA Dorin	starting 03.02.2020 as per Decision of the Director General no. 41/31.01.2020 up to 04.02.2021, inclusive of.

Heads of Units:

Position	Name and Surname
Head of Transport Operations Unit	Eng. STOICA Narcis Florin
Head of Maintenance Development Unit	Eng. BUZATU Dan
Head of Critical Infrastructures Unit	Eng. NECŞULESCU Radu Florentin
Head of the Commercial Unit*)	Legal expert MANOLACHE Dan (*as of 15.06.2021 inclusive of)*
Head of the HSE Unit*)	Eng. MARUSSI Mădălina Mihaela (*as of 15.06.2021 inclusive of)*
Head of Communication and Corporate Governance Department*)	PATRICHI Bianca Maria (*starting with 15.06.2021 inclusive of)*

*) organizational structures set up starting with June 15, 2021.

Head Engineer:

Position	Name and Surname
Development-Maintenance Chief Engineer	Eng. CÎRLAN Florentina – Anca
Production Chief Engineer	Eng. BACIU Dan-Silviu *(up to 14.06.2021, inclusive of)*

5. NON-FINANCIAL STATEMENT FOR THE YEAR 2021

The non-financial statement presents based on which the company's management wishes to communicate transparently to the business partners, employees, investors, the community in general and any other interested parties the actions taken and the progress achieved by CONPET SA in terms of assurance and continuous improvement of quality of the services provided, environmental protection, occupational health and safety, aspects related to staff and social field, prevention of abuses in human rights matters, ethics and integrity in business and corruption prevention and combating.

Company profile

CONPET S.A. is the operator of the crude oil, rich gas, condensate and ethane National Transport System (NTS). As presented at large in the Report of the Administrators, CONPET S.A. provides transport services to its customers through both the National Transport System, leased based on the Oil Concession Agreement and by rails, from the loading ramps to refineries.

The operation of the system is achieved through the local dispatchers coordinated by the central dispatcher of the company. The National Transport System consists of the following components:

- Import Crude Oil Transport System
- Domestic Transport System, which in turn includes:
    - The crude oil and condensate transport subsystem
    - Rich gas transport subsystem
    - Ethane transport subsystem

The powers of each entity within the organizational structure are established by the Rules of Organization and Operation of the company.

Quality, Environment, Occupational Health and Safety Policy

In accordance with the strategic development direction of COPET SA, the Quality, Environment, Occupational Health and Safety Policy aims at satisfying the requirements of the customers and of other relevant stakeholders, complying with the legal requirements concerning the transport of crude oil, rich gas, ethane and condensate and ensuring a healthy and safe work environment for the entire staff, targeting the following action lines:

- ✓ Ensuring availability and timeliness of crude oil, rich gas and condensate transport services;
- ✓ Efficient solving of interventions on the transport installations without affecting the clients' or other stakeholders' interests;
- ✓ Optimization of technological consumptions of transported product;
- ✓ Compliance with legal and other requirements relating to occupational safety and health;
- ✓ To continuously improve performance in environmental protection activity, in particular by adopting prevention measures for pollution, technological risks and accidents which can have negative repercussions on the environment;
- ✓ Raising awareness of the company's staff and of the staff working on behalf of and of communication in order to ensure active participation in the achievement of the goals;
- ✓ Hazard removal and reduction of risks of occupational illness and injury at work;
- ✓ Consultation of employees regarding any aspect of occupational health and safety;
- ✓ Ensuring the organizational framework appropriate for setting the goals of the integrated management system quality-environment-operational health and safety.
- ✓ To permanently assess the risks/opportunities posed in the context the organization evolves in and of the risks/opportunities related to the processes and determining the actions for their treatment;

The company's management pursues consistently the performance concerning quality, environment, occupational health and safety through the implementation, maintenance and continuous improvement of an Integrated Management System in accordance with the provisions of the reference standards for these areas.

In 2021, the company was subject to external audit of surveillance, deployed by the company DNV Business Assurance Romania, according to the standards SR EN ISO 9001:2015, SR EN SR 14001: 2015 and EN ISO 45001:2018. Following this audit, CONPET SA certifications in the areas of quality, environment, health and safety obtained since 2007 shall be maintained.
The quality of transport services

CONPET aims at fully satisfying customers' requirements and expectations, fulfilling the obligations undertaken under the Oil Concession Agreement and complying with the regulations and legal provisions at all times.

The main goals pursued by the company to ensure an adequate level of quality of the transport services are:

- ✓ Ongoing strengthening and development of the National Transport System by implementing the best technologies for the rehabilitation and modernization of the oil transport infrastructure, so as to ensure the present and future conditions of continuity and quality of the transport services;
- ✓ Increased safety in operation and reduced technological consumptions.
- ✓ Continuous improvement of the operational processes to ensure the high level of customer satisfaction through prompt, timely and cost-effective execution of the transport services.
- ✓ Maintenance of the Integrated Management System certifications according to the reference standards.

The main directions of action relating to service quality are the following:

- ✓ Ensuring the availability and timeliness of the transport services;
- ✓ Efficient solving of interventions on the transport installations without affecting customers and other stakeholders' interests;
- ✓ Optimization of technological consumptions of transported product.

The risks identified in this regard are as follows:

- ✓ The degradation of the National Transport System, reduced transport capacity, delays in delivery, decreased customer satisfaction, complaints;
- ✓ Identification of major non-conformities following the certification or surveillance audits and suspension/cancellation of certificates, which could have a negative impact on the image of the organization.

As a result of the measures taken by the company, the risks mentioned have been maintained at a low impact level. Effective control of risks has materialized through:

- ✓ documentation, implementation and procedure compliance measures;
- ✓ reviews and internal audits of the integrated management system;
- ✓ planning and execution of investment and repair works to the National Transport System;
- ✓ ensuring human resources with skills appropriate for conducting the main processes.

No major non-conformities have been identified as a result of the external audits for the surveillance of the integrated management system.
The indicators corresponding to the general quality goals, which refer to the increase of customer satisfaction and responsiveness in providing the transport service are:

- ✓ The achievement of the transport program by framing within the contracted technological consumptions;
- ✓ Observance of the delivery deadline for the transported goods.
- ✓ The number of complaints received from customers in a year with regards to the conformity of the transport service, with zero target value.

In 2021 the indicators have reached the target values laid down as follows:

- ✓ the transport program was made without exceeding the contractual limits of technological consumption;
- ✓ the delivery of transported goods was achieved according to the contract provisions;
- ✓ there were no complaints from customers;

Environment

In the field of environmental protection, the management of CONPET has adopted an environment policy, integrated with the OHS policy specific to the company's activity, size and environmental impact, meant to provide a framework for establishing and analyzing the general and specific environmental goals.

Special emphasis was placed on issues related to the needs and expectations of stakeholders (including the demands of the authority) and local environmental conditions or regional that can affect or be affected by the organization, the way the risks and opportunities are treated related to environmental issues for prevention and limitation of their consequences on human health and the environment.

Being aware that responsibility to the environment and community in which they operate are inextricably linked to the performance they want to achieve in their own activities and in accordance with sustainable development principles, CONPET has pledged through its environmental policy, for:

- ✓ ensuring compliance with legal and other requirements relating to environmental matters.
- ✓ the continuous improvement of the performance in environmental protection activity, in particular by adopting prevention measures for pollution, technological risks and accidents which can have negative repercussions on the environment.
- ✓ permanent assessment of the risks/opportunities posed in the context the organization evolves in and of the risks/opportunities related to the processes and determining the actions for their treatment.
- ✓ Awareness of the company's staff and of the staff working on behalf of the organization and improvement of communication in order to ensure active participation in the achievement of the goals and the environmental management program.

In terms of environmental protection and water management, CONPET activity is authorized in accordance with the provisions of GEO 195/2005 on environmental protection, as supplemented and amended and Water Law no.107/2005, with subsequent amendments and additions.
According to the Ministry of Environment Order 1798/2007 approving the procedure for issuance of the environmental permit, the activity carried out by CONPET is an activity with significant environmental impact. The environment permits issued to CONPET remain valid all along the period the company has been issued annual visa permit - amendment brought by Order 1150/2020.

The identification of the environment aspects and assessment of the associated impact within the company is being achieved for:

- ✓ All the activities performed, included in the area of application of the environment management system;
- ✓ materials, goods and services that can generate environmental impacts that are supplied/manufactured by suppliers/providers;
- ✓ new projects and developments/upgrades;
- ✓ facilities/equipment from a workstation whose operation has been partially of permanently stopped as a result of preservation, respectively of dissolution of work site and that generated or generate impacts on the environment.

Following the identification of environmental aspects for activities, products and services of the company significant environmental aspects have been retained, which are input and environmental management program.

The update of the environment lists and their related impact, as well as their centralization is being made whenever changes occur, for example:

- ✓ Technology changes;
- ✓ upgrading or introducing new plant, equipment, use of other raw materials;
- ✓ occurrence of new requirements, environmental regulations or amendment of the existing ones;
- ✓ decommissioning of installations and equipment;
- ✓ preservation/restarting, dismantling of workstations after completion of actions to deal with significant environmental aspects.

During 2021 were reviewed environmental issues at the sites, significant environmental aspects being included in the "List of significant environmental aspects and associated impacts".

Given the significant environmental aspects identified at company level, the measures of inspection reports/minutes - authorities, concerning compliance with legal and other requirements, etc.,during 2021 have been reviewed:

- ✓ The Environment Management Program
- ✓ The Action Plan for the fulfillment of the environment objectives at company level.

The status of achievement of the objectives and targets set and the stage of the implementation of the actions set for the achievement of the environmental objectives are analyzed annually by the executive management, in the framework of the analysis carried out by the management.

Occupational Health and Safety

Safety and health at work is today the joint concerns of technical and engineering disciplines, interested in finding the most appropriate ways and means of optimizing the human integration into the professional applications system. The final goal of work safety and health at work is:

- ✓ protecting the life, integrity and health of workers against the risks of accidents and professional diseases that can occur in the workplace;
- ✓ creating working conditions to provide them stable physically, mentally and socially comfort;

The main directions of action relating to service quality are the following:

- ✓ Prevention and reduction of occupational diseases and accidents at work;
- ✓ Consultation and participation of workers on any aspect of health and safety at work;
- ✓ Ensuring the organizational framework appropriate for setting the goals of the integrated management system quality- environment- operational health and safety.
- ✓ Permanent assessment of the risks/opportunities posed in the context the organization evolves in and of the risks/opportunities related to the processes and determining the actions for their treatment.

From the perspective of the obligations and responsibilities arising from the Law no. 319/2006 on safety and health at work and GD no. 1425/2006 approving the Methodological norms for the application of the provisions of the Law on safety and health at work no. 319/2006, the conditions for health and safety at work and occupational accident and diseases prevention are ensured:

- ✓ prevention and protection activities are organized internally through the Prevention and Protection Department;
- ✓ the duties and responsibilities for safety and health at work are set out incumbent upon the workers, corresponding to the functions exercised, which are specified in the job description;

- ✓ the areas requiring occupational safety and health signaling and the necessary signaling type according to GD no. 971/2006 concerning the minimum requirements for the provision of safety and/or health signaling at work are determined;
- ✓ -occupational health and safety clauses are established upon the conclusion of the service contracts with other employers, including those concluded with foreign employers;
- ✓ authorization is organized for the exercise of trades and professions provided for by the specific legislation;
- ✓ the health of the workers is monitored through in-house medical practices and by contracting occupational medicine services;

In 2021, external checks were carried out by labor inspectors in Olt and Braila counties, without being identified irregularities at the level of the checked work sites. In the framework of the scheduled internal controls, all the locations established by the approved control schedule were checked, no serious deviations were found, possibly causing injury and/or occupational illness of workers; the non-conformities found were remedied by carrying out the corrective measures ordered at no additional cost.

The starting point for optimization of efforts to prevent accidents and occupational disease at work is "Risk Assessment".
In 2021, the commission established at company level analyzed and reevaluated the risks for each job/workstation and drafted the Prevention and Protection Plan. By implementing the technical measures, organizational and sanitary related thereof, the level of risk within the company is 2.90%, the maximum permitted limit being 3.5%.
CONPET S.A. implemented, ever since 2007, an occupational health and safety management, integrated with the other implemented management systems and the compliance with the requirements of standard ISO 45001 being certified by DNVGL body, following the annual external audits performed.
In the light of the obligations and responsibilities arising from fire defense and civil protection legislation with implications for the safety and health at work of workers, prevention and intervention measures shall be ensured by meeting/complying with the applicable legal requirements and fire defense activity shall be organized at company level:

- ✓ is established the Emergency Situations Office - structure with responsibilities in emergencies, specialized in risk prevention of occurrence of emergencies through guidance and control activities;
- ✓ is organized defense against fire for all work places;
- ✓ is organized the intervention of firefighting for all work places;
- ✓ is organized the rescue and evacuation of employees and material goods;
- ✓ Private service for Emergency Situations is set, in accordance with the law;
- ✓ are identified, monitored and evaluated specific risk factors, generators of hazardous events; are identified types of risks generating natural and technological disasters; is provided assessment and analysis of potential risks on the possibility of their occurrence and consequences on people's lives, the environment and property;
- ✓ is established the Cell for Emergency Situations.
- ✓ are provided informing and training activities on the means of knowledge, compliance and enforcement of the norms, of the technical regulations and provisions concerning fire safety and civil protection for all company personnel;
- ✓ is ensured the organization of training of employees and emergency teams within SPSU in emergency situations; participation in exercises and applications alarm, evacuation, intervention, limitation and elimination of consequences of fires or other disasters.

From the point of view of the obligations and responsibilities arising from Law no. 59/2016 on the control of major accident hazards involving dangerous substances are provided prevention/action measures by performance/compliance with the applicable legal requirements:

- ✓ are established and provided measures to prevent major accidents involving dangerous substances and limit their consequences on human health and the environment.
- ✓ are developed "Safety Reports" and "internal emergency plans" for each location of the company classified as "upper-tier site" or "prevention policy" for locations classified as "lower-tier site".
- ✓ the staff employed in these locations is periodically trained on the relevant parts of that documentation.
- ✓ at the site level a responsible in charge with security management was appointed, by decision of the Director General.

In order to maintain and continuously improve the safety and health of workers in every aspect related to work, CONPET SA has developed and established the following plan on short, medium and long term:

1. Achievement of all necessary lines regarding Occupational Health and Safety contained in the Programs of measures resulting from checks/internal and external audits.

2. Permanent compliance with OHS legislation and other requirements/regulations to which the company subscribes, by implementing innovations in the field.

3. Creating an OHS culture through training and raising awareness of employees about the need to respect the rules of safety and health at work, by:

- ✓ the use of interactive teaching methods, accompanied by practical demonstrations.
- ✓ empowering all staff in identifying, reporting and eliminating/reducing the dangers of accidents and professional diseases.
- ✓ supporting and promoting preventive thinking and behavior.
- ✓ involving all staff in adopting measures to continuously improve the working environment.

4. Continuous improvement of occupational health and safety by:

- ✓ eliminating/reducing ongoing risks of accidents and occupational diseases;
- ✓ conclusion of an occupational medicine contract with a specialized clinic;
- ✓ integrating new employees in all the prevention and protection actions specific to the workplace;
- ✓ developing programs to educate employees on occupational health, by adopting a healthy lifestyle;
- ✓ improving internal communication and consultation on issues of safety and health at work;
- ✓ implementation of thematic programs of information on health and safety risks, use of modern methods, efficient and effective training.

Energy Policy

Energy policy of CONPET SA promotes the goals of continuous improvement of energy performance by the energy management system, by ensuring compliance with the legal provisions and other applicable requirements regarding energy consumption and energy efficiency, minimizing the loss of electricity and fuel to produce heat, reducing the costs related to energy and by the acquisition and use of energy-effective products and services.

The company carries out actions to raise staff awareness and improve communication in order to ensure active participation in the achievement of the energy goals and targets. In order to achieve the goals of this policy, the company is fully committed to maintaining and improving the energy management system in accordance with the provisions of the SR EN ISO 50001:2019 standard. As such, the energy management system has been implemented, aimed at continuously improving the energy performance of the organization and complying with the legal requirements regarding energy efficiency, a system certificated by the company DNV Business Assurance Romania. Following the audit that took place in September 2021, the certification of the energy management system implemented in CONPET S.A. Is being maintained.

Railway Safety Policy

Starting 2010, within CONPET SA the Railway safety management system is implemented and maintained. The field of application of this system includes the railway ramps where CONPET carries out railway shunting.
Through the railway safety policy, CONPET SA has undertaken to act in order to achieve the common safety goals and the compliance with the safety requirements set out in the technical specifications for interoperability and the safety regulations of the European Union. The main lines of action are:

- ✓ Compliance with existing legal requirements and other relevant stakeholder requirements relating to the development of railway shunting operations;
- ✓ Ensuring the appropriate organizational framework for setting objectives and assessing the performance of the safety management system;
- ✓ Identification of hazards, assessment and evaluation of risks associated with railway operations, including those arising from external factors;
- ✓ Establishing appropriate safety measures to be implemented to mitigate these risks, with a view to preventing accidents/incidents by rail and cooperate with relevant stakeholders on the implementation of appropriate safety measures in case of common risk identification;
- ✓ Assuming the coordination of the safety management system activities at the level of the management and delegation of responsibilities within the organization;
- ✓ Provision of programs to train staff and maintain their competence in performing tasks, both for staff in charge of management, training and control tasks and for staff performing railway safety-related activities.

The Romanian Railway Authority (RRA) (Ro. AFER) granted the company the license for carrying rail services (railway shunting) and the Safety Certificate for the railway safety management system implemented in CONPET SA.

Social and Personnel Policy

The company’s management develops and implements internal regulations used to establish the organization of the activity within the company by which the necessary resources are allocated effectively. The risks associated with the social and staff field are identified and their potential adverse effects are kept to an acceptable level through appropriate measures for cancellation or mitigation.

The legal requirements in the HR and OHS areas at the level of the company are also complied with by the implementation and certification of the integrated management system. In addition, certain requirements are included in the Internal Regulations and the Code of Ethics.

Competent, motivated and honest employees represent the essential element for the successful completion of the company's goals, being the most important resource for the proper conduct of the business.

The main actions taken with respect to these issues are materialized by:

- ✓ the provision of optimal work conditions;
- ✓ transparent processes for recruitment based on professional competence and experience;
- ✓ promotion of employees that behave ethically and have proved integrity;
- ✓ assessment of professional performance based on professional and personal skills criteria;
- ✓ allocation of sufficient resources for the training and continuous improvement of the staff;
- ✓ health care (regular medical checks and assessments, monitoring the health status of the employees, insurance contracts for medical services for the benefit of the employees);
- ✓ providing additional wage benefits in the form of voluntary health insurance, as regulated in art. 222 para. 9 of the Collective Labor Agreement, the ultimate goal being to prevent loss of working capacity of employees;
- ✓ social facilities provided for in the Collective Labor Agreement (meal vouchers, covering part of the cost of tickets for rest and treatment, facilities for the practice of physical activities in the sports base of the company, financial support to the employees and, in exceptional circumstances, to the members of their families (husband, wife, children supported by them), who have special medical problems, as well as to the employees who suffered significant damage from earthquakes, landslides or floods or other natural phenomena, fires, etc.);
- ✓ supporting trade union activity, communication and ongoing consultation with the trade union organization.

The main risks in the social and staff field relate to:

- ✓ high personnel fluctuation, decreased rate of retention of newly hired personnel or occupying key positions;
- ✓ insufficient financial resources allocated for maintaining and improving working conditions or for preventive medical actions and measures;
- ✓ constraints and budget limitations that can restrict the initiation/development of projects in the field of human resources;
- ✓ improperly managed communication;
- ✓ lack of qualified personnel in order to ensure the continuity of certain activities (e.g. staff with responsibilities in traffic safety) in the case of departures from the system.

The effects of these potential risks may consist in the increase of the medical leave expenses incurred by the company, increased absenteeism, decreased quality of the transport services, decreased efficiency, increased recruitment costs, adverse incentive of the employees or trade union conflicts. The company has managed, through the measures taken, to maintain the social and staff risks at a low level.

To manage the risks in this field, the company has taken the necessary measures to ensure the security and protection of the employees' health, to prevent occupational risks, to inform and train the of employees and to ensure the organizational framework and the necessary means for occupational health and safety, including for specific risk-sensitive groups.

Therefore, in-house instructions have been developed for the application of the regulations concerning the safety and health at work, taking account of the particularities of the activities and of the jobs in the company. Furthermore, labor protection measures have been taken, specific for certain occupations or activities.
In drawing up the measures for the safety and health at work, the company's management advises with the Trade Union or, as appropriate, with the representatives of the employees and with the Occupational Health and Safety Committee.

The staff is informed and trained about the risks to the safety and health of the employees and to the protection and prevention measures specific to the workplace..

In terms of gender equality, each employee of the company is free to develop their own skills and to express their choices without being influenced by the peculiarities of their gender.

The different behaviors, aspirations and needs of women and men enjoy equal appreciation and promotion within CONPET S.A..

The Internal Regulations of the company include provision for the prohibition of all forms of discrimination.
From the percentage of 37.52% of the total personnel with higher education, 14.06% is represented by women. At the same time, women represent a percentage of 37.41% from the total personnel with management and/or coordination positions in the company, significantly higher than the previous year (29.44%). Achieving this weight ensures women's participation in decision-making and management at all levels and in key areas of activity of the company.
Thus, according to the organization chart in force at 31.12.2021, the entities Deputy Director General, Deputy Director General 2, the Economic Directorate and Maintenance Development Chief Engineer are led by women. Promoting equality at work is synonymous with significant economic benefits.

By elimination of all forms of discrimination within the company, women are free in the choice of their occupation upon their employment on any vacant job and at all levels of the professional hierarchy. This creates non-discriminatory conditions for career advancement, for work remuneration in relation to the professional skills and the quality of the work carried out and for the participation in professional qualification / re-qualification, improvement and specialization programs.
The company guarantees for all employees, regardless of gender, the application of the payroll equality principle and of the right to other benefits paid by the employer to the employees, directly or indirectly, in cash or in kind, in accordance with their job.

The Conventions of the International Labor Organization (ILO), considered as fundamental labor principles and rights, relate to trade union freedom and trade union right protection, the effective recognition of the right of collective organization and bargaining, the elimination of all forms of forced or compulsory labor, the abolition of child labor and the elimination of discrimination in respect of employment and occupation, and represent guidelines and useful tools for the preparation of the internal policies of the company concerning employment, work, social dialogue, etc.

The company informs employees consistently and permanently on the provisions of the Collective Labor Agreement, the Code of Ethics and Integrity and the Internal Regulations, a document

containing special chapters on the rights they have in connection with the compliance with the equality of opportunities and treatment between men and women in labor relations.

Trade union freedom and collective bargaining ensures a good cooperation and consultation between the workers and the employer, leading to a decrease in the number of labor conflicts and a higher social stability.
The employees of CONPET SA receive adequate protection against any discriminatory acts that might infringe trade union freedom.
The practice of collective bargaining in CONPET SA guarantees that the worker and the employer have an equal share in the negotiations and that the decisions made will be fair and equitable. Starting from the premise that social dialogue is an important factor for socio-economic progress, considered as one of the pillars of the European social model, essential for: the promotion of decent working conditions, transparent regulations regarding working rules, respect for employees and performance, productivity and profit for employers, collective bargaining has allowed the social partners to negotiate a fair employment relationship and to prevent labor disputes.

The activities and actions for entertainment and networking for employees have been conducted between the trade union and employees, between the employees and family members, activities in partnership with public educational institutions, culture, various events at which personalities have been invited, etc.

CONPET SA promotes a transparent business climate, communication and cooperation with all the parties involved in the conduct of its business, with respect to community and environment. The company has supported, through sponsorship actions, projects of tradition or bearing a significant and lasting impact on the community, but also smaller requests targeting individual ideas, actions or individual performance.

Ethics and Integrity in Business, fighting corruption

CONPET SA promotes fair business relationships and pursues legal compliance in all commercial transactions and activities carried out, acting for the deterrence, prevention and combating of corruption deeds.

The Code of Ethics and Integrity established the rules of conduct governing corporate values, responsibilities, obligations and business conduct, mandatory rules, applicable to all employees, from all organizational structures of CONPET SA.

The Code of Ethics and Integrity defines conduct and conduct of integrity, prohibits the participation of employees in decision-making in situations where there is a conflict of interest, imposes restrictions on the offering/acceptance of gifts, favors or services, sets out the obligations of employees with regard to the protection of company assets and resources, specifies how to relate to the authorities on the basis of the principles of fairness, transparency and good cooperation, and mentions the rules of conduct during internal and external trips. Furthermore, clear rules for dealing with shareholders in what concerns equal treatment and inside information, as well as the use of honest and lawful practices in dealing with business partners, are also specified.

At the level of CONPET SA, the Integrity Plan was approved, having 27 measures to implement in applying the National Anti-Corruption Strategy (NAS) 2016 – 2020.

In order to implement the measures of the integrity Plan scheduled for 2021, each of the 27 existing measures was analyzed in turn and compared to the planned and necessary measures for 2020, the measures in question were identified and qualified to be addressed from measure to measure.
There were 26 measures to be carried out by the end of 2021, measure 27 consisting in implementing the ISO 3700 Standard –anti-bribery, with a deadline for implementation in 2022.
The implementation of the ISO 3700 standard - Anti-bribery has an implementation program with actions achieved in 2021, out of which:

- ✓ Training of the personnel with relevant duties and functions in the anti-bribery management system;
- ✓ Settlement of the Anti-bribery policy and provision of the availability thereof to the stakeholders;
- ✓ Awarding responsibility and authority for the anti-bribery observance function (requirement 5.3.2 of SR ISO 37001:2017);
- ✓ Analysis of the organizational internal and external context: understanding the needs and expectations of the stakeholders regarding the anti-bribery management system;
- ✓ Setting the scope of the anti-bribery management system.

According to EGO no. 109/30.11.2011 on the corporate governance of public enterprises and within the Development Program of the Internal Control Management System elaborated in accordance with OSGG 600/2018, considering the need to build an integrity culture within CONPET, a new Code of Ethics and Integrity was drafted and an ethics counselor within the Integrity Office was appointed.
The entire personnel of CONPET S.A. has been trained with regards to the company's institutional strategy, related to the expectations in conduct matters as per the Code of Ethics and Integrity, as well as related to the rights and obligations of the personnel in ethics and compliance matters.
The Ethics Advisor monitored the compliance, by the organization's staff with the principles and rules of conduct and provided advice and assistance in the field of ethics in accordance with CONPET S.A. Ethics Advisor's Work Regulation in force.
In 2021 was revised the Ethics Advisor's Work Regulation from CONPETS.A." and got approved by the Director General, being disseminated to all organizational entities.
No cases of conflicts of interest, incidents or integrity alerts have been recorded in 2020.

The Anti-Bribery Policy

For CONPET S.A., doing business and process deployment by the observance of the highest standards of ethics and integrity stands for a constant preoccupation.
Acting as an operator of the crude oil, rich gas, condensate and ethane national transport system, CONPET S.A. acceded to the anti-bribery national strategy and implemented proper integrity plans.
By the anti-bribery policy, CONPET S.A. commits not to tolerate any bribery act, not to manifest any type of sanction or retaliation against any relevant employee or third party for the refuse to be part of a bribery act and to observe the anti-bribery legislation applicable to the organization.

Issues related to the Diversity Policy in terms of Administrative and Managerial Bodies

CONPET SA is a company listed on Bucharest Stock Exchange and, according to the capital market legislation, the decision for the appointment of the members of the Board of Directors belongs to the shareholders. For this reason, the company is not in a position where it can

influence issues of diversity and could not adopt a policy on diversity in terms of administrative and management bodies.

However, the proposals for candidates and the result of the vote in elections have been provided each time an appropriate degree of diversity in terms of profile of administrators, coverage of professional expertise areas or age thereof.

The current Board of Directors includes a woman and six men with professional experience in economics, engineering and law.

6. PROPOSAL OF THE BOARD OF DIRECTORS

6.1 Approval of the financial statements concluded at 31.12.2021

6.2. Approval of the allocation of the net profit related to 2021 financial year

Proposal to distribute the accounting profit left following the deduction of the income tax on December 31, 2021

All along 2021, have not been distributed dividends based on the interim financial statements. Th accounting profit left after the deduction of the income tax, on December 31, 2021 is in amount of 51,928,770 Ron.

The proposal to allocate by legal destinations, the accounting profit left after the deduction of the income tax to be distributed, reinstated with the provision for the employees' share of profit in total amount of 57,447,153 RON, is the following:

- RON-

Crt.no.	Element	GD provision no. 64/2001	Amount
1	**The net profit of the financial year 2021, reported based on the audited annual financial statements**	**-**	**51,928,770**
2	Employees profit sharing schemes within the limit of 10% of the net profit but not more than the monthly average base salary achieved at the level of the economic operator reported in the reference year, acknowledged in the provisions account	-	5,518,383
3	**Total profit to be allocated (1+2), o/w allocated to:**	**-**	**57,447,153**
a)	Other allocations stipulated by law - exemption from the payment of the reinvested income tax (account 1068), Art 22 of Law no. 227/2015 of the fiscal code	art. 1, para. (1), letter b)	1,484,680

b.	Employees profit sharing schemes within the limit of 10% of the net profit but no more than the monthly average base salary achieved at the level of the economic operator reported in the Reference year	art. 1, para. (1), letter e)	5,518,383
C	Dividends due to shareholders	art. 1, para. (1), letter f)	50,444,090

The retained earnings which can be allocated, in amount of 7,130,819 RON, is proposed to be allocated for the distribution as dividends due to shareholders.
Other reserves in amount of 5,482,940 RON, representing prescribed dividends, unclaimed within three years from the due date (prescribed dividends), in amount of 5,482,940 RON is proposed to be allocated for the distribution as dividends due to shareholders.

Chairman of Board of Directors

GHEORGHE Cristian-Florin

Electronic Signature

Director General,

Eng. Tudora Dorin

Electronic Signature

Deputy Director General

Jurist DUMITRACHE Mihaela Anamaria

Electronic Signature

Economic Director

Econ. TOADER Sanda

Electronic Signature

ANNEXES

1) The Articles of Incorporation in force, updated at the date of 18.12.2018;
2) CV's of the current administrators;
3) Objectives and financial and non-financial key performance indicators for Directors with mandate contracts achieved between 01.01.2021-31.12.2021;
4) Report on the internal control management system at 31.12.2021;
5) List of the important contracts concluded by the company in 2021;
6) List of litigations at 14.03.2022.

ARTICLES OF INCORPORATION

of the Company "CONPET" S.A.

CHAPTER I
NAME, LEGAL FORM, HEADQUARTERS, DURATION

Art. 1 Name of the Company

(1) The company name is „CONPET"S.A. (herein-after called also the „company').
(2) In all documents, invoices, notices, publications and generally, in the company correspondence, the name thereof will be preceded or followed by the words „societate pe actiuni"(Eng. joint-stock company") or by the initials „S.A.", stating the headquarters, subscribed and paid-up share capital, tax registration number and Trade Registry number.

Art. 2 Legal Form of the Company

(1) „CONPET" S.A. is Romanian legal person, incorporated as a joint-stock company.
(2) „CONPET" S.A. is a publicly held company.
(3) The Company is operating in compliance with the provisions of this Articles of Incorporation, of Law no. 31/1990 regarding the companies, of EGO no. 109/2011 regarding the corporate governance of the public enterprises, of the Civil Code and of all other laws and regulations applicable to the companies.
(4) The emblem (logo) of the company is made up by the joining of two elements: in the left side, the symbol and in the right side, the company name (logotype). The symbol represents a set made of two drops: a green one and a blue one; the green drop is pointing top right (1 o'clock), while the blue drop is pointing down left (7 o'clock). The company name - „CONPET" S.A. - is placed right of the symbol, has a proportional dimension in relation hereto, is written in block letters, Italic, and in the same color with the blue drop.

Art. 3. The Company Headquarters

(1) The company headquarters is in Romania, no. 1-3 Anul 1848 Street, Ploiesti city, Prahova county. The company headquarters may be changed to other locality from Romania, based on the Resolution of the Extraordinary General Meeting of Shareholders, as per the law.
(2) The company may also incorporate and disincorporate other sub-units (secondary establishments, work sites, branches, agencies, representative agencies, or other types of sub-units with no legal personality), to be found in the same locality and/or in other localities, in the country or abroad, under the law and as per this Articles of Incorporation, by the approval of the Board of Administration. The secondary establishments (work sites) of the company are comprised in Annex 2 to the Articles of Incorporation.

Art. 4 Company Duration

The lifetime of the company is unlimited, starting the date of registration at the Trade Registry under no. J29/6/22.01.1991.

CHAPTER II
SCOPE, OPERATING AREA AND CORE BUSINESS OF THE COMPANY

Art. 5 Company Scope

The company is the concessionaire of the National Crude Oil, Rich Gas and Liquid Ethane Transport activity, inclusive of the major pipelines and equipment, installation and facilities related to the System, quality acquired by the conclusion with NAMR, in 2002, of the Oil Concession Agreement approved pursuant to GD no. 793/2002.

Art. 6 Main Business Area and Core Business of the Company

(1) The main business area is „Transport through pipelines"- NACE Code 495.
(2) The core business of the company is „Transport through pipelines" - NACE Code 4950.

Art. 7 Secondary Lines of Business

0150 Activities in mixed farming (crop and animal production),
0910 Support activities for petroleum and natural gas extraction,
1011 Processing and preserving of meat,
1012 Processing and Preserving of poultry meat,
1013 Production of meat, including poultry meat products,
1020 Processing and preserving of fish, crustaceans and mollusks',
1031 Processing and preserving of potatoes,
1032 Manufacture of fruit and vegetable juice,
1039 Processing and preserving of fruits and vegetables,
2529 Manufacture of tanks, cisterns and containers of metal
2593 Manufacture of wire products, chains and springs
3313 Repair of electronic and optical equipment
3314 Repair of electrical equipment
3319 Repair of other equipment
3320 Installation of industrial machinery and equipment
3513 Distribution of electricity
3530 Steam and air conditioning supply
3600 Water collection, treatment and supply
3700 Sewerage
3811 Collection of non-hazardous waste
3821 Treatment and disposal of non-hazardous waste
3900 Remediation activities and other waste management services
4321 Electrical installation
4329 Other construction installation
4511 Sale of cars and light motor vehicles (< 3.5 tons)
4519 Sale of other motor vehicles
4520 Maintenance and repair of motor vehicles
4671 Wholesale of solid, liquid and gaseous fuels and related products
4676 Wholesale of other intermediate products
4677 Wholesale of waste and scrap
4690 Non-specialized wholesale trade
4711 Retail sale in non-specialized stores with predominant sale of food, beverages or tobacco,
4719 Retail sale in non-specialized stores with predominant sale of non-alimentary products,
4721 Retail sale of fresh fruits and vegetables in specialized stores,
4722 Retail sale of meat and meat products in specialized stores,

4723 Retail sale of fish, crustaceans and mollusks in specialized stores,
4724 Retail sale of bread, cakes, flour and sugar confectionery in specialized stores
4730 Retail sale of automotive fuel in specialized stores
4920 Freight rail transport
4939 Other passenger land transport
4941 Freight transport by road
5210 Warehousing and storage
5221 Service activities incidental to land transportation
5224 Cargo handling
5229 Other transportation support activities
5510 Hotels and similar accommodation
5610 Restaurants
5629 Other food service activities
5829 Other software publishing
6110 Wired telecommunications activities
6120 Wireless telecommunications activities
6203 Computer facilities management activities
6209 Other information technology and computer service activities
6311 Data processing, hosting and related activities
6810 Buying and selling of own real estate
6820 Renting and operating of own or leased real estate
7112 Engineering activities and related technical consultancy
7120 Technical testing and analysis
7219 Research & Development on natural sciences and engineering
7711 Renting and leasing of cars and light motor vehicles
7712 Renting and leasing of trucks
7721 Renting and leasing of recreational and sports goods
7732 Renting and leasing of construction and civil engineering machinery and equipment
7733 Renting and leasing of office machinery and equipment (including computers)
7739 Renting and leasing of other machinery, equipment and tangible goods n.e.c.
8299 Other business support service activities n.e.c.
8559 Other education n.e.c.
8610 Hospital assistance activities
8690 Other human health activities
9311 Operation of sports facilities
9329 Other leisure and fun activities.

CHAPTER III
SHARE CAPITAL, STOCKS

Art. 8 The Share Capital

(1) The total share capital of "CONPET" S.A. amounting 28,569,842.40 Lei is subscribed and entirely paid-up.
(2) The share capital of the company is divided into 8,657,528 nominative shares issued in dematerialized form, 3.3 Lei nominal value each.
(3) The shareholding structure, in compliance with the consolidated synthetic shareholding structure at reference date 22.01.2015, is the following:

The Romanian State, by the Ministry of Energy, Small and Medium-sized Enterprises and Business Environment (line ministry or successors thereof, as per the Law)
Number of shares: 5,083,372
Contribution value to the share capital: 16,775,127.60 Lei
Share on benefit and loss: 58.7162%

SHAREHOLDERS LEGAL PERSONS
Number of shares: 2,920,264
Contribution value to the share capital: 9,636,871.20 Lei
Share on benefit and loss: 33.7309%

SHAREHOLDERS NATURAL PERSONS
Number of shares: 653,892
Contribution value to the share capital: 2,157,843.60 Lei
Share on benefit and loss: 7.5529%

Art. 9 Increase or Decrease of Share capital

(1) The share capital may be decreased or increased based on the Resolution of the Extraordinary General Meeting of Shareholders, under and in compliance with the procedure stipulated by law.
(2) The Extraordinary General Meeting of Shareholders shall decide upon the augmentation of the share capital, in compliance with the legal provisions in force at the date of the augmentation thereof.
(3) The share capital could be augmented by:
    a) The issue of new shares;
    b) Augmentation of the nominal value of the existing shares;
    c) Incorporation of reserves, except for the legal reserves, as well as of the benefits and share premiums;
    d) Compensation of certain liquid debts exigible to the company, by shares thereof;
    (e) Other sources, set by the General Meeting of Shareholders or Board of Administration, as the case may be, as per the law;
(4) The Resolution of the Extraordinary General Meeting of Shareholders for the augmentation of the share capital shall be published in the Official Gazette of Romania, Part. IV, being granted, for the exercise of the right of first refusal, at least one-month deadline, starting the publishing date.
(5) The reduction of the share capital is being made under the law.
(6) The share capital could be reduced by:
    (a) The diminution of the number of shares;
    (b) Reduction of the nominal value of shares;
    (c) Acquirement of own shares, followed by the cancellation thereof;
    (d) Other processes stipulated by law;

(7) The reduction of the share capital can be done only following two months as of the date of publishing in the Official Gazette of Romania Part IV, of the Resolution of the Extraordinary General Meeting of Shareholders, as per the legal provisions.
(8) If the Board of Administration establishes that, following certain losses established based on the annual financial statements approved as per the law, the net asset of the company, determined as a difference between total assets and total liabilities thereof, lowered to less than half the value of the subscribed share capital, then the Board will convene immediately the Extraordinary Meeting of Shareholders, to decide upon the dissolution of the company.
(9) The Board of Administration will present to the Extraordinary Meeting of Shareholders convened as per the here-above paragraph, a report regarding the patrimonial situation of the company, accompanied by observations of the internal auditors. This report must be submitted to the company headquarters by at least one week prior to the General Meeting, as to be consulted by any interested shareholder.
(10) If the General Meeting does not decide upon the company dissolution, then the company is bound, up to the end of the financial year previous to the one the losses have been ascertained in relation hereto, to proceed to the reduction of the share capital by an amount at least equal to the amount of the losses that could not be covered from reserves, if all this time, the company net asset was not restored up to a value level that equals at least half the share capital.

Art. 10 The Shares

(1) The rights and liabilities related to the shares held by the shareholders stipulated at Art. 8, Para. (3), are being exercised by the respective owners.
(2) The company shares are nominative and comprise all the elements stipulated by law. The nominal value of one share is 3.3 Lei. The shares are being issued in dematerialized form and are being registered in the Shareholders' Registry, the record thereof being held by Depozitarul Central S.A. Bucharest, "CONPET" S.A. has concluded a contract with.
(3) The shares are being recorded in the Shareholders' Registry in book-entry form. The certification of the property right over shares is being made by way of a statement of account.
(4) The shares issued by the company may be subject to usufruct or may be pledged, under the law.
(5) The trading of shares is being performed on the securities regulated market, as per the legislation in force regarding the capital market.
(6) The company may acquire own shares under the law.
(7) The "CONPET" S.A. employees have the right to purchase company shares from the State, up to the limit of the share capital set by the general meeting of shareholders and at the same selling price of the shares in case of privatization.

Art. 11 Bonds

(1) The company can issue bearer or nominative bonds, for an amount that is to be approved in the Extraordinary General Meeting of Shareholders.
(2) The amount for which can be issued bonds should not exceed three quarters (3/4) of the paid-up share capital existing as per the latest approved financial statements.
(3) The nominal value of one bond cannot be smaller than 2.5 Lei and the nominal value convertible in shares should equal the nominal value of the share.
(4) The bonds, part of the same issue must be equal in value and grant equal rights to their holders.
(5) The shares may be issued in a material form, on paper form or in dematerialized form.
(6) The issue and trading of the bonds that are subject to a public tender shall be subject to the law regarding the securities and stock exchange.
(7) The bond holders may be represented by authorized agents, other than the company administrators, directors or employees.
(8) The company is authorized to issue bonds, under the law.

Art. 12 The Rights and Liabilities incurred by the Shares

(1) All shares have equal value and guarantee equal rights and liabilities to their holders.
(2) Every subscribed and paid-up share, as per the law, guarantees the right to vote in the General meeting of Shareholders, the right to elect and be elected within the governing bodies, the right to take part to the distribution of dividends as per the provisions of this Articles of Incorporation and legal provisions, as well as other rights stipulated by law and the Articles of Incorporation.
(3) The holding of shares involves the as of right acceptance of the Articles of Incorporation.
(4) The rights and liabilities corresponding to the capacity of share holder observes the legal regime of the shares at their passing to other persons' property.
(5) The company liabilities are guaranteed with the company's assets, representing the general pledge of the company creditors, and the shareholders are liable in connection therewith, limited to the subscribed share capital.
(6) The company's Asset cannot be subject to debts or other personal liabilities of the shareholders. Any shareholder's creditor may issue claims against the party out of the receivable benefits of the shareholder, following the approval of the annual balance sheet or any stake due to him upon the company liquidation, made under the law and this Articles of Incorporation. The creditors may, though, garnish, during the company life, the stakes that would be due to the associates upon liquidation or may sequestrate and sell the shares to their debtor.

(7) The shareholders have the right to be given correct and complete information regarding the company status in the General Meeting of Shareholders. In case of the issue of new shares, the existing shareholders benefit from the right of first refusal upon subscription, under the law.

Art. 13 Disposal of Shares

(1) The company shares are indivisible.
(2) In any relationship with the company, this one acknowledges one or more owners for every share. Whenever a nominative share becomes property of more persons, the conveyance shall not be recorded unless these persons nominate one representative to exercise the rights resulting from the share.
(3) The ownership right over the shares issued in dematerialized form and traded on the regulated securities market shall be submitted in compliance with the legislation regarding the capital market.
(4) The direct transactions will be operated by Depozitarul Central S.A. Bucharest.
(5) The Company shares related transactions shall be made as per the legislation in force applicable to the organized securities markets.

CHAPTER IV
THE GENERAL MEETING OF SHAREHOLDERS

Art. 14 The Representation

(1) The majority shareholder of "CONPET" S.A. is the Romanian State. The rights and duties of the Romanian State, acting as majority shareholder, shall be exercised, within the General Meetings of Shareholders, by the line ministry coordinating the company business, by way of specific normative acts, by specially designated representatives, as per the legal provisions.
(2) The Romanian State representatives in the General Meeting of Shareholders are being nominated and revoked by order of the line ministry. The voting right of the State representative in the General Meeting of Shareholders "CONPET" S.A. will be exercised based on the special power of attorney submitted to the company in compliance with the legal provisions regarding the capital market and the other applicable regulations, the special empowerment being likely to be accompanied by an Order of the line Minister/instruction for the General Meeting.

Art. 15. Duties

(1) The General Meeting of Shareholders is "CONPET" S.A. management body, who decides upon the company business and trade and economic policy, as per the option of the shareholders present or represented during the meeting;
(2) The General Meetings of Shareholders are ordinary and extraordinary.
(3) The Ordinary General Meeting of Shareholders meets at least once a year, in no more than 4 months as of the conclusion of the financial year and has the following competencies, duties and functions:
   a) Discuss, approve or modify the annual financial statements, based on the administrators' or the financial auditor's report;
   b) Elects and revokes the administrators as per the law;
   c) Approves the administration plan issued and presented by the Board of Administration, as well as the revision thereof;
   d) Appoints or revokes the financial auditor and sets the minimum duration of the financial auditing contract;
   e) Sets the remuneration level and any other amounts and advantages due to the administrators for the current financial year, as well as the general limits of the remuneration of the Director General;
   f) Approves the Organizational and Operational Rules and Regulations governing the Board of Administration and sets-out the competencies thereof;

g) Approves the income and expenditure budget (Rom. BVC) and the investment program for the next financial year, as well as the BVC rectification;

(h) Approves the profit distribution as per the provisions of the normative acts in force and the fixing of dividends;

(i) Passes judgments over the administrators management and the means to recover the losses they have caused to the company;

(j) Decides upon pledging, leasing or dissolution of one or several company units;

(k) Fulfils any other duty, set under the law, as being borne by them.

(4) The Extraordinary General Meeting reunites whenever necessary in order to decide upon:

a) Changing the legal form of the company;
b) Changing the location of the company headquarters;
c) Changing the scope of activity of the company;
d) Establishment or disestablishment of subsidiaries;
e) Extending the company's life;
f) Augmentation of the share capital;
g) Reduction of the share capital or replenishment thereof by issue of new shares;
h) Merger with other companies or division thereof;
i) Anticipated dissolution of the company;
j) Conversion of the shares from one category into another;
k) Conversion of a category of bonds into another or into shares;
l) Bonds issuance;
m) Amendment of the nominal value and number of shares;
n) Decides upon the contracting of average and long term bank loans, here-included the external ones; establishes the competencies and level for contracting the current bank loans, of the trade loans, as well as the level of the guarantees;
o) Decides upon the participation, as per the law, at the establishment of new legal persons or at the association with other legal or natural persons from the country or abroad;
p) May delegate to the Board of Administration the execution of the attributions mentioned at Art. 15, paragraph (4), letters b), c) and f). The delegation of the task stipulated at Art. 15, paragraph (4) letter c) cannot concern the main business area and core business of the company.
q) Decides on what market are to be traded the securities issued by the company and chooses the authorized independent registrar that keeps record of the shares issued by the company;
r) Any other amendment of the Articles of Incorporation, or any other Resolution for which is being asked the approval of the Extraordinary General Meeting of Shareholders.

Art.16 Call of the General Meeting of Shareholders

(1) The General Meeting of Shareholders is being convened by the Board of Administration, whenever necessary.

(2) The call of the General Meeting of Shareholders shall comply with the legal provisions regarding the companies, as well as the regulations regarding the capital market and provisions of this Articles of Incorporation. The meeting deadline cannot be less than 30 days as of the publishing of the Convening Notice in the Official Gazette of Romania, part IV.

(3) The convening notice shall comprise the venue, date and time of the meeting, as well as the Agenda, with the explicit mention of all the issues that shall make the object of the meeting debates.

Equally, the convening notice shall comprise the reference date, the proposal of the Board of Administration regarding the registration date, ex-date and the due date for dividends payment. Where on the Agenda is being entered the election of the administrators, the Convening Notice will mention also the due date up to which may be submitted the candidacies, as well as the fact that the list comprising information regarding the name, place of domicile and professional

qualification of the persons proposed for the administrator capacity is made available to the shareholders who can consult and complement it.

The convening notice will mention the means to distribute the information regarding the issues included on the Agenda of the General Meeting of Shareholders, as well as the date as of which they will be available, the means of obtaining the special empowerment form for representation in the general meeting, the limit date and place where will be submitted the special empowerments. When on the Agenda are included proposals for the amendment of the Articles of Incorporation, the Convening Notice should comprise the full text of the proposals.

(4) By way of the Convening Notice for the first general meeting could be set the date and time for the second meeting, for the situation when the first one could not be held. If the day of the second general meeting is not mentioned in the convening notice, the meeting could be convened in 8 days as of the publishing of the second call in the Official Gazette of Romania, part IV.

(5) The Board of Administration calls urgently the general meeting of shareholders, at the request of the shareholders representing, individually or together, at least 5% of the share capital and if the request comprises provisions that fall under the attributions of the general meeting. The meeting will be convened in no more than 30 days and shall take place in no more than 60 days as of the date of the receipt of the request.

(6) One or more shareholders representing, individually or collectively, at least 5% of the share capital have the right to ask the inclusion of new items on the Agenda. The requests are being filed to the Board of Administration, in no more than 15 days as of the convening notice publishing date, for publishing thereof and bringing to the attention of the other shareholders. In case the Agenda comprises the appointment of the administrators and the shareholders are willing to formulate application for candidacies proposals, the requests shall include information regarding the name, place of domicile and professional qualification of the persons proposed for the said positions. The Agenda completed with the items advanced by the shareholders, subsequent to call, must be published by the observation of the same requirements stipulated for the call of the general meeting, by at least 10 days prior to the general meeting, at the date mentioned in the initial convening notice.

(7) The annual financial statements, the annual report of the board of administration, as well as the proposal regarding the distribution of dividends shall be made available to the shareholders at the company headquarters, as of the call date of the general meeting. The company shall make available to the interested shareholders, all along the period starting at least 30 days prior to the date of the general meeting, no later than and inclusive of the meeting date, the documentation and informative materials that are to be exposed to the general meeting of shareholders, corresponding to every item on the Agenda, as well as other information stipulated by Law. Upon request, the shareholders will be issued copies of these documents. The amounts levied for the issue of copies cannot exceed the administrative expenses triggered by the supply thereof.

(8) Every shareholder may address to the board of administration, in writing, questions regarding the company business, prior to the date of the general meeting, within the time frame stipulated in the convening notice of the general meeting; an answer is to be given during the meeting.

Art. 17. Organization of the General Meeting of Shareholders

(1) For the validity of the deliberations of the ordinary general meeting of shareholders, are necessary:

(a) In first call, the presence of the shareholders (here-included the votes by correspondence) representing at least half (1/2) of the total number of voting rights and the resolutions be taken with the majority of expressed votes.

(b) In second call, notwithstanding the number of the shareholders present or represented and the value of the represented share capital and resolutions be taken with majority of expressed votes.

(2) For the validity of the deliberations of the extraordinary general meeting of shareholders, are necessary:

a) In first call, the presence of the shareholders (inclusive of the correspondence votes) representing at least half (1/2) of the total number of voting rights;

b) In second call, the presence of the shareholders representing at least one third (1/3) of the total number of voting rights;
c) The resolutions are made with the majority of the votes held by the present or represented shareholders, both in first call and second call;
d) The resolution to amend the company's core business, to reduce the share capital, augment in cash the share capital, change the legal form, merge, divide or dissolve the company are being made by a majority of at least two thirds (2/3) of the voting rights held by the present or represented shareholders.

(3) By way of derogation from the above provisions, the following resolutions of the extraordinary general meeting of shareholders shall be made by the vote of the shareholders representing at least three quarters (3/4) out of the share capital of the company, in first call or any other subsequent call, as follows:
a) The resolutions regarding the bond issue;
b) Waiving the right of first refusal of the shareholders upon the subscription of new shares in case of the share capital augmentation in cash;
c) The share capital augmentation in kind.

(4) The general meeting of shareholders is opened and presided by the chairman of the board of administration or in absence thereof, by the person substituting him. The general meeting shall elect, from the shareholders present, up to three secretaries that will check the attendance list for the shareholders, pointing out the share capital every person represents, the protocol prepared by the internal auditor and the technical secretariat of the meeting to ascertain the fulfilment of all formalities required by law and the Articles of Incorporation for holding the session.

(5) A protocol, signed by the President and the Secretary, is to ascertain the fulfilment of the summoning formalities, the date and venue of the general meeting, the present shareholders, the number of shares, the summaries of the argumentation, the resolutions made, and upon the request of the shareholders, the statements they took during the meeting. The protocol will be attached the documents regarding the first call as well as the shareholders' attendance lists.
The protocol shall be consigned in the registry of the general meeting, which is sealed and stamped.

(6) The Chairman of the Board of Administration may nominate, out of the company employees, one or more technical secretaries, to take part to the execution of the above mentioned operations and also to the drafting and signing of the minutes of the meeting.

(7) At the ordinary and extraordinary general meetings of shareholders, where are being discussed issues regarding the work relations with the company personnel, shall also be invited the President of the Union.

Art. 18 Exercising the Right to Vote during the General Meeting of Shareholders

(1) The resolutions of the general meetings are taken in open vote.

(2) At the proposal of the person presiding the general meeting, or of a group of present or represented shareholders, holding at least (1/3) of the total number of votes, could be decided that the vote be secret in other cases as well, other than those stipulated by law.

(3) The secret vote is compulsory for the election of the members of the board of administration and financial auditor, for the revocation thereof and for making the resolutions regarding the responsibility of the members of the company administration, management and control bodies.

(4) The voting right cannot be transferred. Any convention otherwise specified is null.

(5) At the meeting may take part and vote exclusively the shareholders registered at the Reference Date, in person or by representatives, based on a special or general empowerment, as per the legal provisions. The shareholders may also vote by correspondence, in compliance with the procedure mentioned in the convening notice of the general meeting and the applicable legal provisions.

(6) The shareholders lacking exercise capacity, as well as the shareholders legal persons may be represented by their legal representatives who, in their turn, may empower other persons for that general meeting.

(7) In case of the vote by representation, the special/general empowerments and the accompanying documents shall be submitted to the company, at least 24 hours prior to the general meeting, under the sanction of losing the right to exercise one's voting right during that meeting. The special/general empowerments can also be submitted electronically, with the electronic signature included/attached. The Protocol shall include a mention regarding the received empowerments.

(8) The members of the board of administration, the Director General or the company employees can not represent the shareholders, under the sanction of nullity of the Resolution if, in absence of the vote thereof, would not have been obtained the requested majority.

(9) The Director General and the members of the administration board are bound to take part to the general meetings of shareholders.

(10) In order to be opposable to third parties, the resolutions of the general meetings shall be submitted in 15 days to the Trade Register Office in order to be recorded in the log-book and published in the Official Gazette of Romania, Part. IV.

(11) Following every amendment of the Articles of Incorporation, the administrators shall file, at the Trade Registry, in no more than 15 days, the amendment and the full text of the Articles of Incorporation, updated with all amendments, which will be recorded pursuant to the resolution of the delegated judge.

(12) The resolutions made by the general meetings of shareholders within the Law and this Articles of Incorporation are binding even for the shareholders that did not attend the meeting or voted against.

(13) The resolutions of the general meeting of shareholders which are not compliant with the law or the Articles of Incorporation may be filed to Court, under the conditions and in compliance with the procedure stipulated by Law.

(14) The shareholders that did not vote in favor of a resolution of the general meeting regarding the amendment of the core business, the merger or division of the company, the relocation of the company headquarters overseas or changing the company form, have the right to withdraw from the company under the law.

(15) The members of the board of administration cannot challenge the resolution of the general meeting regarding the revocation thereof from the respective positions.

(16) The petition will be dealt with in contradiction with the company represented by the board of administration.

(17) If the resolution is challenged by all members of the board of administration, the company will be represented in justice by a person appointed by the President of the Court from among its shareholders, a person that is to fulfil the mandate vested in him, until the general meeting, called for this purpose, nominates a representative.

(18) The resolutions of the ordinary general meeting of shareholders shall be signed by the president of the meeting, the technical Secretariate and by the shareholder or shareholder's representative holding the majority of expressed votes.

(19) The resolutions of the extraordinary general meeting of shareholders shall be signed by the president of the meeting, the technical Secretariate and by the shareholder or shareholder's representative holding the majority of votes held by the presented or represented shareholders.

CHAPTER V
ABOUT THE COMPANY ADMINISTRATION

Art. 19 Organization

(1) The company is administered by a board of administration made of 7 administrators, elected by the ordinary general meeting of shareholders for a period of 4 years, with possibility to be re-elected for new periods of 4 years. The administrators may be acting as shareholders. So that the nomination of an administrator be legally valid, the person nominated must expressly accept it.
(2) The surname, forename, place and date of birth, domicile and citizenship of the administrators are included in Annex 1 to this Articles of Incorporation.
(3) The board of administration is presided by a Chairman. The Chairman is elected by the Board of Administration, from among its members. The revocation from the capacity of Chairman of the Board of Administration is still the attribute of the Board of Administration. The resolution regarding the nomination or revocation thereof is being made by the vote of the majority of the Board of Administration members.
(4) In case of vacancy of one or several administrator positions, the Board of Administration proceeds to the nomination of some provisional administrators, up to the reunion of the ordinary general meeting of shareholders.
(5) At the Board of Administration level is being constituted the Audit Committee and the Nomination and Remuneration Committee, binding, as per the legal provisions in force. The Board of Administration may also constitute, based on resolution, other consultative committees, in various activity areas, as per the needs and management strategy of the company. The Consultative Committees are made of at least two members, one of them being charged with the Presidency thereof. The consultative committees meet whenever necessary, at the Chairman's call, and the proposals/recommendations formulated by the Board of Administration (for the substantiation of the decision-making thereof) are being adopted by the majority of expressed votes. The duties and responsibilities of the consultative committees are being set by the Board of Administration.
(6) Cannot be administrators the persons who, as per the law, are incapable or have been convicted for fraudulent management, breach of trust, forgery, use of forgery, fraud, peculation, false testimony, bribery, for the delinquencies provided by the Law no. 656/2002 for the prevention and penalization of money laundering, as well as for the settlement of several prevention and refutation measures related to the terrorist acts, subsequent amendments and completions, for the delinquencies provided at art. 143 - 145 from the Law no.85/2014 regarding the insolvency prevention and insolvency procedures.
(7) The Chairman of the Board of Administration of the company may not also be Director General thereof.
(8) The Board of Administration usually meets at the company headquarters, any other company work site or at any other place communicated by way of call. May be organized operational meetings of the Board of Administration by means of remote communication that meet the technical conditions necessary to identify the participants, the effective participation thereof to the Board of Administration meetings and forwarding of the deliberations on ongoing basis (via e-mail, telephone, video-call or any other communication equipment), whenever necessary, but at least once at 3 months, at the Chairman's call or at the substantiated request of 2 of the members of

the Board or of the Director General. The Board is being presided by the Chairman. In case the Chairman is temporarily incapable of exercising his duties, all along that period, the Board of Administration can charge another administrator with the fulfillment of the Chairman capacity. The Board is also convened, at the substantiated request of at least two administrators or the Director General. In this case, the Agenda is being set by the authors of the request. The Chairman is bound to respond to such a request.

(9) The Board of Administration cannot decide upon certain issues that are not included in the Agenda, except for the emergencies. In order to decide upon the emergencies, the absent members will also be consulted, by various remote communication devices.

(10) The Chairman will decide on the emergency nature of the issues.

(11) The Board of Administration performs its activity based on its own regulation and the legal regulations in force.

(12) For the validity of the resolutions is necessary the presence (directly or by representation) of at least five members of the Board and the resolutions are made with the majority vote of the present members. The Chairman of the Board of Administration will have the casting vote in case of parity of votes.

(13) The Members of the Board of Administration can be represented at the meetings of the respective body exclusively by other members thereof. A present member can only represent a single absent member.

(14) In case of resolutions made during the meetings where a member of the board did not participate, the latter remains liable, if, within 30 days of acknowledgment thereof he did not challenge it in the forms provided by the law.

(15) The Agenda is set by the Chairman. The call, the meeting Agenda and documentation shall be submitted to the administrators in due time prior to the meeting, the deadline is to be set by way of the own regulation of the Board of Administration. The minutes of the meeting shall be comprised in a Journal of the Meetings and BoA Deliberations, by courtesy of the Chairman of the Board. The Protocol shall comprise the name of the participants, the order of the deliberations, the resolutions made, the number of votes cast and separate opinions. This will be signed by the Chairman of the Board of Administration and by the BoA Secretariate, and the one recorded in the Journal of the Meetings and BoA Deliberations shall be signed by the other administrators too. The BoA Secretariate is off the Board of Administration, the activity thereof being performed by the personnel within the BoA and GMS Secretariat Bureau.

(16) In exceptional circumstances, motivated by the emergency of the situation and the company's interest, the resolutions of the Board of Administration can be made by the unanimous written vote of the members, the reunion thereof not being necessary. This procedure cannot be followed in case of the resolutions regarding the annual financial statements or authorized capital.

(17) At the meetings will participate the Chairman and the members of the Board of Administration. As the case may be, when he considers necessary, for additional information, the Chairman of the Board of Administration may invite to the meetings executive directors, internal auditors, as well as other employees of the company or specialists on various domains of activity outside the company. The Union's President can be also invited, for debating professional, economic and social issues. In view of defending the professional, economic and social rights and interests of the members, the latter will receive from the company's management the necessary information for the negotiation of the collective labour agreements. The articles contained in the Resolution of the Board of Administration regarding the professional, economic and social issues will be communicated in writing to the Union's President within two working days as of the meeting date.

(18) The Board of Administration shall delegate the management of „CONPET" S.A. to the Director General. The Director General of „CONPET" S.A. is acting as company representative in third party relations.

(19) The Board of Administration is charged with the fulfillment of all the papers necessary and useful for the achievement of the company's core business, except for those set apart by the law for the general meeting of shareholders.

(20) The Administrators are jointly liable against the company for:

a) the reality of payments made by the associates;
b) the real existence of the paid dividends;
c) the existence of the registries required by the law and the proper holding thereof;
d) the exact fulfillment of the general meetings resolutions;
e) the strict performance of the duties that the law and the Articles of Incorporation impose.

(21) The administrators' liability is being regulated by the legal provisions regarding the mandate as well as by the special provisions stipulated by the Companies Law no. 31/1990.

(22) The administrators and their immediate successors are jointly liable if, being aware of the irregularities committed, fail to inform the internal auditors and the financial auditors in relation thereof.

(23) The liability for the deeds or the omissions performed does not extend over the administrators who have caused to consign, in the BoA Protocols Journal, their objection and have informed in writing the internal auditor and the financial auditor thereupon;

(24) If the administrators ascertain that, following various losses, the net asset, determined as a difference between the company's total assets and liabilities, represents less than half of the value of the share capital, they convene the extraordinary general meeting of shareholders, in order to decide upon the replenishment of the share capital, the decrease thereof to the remaining value or the company dissolution.

(25)The members of the Board of Administration may be revoked by the resolution of the general meeting of shareholders and the Director General based on the Board of Administration Resolution.

(26)The Board of Administration members shall conclude professional liability insurance, the exchange value thereof being borne by „CONPET" S.A., under the Law.

(27)The administrators would not disclose the data and information they have access to, related to the company and the activity thereof. This liability is being accounted for also after the termination of the mandate, for a period of 5 years. Moreover, they must also comply with the information regime of the inside information stipulated in Law no. 297/2004 regarding the capital market and the contingent regulations.

Article 20 Powers of the Board of Administration

(1) The Board of Administration's powers are being set pursuant to the Articles of Incorporation of the company, the Romanian law, as well as pursuant to other attributions set by the general meetings of shareholders as falling under the responsibility thereof, respectively, in particular, the followings:
   (a) Calls the general meetings of the company and sets the agenda, while endorsing the meeting documentation;
   (b) Prepares the annual report that is to be presented to the general meeting of shareholders, together with the annual financial statements and the report of the financial auditor, as well as other reports imposed by the applicable legislation, by way of observing the reporting requests set pursuant to CNVM/ASF regulations regarding the capital market and other contingent regulations;
   (c) Concludes legal deeds in the name and on behalf of the company, based on which to acquire goods for the company or dispose, lease, change or enter a lien over the goods to be found in the Company's Assets, where the value thereof exceeds half the book value of the company assets at the conclusion of the juristic act, exclusively by way of approval of the Extraordinary General Meeting of Shareholders.
   (d) Submits to the internal auditors and the financial auditor, by at least 30 days prior to the day of the general meeting, the annual financial statements for the preceding financial year, accompanied by the administrators' report and the supporting documents;
   (e) Recommends for approval to the ordinary general meeting of shareholders, subsequent to the end of the financial year, on an annual basis, the financial statements for the preceding

year accompanied by the administrators' report regarding the company activity and the financial auditor report;

(f) Recommends for approval to the ordinary general meeting of shareholders the company's Income and Expenditure Budget (Rom. BVC) and the investment program for the following financial year, as well as the BVC rectification; approves the revision of the investment program within the same values; approves the current repairs program and revision thereof;

(g) Approves the Collective Labour Agreement at company level;

(h) Approves the organizational structure and the related personnel structure, the Organizational and Operational Rules and Regulations and the Internal Rules of the company;

(i) Drafts the administration plan and recommends it for approval in the ordinary general meeting of shareholders, within 90 days as of the appointment of the administrators under the conditions set out in the EGO no. 109/2011.

(j) Delegates to the Director General the company's management powers and, under the contract of mandate and based on the Board of Administration Resolutions, sets the rights, liabilities, competencies, duties, responsibilities of the Director General; if the Director General is in the impossibility to exercise his duties (annual leave, sick leave, other situations), the board of administration will delegate the company management to one of their executive directors.

(k) Oversees the activity of the Director General in what concerns the company management, here-included the carry-out of the company business;

(l) Appoints and revokes the Director General of the company and sets the remuneration thereof; the general limits of the remuneration are set by the ordinary general meeting of shareholders. Sets the objectives and performance criteria for the Director General and notes, recurrently, the progress of the fulfilment thereof; approves the global degree of fulfilment of the objectives and performance criteria of the Director General for the previous year, correlated with the financial statements of that financial year;

(m) Sets the main business directions and approves the strategies and development policies of the company;

(n) Sets the accounting policies and the financial control system and approves the financial planning;

(o) Approves the annual procurement program; approves/endorses the protocols regarding the results of the goods inventory out of the company's Assets/the State's public property; approves/endorses the proposals to decommission the fixed assets, end life of the materials such as inventory objects in use, downgrade and discard of certain material goods, other than the fixed assets to be found in the assets of the company/the State's public property, whose maintenance no longer justifies; approves /endorses the means to capitalize these goods and upset prices for the goods proposed to be capitalized by auction; may delegate the Director General with signing the protocols to decommission the fixed assets/end life of the inventory objects in use, downgrade the material goods; approve the requests for sponsorship and inclusion, in the company expenses, of certain amounts representing penalties, delay penalties, fines etc.;

(p) Proposes the shareholders on what market are to be traded the securities issued by the company and chooses the authorized independent registrar holding evidence of the shares issued by the company;

(q) Requests and receives reports from the internal audit of the company;

(r) Files the request for the opening of the insolvency procedure as per Law no. 85/2014 regarding the insolvency prevention and insolvency procedures;

(s) Is charged with the fulfillment of all the papers necessary and relevant for the achievement of the company's core business, except for those set apart by the law for the general meeting of shareholders.

(t) Engages current bank loans and trade credits, in compliance with the competencies and level of contracting set by the general extraordinary meeting of shareholders and approves the issue of the guarantees;

(u) Approves the proposals regarding the global strategy for development, revamping, modernization, economic-financial restructuring of the company;

(v) Provides the enforcement of the resolutions adopted by the shareholders within the sessions of the general meetings of shareholders, aiming that the enforcement of the resolutions be taken by the compliance of the lawfulness of the company business; Secures and is liable for the carry-on of any task or duty set by the general meeting of shareholders or that is being stipulated by the legislation in force, here-included the regulations in force regarding the capital market, as well as by the performance of the company's business, in terms of both direct duties, as well as for those assigned to the Director General.

(w) Approves the management plan drafted and carried forth by the Director General, in 90 days as of the nomination thereof under the provisions of EGO no. 109/2011 regarding the corporate governance of the public enterprises.

(x) Submits biyearly, within the ordinary general meeting of shareholders, a report on the administration activity, also including information regarding the execution of the contract of mandate of the Director General, details regarding the operational activities, to the company's financial performance and the biyearly accounting reports of the company.

(y) Presents to the ordinary general meeting of shareholders approving the annual financial statements, an annual report prepared by the Nomination and Remuneration Committee within the Board of Administration, regarding the remunerations and other advantages granted to the administrators and Director General during the previous financial year, a report structured according to the provisions of EGO no. 109/2011 regarding the corporate governance of the public enterprises.

(z) Approves the establishment or disestablishment of sub-units (secondary establishments, work sites, branches, agencies, representatives or other sub-unit types bearing no legal personality), located in the same locality and/or in other localities, in the country and abroad;

(2) Under the sanction of nullity, the administrators or the Director General may, on their own behalf, alienate, namely acquire goods to or from the company with a value exceeding 10% of the value of the company net assets, only after having obtained the approval of the extraordinary meeting of shareholders, under the conditions stipulated by the Companies Law no. 31/1990.

(3) Cannot be delegated to the Director General duties received by the Board of Administration from the general meeting of shareholders, in compliance with Art. 15 paragraph. (4) letter (p) to this Articles of Incorporation.

(4) The Board of Administration keeps the company representation capacity in the relations with the Director General.

CHAPTER VI
THE DIRECTOR GENERAL

Art. 21 Duties and Rights of the Director General

(1) The Director General of "CONPET" S.A. is appointed by the Board of Administration, from among the members of the Board or off the Board of Administration;

(2) The Director General of the company has the following main duties:

(a) Provides the management and running of the company business and is liable for the execution thereof in relation to both direct duties, as well as the ones instructed to the executive management;
(b) Prepares the annual draft report, the draft income and expenditure budget and the planned works programme and submits them to the Board of Administration;
(c) Observes the reporting liabilities set by the regulations in force regarding the capital market and the provisions of EGO no. 109/2011 regarding the corporate governance of the public enterprises, as well as all the other applicable legal provisions;
(d) Drafts the company development and marketing strategies and policies and submits them for approval to the Board of Administration; applies the strategy, the company development and marketing strategies and policies set by the Board of Administration;
(e) Prepares projects and business plans and submits them to the Board of Administration for approval;
(f) Prepares the Organizational and Operational Rules and Regulations governing the company, the draft organizational structure and personnel structure and submits them to the Board of Administration for approval;
(g) Organizes, coordinates and makes all necessary diligence to enforce the strategies and policies approved by the Board of Administration; approves the documents of normative nature and the Rules regulating the activity of the company;
(h) Hires/nominates/removes/promotes/suspends/dismisses, as the case may be, under the law, the company personnel and sets the rights and obligations thereof;
(i) Negotiates the individual labor agreement of the employees;
(j) Sets the attributions, competencies and responsibilities incurred by way of the job description, for the organizational positions that fall under his direct subordination;
(k) Provides the fall within the wage fund figure contained in the approved income and expenditure budget, by the achievement of the productivity indicators.
(l) Oversees the fulfilment of the company income and expenditure budget provisions;
    a. Sets the performance criteria and objectives for the executive directors, monitors the degree of achievement thereof and assesses the activity of the executive directors in terms of fulfilment of the duties contained in the job description;
(m) Is bound not to disclose data and information he has access to regarding the company and activity thereof. This liability is bound to him also following the termination of his mandate, for a period of 5 years. Moreover, they must also comply with the regime of the side information stipulated in Law no. 297/2004 regarding the capital market and in the contingent regulations.
(n) Asks the executive directors, to provide to him, on a monthly basis or whenever necessary, activity reports that are to be presented to the Board of Administration;
(o) Has right of signature and specimen signature in bank (signature I) and decides upon the company expenditure and revenues; these duties may be delegated, in case of impossibility to exercise them, to other persons within the company, by the resolution of the Board of Administration, this one nominating the persons with signature powers type I and II and substitutes thereof;
(p) Notifies the Board of Administration on all irregularities found during the fulfilment of his duties;
(q) Negotiates and concludes the Collective Labour Agreement, in the name and on behalf of the company, in the form approved by the Board of Administration;
(r) Acts as representative of the company in relation to third parties;
(t) Concludes juristic acts, in the name and on behalf of “CONPET” S.A., under the law and in compliance with the provisions of the contract of mandate and of the empowerments granted based on the resolution of the Board of Administration;
(u) Concludes sales and procurement of goods contracts, under the law and in compliance with the provisions of the contract of mandate and of the empowerments granted based on the resolution of the Board of Administration;

(v) May empower the executive directors or any other employee, to exercise any kind of duties falling within his competence, in terms of both company activity, as well as regarding his representation in relation to other authorities, public institutions, natural or legal persons, in justice, etc. as the case may be;
(w) Signs the reports for the shutdown of the fixed assets/ end of life of the inventory objects, downgrade of the material goods, where this competence is being delegated to him by the Board of Administration;
(x) Endorses the materials on the Agenda of the Board of Administration meetings;
(y) Organizes and leads a Steering Committee formed of the executive directors. The Director General may call at the meetings employees holding management positions or operating personnel within the company and, as the case may be, when being debated professional, economic, social issues, may also invite the President of the Union.
(z) Any of the administrators may require to the Director General information regarding the operative management of the company. The Director General is bound to inform the Board of Administration, regularly and in a comprehensive manner, on the operations made and the envisaged ones.

(3) The Director General of the company has the following rights:
(a) To settle, based on the substantiation documents, the accommodation expenses, the per diem payments, the transport and other expenses, for the travel assignments in the country and overseas, within the limits set by the income and expenditure budget for these expenses;
(b) To be granted the transport by company vehicle (with driver or personal drive) to fulfil his duties.
(c) To hold professional liability insurance, the exchange value thereof being borne by CONPET S.A., under the law;
(d) To take the annual leave corresponding to every calendar year;
(e) To be provided a work place in compliance with his qualification, as well as other rights as per the legal provisions, at the end of the mandate;
(f) To benefit from all the health and social insurance rights, as well as other rights of the employees, stipulated in the contract of mandate, granted by similarity with those contained in the collective labor agreement concluded at company level.

4) The rights of the Director General are the ones stipulated in the contract of mandate concluded between the company represented by the Board of Administration by way of a member thereof and the Director General. Through the Contract of mandate concluded with the company, the Director General may be also granted other additional rights besides those stipulated in paragraph (3).

Art. 22 Duties of the Executive Directors

(1) The executive directors are hired/nominated/dismissed/promoted/suspended/fired by the Director General. The Executive Directors are under the subordination of the Director General, are company employees, are exercising the attributions set by the Director General and, as the case may be, by the Board of Administration, as well as by the Organizational and Operational Rules and Regulations governing "CONPET" S.A. and the job description.
(2) The executive directors are liable against the company in case they fail to fulfil their duties and in case of non-compliance with the applicable legislation.

CHAPTER VII
COMPANY MANAGEMENT

Art. 23 The Audit

A. <u>The Financial Auditor</u>

(1) The financial statements of the company shall be audited by the financial auditors, natural or legal persons, under the law.

(2) The financial auditors are elected by the general meeting of shareholders and they carry on their activity based on the contract concluded with the company. The identification data of the auditors are being revealed in Annex 1 to this Articles of Incorporation.
(3) The general meeting may approve the annual financial statements only if they are accompanied by the report of the financial auditor.
(4) The annual financial statements, together with the administrators' report and the financial auditor's report shall remain filed to the company premises during the 30 days preceding the general meeting, in order to be consulted by the shareholders.
(5) The shareholders may ask the Board of Administration, on their expense, copies of the annual financial statements and the other reports stipulated at paragraph (4).
(6) In order to exercise the right to control, the significant shareholders may be presented, upon request, data regarding the company activity, the statement of assets and liabilities, of profit and loss.
(7) Approval of the annual financial statements by the general meeting does not impede the exercise of the liability proceeding against the administrators, directors or financial auditors;
(8) The financial auditors are bound to survey the company management, to check whether the financial statements are legally prepared and in accordance with the book records, if the latters are regularly kept and the evaluation of the assets elements was made as per the rules set for the preparation and presentation of the financial statements.
(9) The duties and functioning of the financial auditors of the company, as well as the rights and obligations thereof are being complemented with the legal provisions in the area.

B. <u>The internal audit</u>

(1) The Company shall organize the internal audit as per the general legislation regarding the internal audit and methodological norms drafted by the Romanian Financial Audit Chamber in this purpose.
(2) The general objective of the internal public audit in the public entities is represented by the improvement of the management thereof and can be reached, mainly by:
    a) Insurance activities, representing objective examinations of the evidence, made in view of providing the public entities and independent assessment of the risk management, control and governance related-processes;
    b) Counselling activities meant to bring plus value and improve the governing processes in the public entities, the internal auditor not undertaking management responsibilities;
(3) The internal auditors shall inform the Board of Administration members on the irregularities found during the performance of the company business, as well as the breach of the legal provisions and Articles of Incorporation.
(4) The entity performing the Internal Public Audit is distinctly constituted under the direct subordination of the Director General. The internal audit activity is being recurrently reported to the Board of Administration, which analyzes and sets the necessary measures for a good organization and functioning of the company. The head of the Internal Public Audit Service is appointed/dismissed by the Director General, only by the opinion of the ministry under whose authority is "CONPET" S.A.. The Director General approves the annual internal public audit plan and the annual report of the internal public audit activity.
(5) The competence of the internal public audit covers all the activities performed within the company for the fulfilment of the objectives thereof, here included the assessment of the management control system.

CHAPTER VIII
COMPANY BUSINESS

Art. 24 The Financial Year

(1) The financial year represents the period for which must be concluded the annual financial statements and coincides to the calendar year.
(2) As per the provisions of the Accounting Law no. 82/1991, republished, the Board of Administration is bound to submit to the territorial units of the Ministry of Public Finances, in electronic form, being attached an extended electronic signature, the annual financial statements, the administrators' report and the financial auditors' report.
(3) The company is bound to publish, in the Official Gazette of Romania, part. IV, a notice to confirm the filing of the documents stipulated in paragraph (2).

Art. 25 Company Personnel

(1) The management and operating personnel is hired/nominated/dismissed/promoted/fired by the Director General;
(2) The payment of wages and related taxes, of the social insurance rates, as well as of the other obligations to State and local budget shall be made as per the law.
(3) The rights and obligations of the company personnel are being set by way of the Collective Labour Agreement, the Organizational and Operational Rules and Regulations and by own regulations.
(4) The payment shall be made as per the legal legislation in force and provisions of the collective labor agreement.
(5) Considering the business specificity, the company personnel concludes a non-disclosure agreement regarding the failure to submit/the non-disclosure of data and information they have become aware of during the labor contract execution, under the internal regulation, individual or collective labor agreement. The personnel must also comply with regime of the inside information stipulated in Law no. 297/2004 regarding the capital market and contingent regulations.

Art. 26 Depreciation of Fixed Assets

The Board of Administration approves, under the Law, the method to depreciate the tangible and intangible assets of the company's Asset.

Art. 27 Book-keeping and Financial Statements

The Company holds the book-keeping, in national currency, observing the conditions stipulated by the Romanian legislation in force.
The annual financial statements are prepared in compliance with the applicable accounting regulations and the accounting policies of the company.

Art. 28 Calculation and Distribution of Profit

(1) The company profit is being set under the law based on the annual financial statements approved by the ordinary general meeting of shareholders.
(2) Out of the company profit shall be taken-over, every year, within a 5% limit, an amount for the formation of the reserve fund, as per the legislation in the area, until it reaches at least the fifth part of the share capital.
(3) The remaining profit following the payment of the income tax shall be distributed as per the resolution of the general meeting of shareholders.
(4) Out of the company profit can be constituted funds for the modernization, research and development of new products, investments, repairs as well as other destinations set by the general meeting of shareholders.

(5) The payments of dividends due to shareholders are being made by the company under the law following the approval of the financial statements by the general meeting and fixing the payment date, as per the legal provisions in force.
(6) In case of loss registration, the general meeting of shareholders shall analyze the causes and decide accordingly, under the law.
(7) Bearing the costs by the shareholders shall be made in proportion to the share capital contribution.

Art. 29. Company Registries

(1) The Company will keep up-to-date, beyond the records stipulated by law the following registries:
   (a) A Shareholders' Registry. The company contracts an Independent Registrar to keep the electronic record of the Shareholders Registry and log the registration and perform other relevant operations;
   (b) A Journal of the meetings and general meetings deliberations;
   (c) A Journal of the meetings and BoA deliberations;
   (d) A registry of bonds, to show the total bonds issued and disbursed, as well as the bearers' first name, surname, place of domicile or headquarters, when the bonds are nominative. The evidence of the bonds issued in dematerialized form and which are being transacted on an organized market shall be held as per the law.
   (e) A registry of the deliberations and findings made by the internal auditors, during the mandate execution thereof.

2) The administrators or, as the case may be, the Independent Registrars, are bound to make available to the shareholders the registry stipulated at letter a) and issue, upon request, a statement of account. Moreover, they are bound to make available for the shareholders and bonds bearers, under the same conditions, the registries stipulated at letters b) and d).

CHAPTER IX
AMENDMENT OF THE LEGAL FORM, DISSOLUTION, LIQUIDATION, LITIGATIONS

Art. 30 Amendment of the Legal Form

1) Amendment of the legal form of the company shall be made only based on the resolution of the extraordinary general meeting of shareholders and by the fulfilment of all formalities stipulated by law and this Articles of Incorporation.
2) The new company will fulfil all legal registration and advertising formalities requested at the companies' set-up.

Art. 31 The Company Dissolution

1) The company dissolution shall take place in the following situations:

a) Impossibility to achieve the company business scope;
b) Opening of the company bankruptcy procedure;
c) Declaration of the company nullity by way of a final and irrevocable Court judgment;
d) Losses due to which the net asset, determined as difference between total assets and company liabilities, represents less than half the share capital, after having consumed the reserves fund due to reasons that trigger no responsibility of any kind, unless the general meeting of shareholders agrees upon the restitution of the share capital or reduction thereof to the remaining amount;

e) Court Judgment, upon the request of any shareholder, for ground reasons, as well as the misunderstandings
f) between the shareholders, that impede the company operation;
g) Decrease of the number of shareholders below the minimum legal threshold;
h) Share capital reduction below the minimum imposed by the law;
i) Other causes stipulated by law or the Articles of Incorporation of the company.

(2) The resolution to dissolute the company must be inscribed in the Trade Registry and published in the Official Gazette of Romania, part IV.

Art. 32 Company Liquidation

(1) The company dissolution has as effect the opening of the liquidation procedure as per the legal norms, except for the merger or total division thereof.
(2) The company liquidation and distribution of assets are made under and by observance of the procedure stipulated by law.

Art. 33. Merger and Division

The company's merger, respectively division take place based on the resolution of the extraordinary general meeting of shareholders, as per the applicable legal provisions.

Art. 34 Litigations

(1) The company litigations with Romanian natural or legal persons are the jurisdiction of the Instance Courts in Romania, as per the Law.
(2) The litigations arising from the contractual relations between the company and Romanian legal persons may be also settled through arbitrage, as per the law.

CHAPTER X
FINAL PROVISIONS

Art. 35 Final Provisions

(1) The provisions of this Articles of Incorporation are being complemented by the provisions of the EGO no. 109/2011 regarding the corporate governance of the public enterprises, of Law no. 31/1990 regarding the companies, of the Civil Code, Trade Code and of the legislation in force regarding the capital market.
(2) This Articles of Incorporation was updated on 18.12.2018 following the amendments approved pursuant to the EGMS no. 1/ 18.12.2018, grounded on the Articles of Incorporation updated at 28.08.2018 and was concluded and signed in 3 (three) original counterparts.

CHAIRMAN OF THE BOARD OF ADMINISTRATION
Cristian-Florin GHEORGHE

Legal Department
Cornel BĂNICĂ

GMS Secretariat
Adina Modoran
Alina Petrescu
Andreea Rusu

PERSONAL INFORMATION

Cristian-Florin GHEORGHE

PROFESSIONAL EXPERIENCE

2021 Director General
General Directorate Markets for Electricity and Natural Gas, Efficiency and Risks
Ministry of Energy

2020-2021 Director General
Department for Energy
Ministry of Economy, Energy and Business Environment

2018-2020 Director General
General Directorate Rich Gas and Natural Gas
Ministry of Energy

2017 Senior Counselor
General Directorate for Energy Policies
Ministry of Energy
202E Splaiul Independentei, Sector 6, Postal code 060021 Bucharest (Romania)

2018 – Present Member in the Board of Directors of the company Conpet SA Ploiesti.
Chairman of the Board of Directors

2017–Present Member in the Board of Directors of the company OIL TERMINAL S.A.
Chairman of the Board of Directors

2018 - 2020 Member in the Board of Directors – ACROPO.
The Competent Authority for Regulation of Offshore Oil Operations at the Black Sea

2017 Personal counselor of the Minister of Energy
Ministry of Energy
202E Splaiul Independentei, Sector 6, Postal code 060021 Bucharest (Romania)

Counselling the Minister on some aspects related to all activities related to energy products

2015–2016 Member in the Board of Directors of the company OIL TERMINAL S.A.
President of the Audit Committee
The company Oil Terminal
No. 2 Caraiman street, Postal Code 900117, Constanța (Romania),

Curriculum vitae
www.oil-terminal.com

Coordination of the audit committee

Type or sector of activity Manipulations - performing services related to the receipt, loading, unloading of crude oil, petroleum, petrochemical, chemical products as well as other finished products or liquid raw materials for import, export and transit.

2016-2017 Director General
SC BENECAR AUTO SRL

2013–2016 Parliamentary advisor – Chamber of Deputies - Deputy Remus Cernea.

The Palace of Parliament, no. 2-4 Izvor street, District 5, Postal code 050563, Bucharest (Romania)
www.cdep.ro

Parliamentary advisor on environmental topic

2014–2016 Director General

S.C. AS PETROL RECYCLE S.R.L.
No. 26 Doamna Ghica street, District 2, Postal code 022837 Bucharest (Romania)
Management of the executive activity of the company

Type or sector of activity: Treatment and disposal of hazardous waste, oil residues

2008–2014 Marketing Director

S.C. EURO METAL TRADING S.R.L.
No.39 Făgetului street, Registered office - Constanta, work site - Bucharest (Romania)

Management and coordination of activities regarding the foreign trade in ferrous waste

2006–2008 Marketing Director

S.C. AS METAL COM S.R.L. - I.M.G.B. platform
no. 104G Berceni Road, District 4, Postal code 41836, Bucharest (Romania),

Type or sector of activity: Recovery and processing of ferrous and non-ferrous waste

2004 Director General

SC AVIS CONSULTI NG SRL
26 Doamna Ghica street, District 2, Postal code 022837 Bucharest (Romania)

Type or sector of activity: Human resources recruitment

2000–2003 Marketing Director

S.C. AR METAL S.R.L
104G Berceni Road, District 4, Postal code 41836, Bucharest (Romania)

Tipul sau sectorul de activitate Recuperarea si procesarea deseurilor feroase si neferoase

europass Curriculum vitae

EDUCATION AND TRAINING

01/11/2017

Prince2- Foundation Certificate in Project Management

Global Best Practice www.axelos.com

2002

DIPLOMATIC ENGINEER IN ECONOMIC ENGINEERING

BIOTERRA UNIVERSITY – ENGINEERING AND AGROTURISTIC MANAGEMENT FACULTY, Bucharest (Romania)

1993

INDUSTRIAL SCHOOL GROUP MTALOGLOBUS, Bucharest (Romania)

PERSONAL SKILLS AND COMPETENCES

Mother tongue: Romanian (written and spoken) proficient user

Foreign languages

	UNDERSTANDING		SPEAKING		WRITING
	Listening	Reading	Interaction	Oral discourse	
English	B1	B1	B1	B1	B1

Levels: A1 and A2: Basic user - B1 and B2: Independent user - C1 and C2: Proficient user
Common European Framework of Reference for Languages

Communication skills and competences

Excellent communication skills, competencies of management and negotiation as a result of my experience;
Team spirit;
Able to create and implement high standards within a company;
Rigour, creativity, patience and professionalism.
Commitment to the work executed;

Organisational / managerial skills and competencies

Abilities to lead and organise big teams of persons;
Able to implement beneficial changes in a company

Digital skills

SELF - ASSESSMENT				
Information processing	Communication	Content creation	Safety	Problem solving
Proficient user	Proficient user	Proficient user	Proficient user	Independent user

Curriculum Vitae

PERSONAL INFORMATION

Name **Popa Claudiu Aurelian;**

Address

Civil status:

Telephone

E-mail:

Nationality

Date and place of birth

WORK EXPERIENCE

1. **1 August 2018 – CONPET SA Ploiesti**
   Administrator

2. **1 August 2015 – MINISTRY OF ENERGY**
   GENERAL DIRECTORATE FOR PRIVATISATION AND ADMINISTRATION OF STATE PARTICIPATIONS IN ENERGY

   SUPERIOR COUNSELOR – class 5

3. **15 January 2014 – AFC ASTRA GIURGIU**
   LEGAL ADVISOR

4. **1 July 2013 – 30 December 2013 – SC RAPID BUCHAREST**
   GENERAL DIRECTOR (6 months)

5. **1 July 2010 – 20 February 2013 – PROFESSIONAL FOOTBALL LEAGUE**
   DIRECTOR – COMPETITIONS DEPARTMENT AND LEGAL DEPARTMENT

   FEDERAL OBSERVER WITHIN THE PROFESSIONAL FOOTBALL LEAGUE

6. **1 August 2009**
   Attorney at law – Prahova Bar;

7. **1 July 2009 – 1 July 2010**
   PRESIDENT – Commission for the Player's Status – Professional Football League;

8. **1 October 2007**
   Member – Association of Legal Advisors within the Financial Banking System

9. **30 July 2007**
   - **AVAS (Authority for State Assets Recovery) – Bucharest;**

- **Legal General Directorate;**
- **Special Laws Legal Directorate;**
- **Director.**

10. **1 March 2007**
    - **AVAS (Authority for State Assets Recovery) – Bucharest;**
    - **Legal Assistance General Directorate;**
    - **Post-privatisation Contentious Legal Assistance Directorate;**
    - **Director.**

11. **25 January 2007**
    - **AVAS (Authority for State Assets Recovery) – Bucharest;**
    - **Legal Assistance General Directorate;**
    - **Post-privatisation Contentious Legal Assistance Directorate;**

    Expert Jurist - responsibilities in coordinating the post-privatisation legal assistance activity;

In 2005 – 2006, my activity included the following actions:

- coordination of the department activity for the segment concerning the monitoring of shares purchase and sale contracts, by over-endorsing the legal advisors who worked within this process;

- endorsing the papers regarding state aids;

- endorsing the papers drawn up by the Personnel Department;

- attending meetings organized by the General Directorate for Privatization in order to clarify some issues regarding the administration of some commercial companies in the portfolio of AVAS and/or in process of privatization;

- attending meetings with the representatives of buyers in order to solve the problems occurred during the period of monitoring the shares purchase and sale contracts;

- special administration of 6 commercial companies in AVAS portfolio, materialized by finalizing the privatization process in case of 5 of them;

Representative of employees of AVAS Bucharest during 2004 – 2006;

12. **Special administrator during 2005-2008 of:**
    - S.C. NITROFERTILIZER S.A. Făgăraș;
    - S.C. NITROEXPLOSIVE S.A. Făgăraș;
    - S.C. NITROSERVICE S.A. Făgăraș;
    - S.C. NITROTRANS S.A. Făgăraș;
    - S.C. NITROCONTROL S.A. Făgăraș;
    - President of three Privatization Commissions of AVAS;

Vice-president of the Appeal Commission in the licensing system of the Romanian Football League – **2005 – 2009**

13. **1 August 2003 – 1 September 2004**:
    - **A.P.A.P.S. (Authority for Privatization and State Assets Administration) – Bucharest**;

- **Post-privatization Department**;
- **Department for Regulation of Contracts and Post-privatization Endorsement;**
- **Post-privatization Endorsement Service;**

Head of Service;

- Coordination of service activity and replacement of the director in case of its unavailability;

14. **1 July 2002 – 1 August 2003**
    - **A.P.A.P.S. (Authority for Privatization and State Assets Administration) – Bucharest;**
    - **Legal Department;**
    - **Post-privatization Endorsement Directorate**;

    Legal Advisor;

15. **2001 – 2002**
    - **S.C. Ardrom 001 S.R.L. Bucharest**;

    Administrator;

16. **1999 – 2001**
    - **State Property Agency – Bucharest**;
    - **Legal Department**;

    Legal advisor;

    Interim Director;

    - State representative in the General Meeting of the Shareholders - S.C. A.I.A.S.C. Vulpești, Argeș County;
    - Member in the Board of Administration of S.C. LEGUMICOLA PECICA S.A. Nădlac, ARAD County;

    President – Commission for the analysis of appeals in the privatization process;

17. **1998 – 1999**
    - Ministry of Agriculture and Food – Bucharest;
    - Legal Department;
    - Endorsement Service;
    - Legal advisor;
    - Member in the Commission for the analysis of appeals in the privatization process;

18. **1997 – 1998**
    - **Petrotel – Lukoil Ploiești**;
    - Legal Department – legal advisor;
    - **SC GEROM SA Ploiești**;

    GENERAL DIRECTOR

EDUCATION AND PROFESSIONAL TRAINING

- **2019**

PhD – VALAHIA UNIVERSITY TARGOVISTE

Conflict Management

- **2006 – 2008**
  MASTER degree – Management of Public Position

- **1991 – 1995**
  <<Nicolae Titulescu>> University – Faculty of International Law;

- Graduated Bachelor studies in the session of 1997 – **University of Bucharest – Faculty of Law;**

- **1986 – 1990**

High School of Mathematics – Phisics "Radu Negru" Fagaras

PERSONAL SKILLS AND ABILITIES

- **Good negotiator, good knower of all law branches**.
- PC use – MS Office (Word, Excel, Windows);
- Interpersonal communication skills;
- Resistance to intellectual and physical effort;
- Responsibility, intuition, perseverance, involvement;
- Capacity of analysis and organization;
- Commercial contracts negotiation;
- Holder of a licence to carry weapon and of a hunting weapon;
- Blue belt – JUDO;
- Served in the military;
- Reserve officer – **Ministry of Interior**;
- Member of the General Association of Hunters and Anglers;

Native language

- Romanian

Foreign languages

- English – satisfactory;

Driving licence

- B category – 1990;

Date: **Signature:**

September 01st, 2021 **illegible signature*

Curriculum Vitae

PERSONAL INFORMATION GAVRILĂ Florin-Daniel

Administrator – CONPET S.A.

PROFESSIONAL EXPERIENCE

January 2020 – to date	Director Investment Department SIF Banat-Crisana-SA, Arad Coordinating the activity of the departments *Investment Analysis* and *Management of holdings*, *Cash management*, *Market operations* and *Projects in development*
September 2015 – December 2019	Transactions Analyst SIF Banat-Crisana-SA, Arad In charge with the oversee and fulfilment of the investment decisions Business field – Financial Investment Company
May 2018 – to date	Administrator Conpet SA Ploiesti Business field – Transport via pipelines
December 2015 – to date	Administrator SIFI Cluj Retail SA, Bucuresti Business field – leasing and subleasing own moveable property or leased moveable property
February 2016 – to date	Administrator Central SA, Cluj-Napoca Business field - leasing and subleasing own moveable property or leased moveable property
April 2016 – to date	Administrator Uniteh SA, Timisoara - leasing and subleasing own moveable property or leased moveable property
October 2016 – December 2016	Administrator SSIF BRK Financial Group SA, Cluj-Napoca Business field: Investment Company
February 2013 – July 2015	Sales-Trader, Institutional Clients Department SSIF Broker SA, Cluj-Napoca Stockbroker, in charge with sales-trading activity, particularly for the institutional clients (but also large-retail); stocks trading by DMA on the main European markets Business field: Investment Company
March 2011 – December 2012	Sales-Trader, Institutional Clients Department

	Unicredit CA IB Securities Romania SA, Bucharest Stockbroker (authorized in April 2011), in charge with sales-trading activity, particularly for the institutional clients (but also large-retail); stocks trading by DMA on the main European markets; sales-trading in cooperation with Unicredit office in London Business field: Investment Company
February 2011 – to date	Tax Advisor The *Romanian Chamber* of *Fiscal Consultants* , Bucuresti
October 2005 – March 2011	Stockbroker/Deputy Director General SSIF Egnatia Securities SA, Bucuresti -Stockbroker (authorized in December 2005), in charge with the trading activity for the firm's clients, compensation-settlement agent authorized by Depozitarul Central -Deputy Director General (starting April 2007), overseeing the trading activity Business field: Investment Company
July 2005 – October 2005	Broker SSIF European Securities SA, Bucuresti -in charge with the post-trading activity for the firm's clients Business field: Investment Company
February 2004 – June 2005	Economist/ASIF SSIF Invest Trust SA, Craiova -Economist, then financial investment services Agent (authorized in June, 2004), in charge with the increase of retail clients portfolio Business field: Investment Company

EDUCATION AND TRAINING

2009	Participant "Capital Market Development, Enforcement and Oversight" National Securities Commission and Us Securities and Exchange Commission
2007	Participant "The EU Single Market in Financial Services: Latest Steps, Future Initiatives and Pending Tasks" Public Administration European Institute, Luxemburg
2004-2006	Master Degree – European Economy Economy and Business Administration Faculty, Craiova
2006	Graduate "Investment Consultant" course Millenium Financial Trading Centre
2006	Graduate "Derivative Markets Broker" BMFMS Sibiu
2005	Financial Investment Services Agent RASIF02 Bucharest Stock Exchange
2004	Financial Investment Services Agent Millenium Training Financial Centre
1999-2003	Bachelor's Degree University of Craoiva Faculty of Economy and Business Administration Program: International Economic Relations

PERSONAL SKILLS AND COMPETENCES

Native language Romanian

Foreign known languages

	Understanding		Speaking		Writing
	Listening	Reading	Participation in the conversation	Oral speech	
English	Advanced	Advanced	Advanced	Advanced	Advanced
German	Beginner	Beginner	Independent User	Independent	Beginner

Digital competence Good handling of almost all Microsoft Office programs

Driving license B Category

Nationality Gender

Curriculum vitae

Europass

Personal information

Name and surname	***Mihai Adrian Albulescu***
Address(es)	
Phone(s)	
Fax(es)	
Nationality	Romanian
Gender	Male

Workplace / Occupational area aimed

Professional experience

Period	2020 – to date
Position or job held	Doctoral School Director
Main activities and responsibilities	PhD management activity
Employer's name and address	"Oil and Gas" University Ploiesti, 39 Ploiesti Bld.
Type or field of activity	Education

Period	2020 – to date
Position or job held	Member of UPG Senate
Main activities and responsibilities	Coordination activity
Employer's name and address	"Oil and Gas" University Ploiesti, 39 Ploiesti Bld.
Type or field of activity	Education

Period	2019 – to date
Position or job held	Habilitated professor
Main activities and responsibilities	Teaching, scientific research and doctoral management
Employer's name and address	"Oil and Gas" University Ploiesti, 39 Ploiesti Bld.
Type or field of activity	Education

Period	2017 – to date
Position or job held	Member in the Council of Ploiesti Oil and Gas University
Main activities and responsibilities	Coordination activity
Employer's name and address	"Oil and Gas" University Ploiesti, 39 Ploiesti Bld.
Type or field of activity	Education

Period	2016 - to date
Position or job held	University professor

Main activities and responsibilities	Teaching activity, scientific research
Employer's name and address	University Petroleum-Gas from Ploiesti, 39 Bucuresti Bld.
Type or field of activity	Education
Period	Jan 2015 — Dec 2015
Position or job held	State Secretary
Main activities and responsibilities	Coordinates the enforcement of the Governmental program in the energy strategic areas
Employer's name and address	Ministry of Energy, Small and Medium Enterprises and Business Environment
Type or field of activity	Energy
Period	2013 — 2015
Position or job held	State Secretary
Main activities and responsibilities	Coordinates the implementation of the Government Program in the strategic energy fields
	Represents the interests of the state with the World Bank of Romania, the International Monetary Fund and the European Commission on the Energy Strategy
	Member of the Privatization Commission of Nuclearelectrica, Transgaz and Romgaz, Representative of the Energy Department in the commissions for drafting and implementing of the Memorandum of Understanding with the Republic of China for investment projects in Romania President of the Romanian-Serbian Joint Commission
	Vice-President of the Mixed Commissions Romania - Russia, Romania - Kazakhstan, Romania - Germany, Romania - Turkmenistan, Romania – Turkey.
Employer's name and address	Ministry of Economy
Type or field of activity	Energy Department
Period	1999 - 2016
Position or job held	Associate professor
Main activities and responsibilities	Teaching activity, scientific research
Employer's name and address	University Petroleum-Gas from Ploiesti, 39 Bucuresti Bld.
Type or field of activity	Education
Period	1990 —1999
Position or job held	Head of university works
Main activities and responsibilities	Teaching activity, scientific research
Employer's name and address	Institute of Petroleum and Gas from Ploiesti, 39 București Bld.
Type or field of activity	Education
Period	1983 —1990
Position or job held	University assistant
Main activities and responsibilities	Teaching activity, scientific research

Employer's name and address	Institute of Petroleum and Gas from Ploiesti, 39 București Bld.
Type or field of activity	Education
Period	1982 —1983
Position or job held	Substitute assistant
Main activities and responsibilities	Teaching activity, scientific research
Employer's name and address	Institute of Petroleum and Gas from Ploiesti, 39 București Bld.
Type or field of activity	Education

Education and training

Period	2019
Qualification/degree achieved	Habilitation degree
Main subjects studied/professional skills achieved	Mines, Oil and Gases
Name and type of the education	"Oil and Gases" University, Ploiesti
Period	1990-1996
Qualification/degree achieved	PhD/Doctor degree
Main subjects studied/professional skills achieved	Hydraulics and fluids mechanics
Name and type of the education	Institute of Oil and Gas from Ploiești/ Faculty of Petroleum and Gas Engineering
Level on the national or international classification	Postgraduate studies
Period	1980
Qualification/degree achieved	Reliable methods in exploiting the drilling screeds. Training course
Main subjects studied/professional skills achieved	Petroleum equipment
Name and type of the education establishment/training provider	IPCUP Ploiești

Level on the national or international classification	Postgraduate studies
Period	1974-1979
Qualification/degree achieved	Engineer/engineering degree
Main subjects studied/professional skills achieved	Petroleum equipment
Name and type of the education establishment/training provider	Institute of Petroleum and Gas from Ploiești/ Faculty of Petroleum Machines and Equipment
Level on the national or international classification	Post-university studies
Period	1969-1973
Qualification/degree achieved	Mechanic/bachelor degree
Main subjects studied/professional skills achieved	Science major
Name and type of the education establishment	Baicoi Theoretical Highschool/Prahova

Personal competences and skills

Native Language	Romanian				
	Understanding		**Speaking**		**Writing**
Self-assessment					
European level (*)	Listening	Reading	Interaction	Oral speech	Written expression

English language	A Basic	A Basic	A Basic	A Basic	A Basic
	2 user	2 user	2 user	2 user	2 user
French language					
	A Basic	A Basic	A Basic	A Basic	A Basic
	2 user	2 user	2 user	2 user	2 user

Social competences and skills Team spirit

Organizational competences and Good experience in project and team management

Technical competences and skills - Scientific research activities in the field of petroleum-gas industry, technological pipes from refineries, crude oil transport systems, natural gas transport and distribution systems

Computer competences and skills Microsoft Office

Artistic competences and skills -

Other competences and skills -

Driving licence B Category

Additional information

Publications Author or co-author in

- 12 books
- 120 articles published in specialized magazines or in books of certain national and international scientific events
- 70 research papers, design and engineering of oil deposits achieved based on agreements or

Professional affiliations August 2018 – to date – member in the Board of Directors of CONPET SA Ploiesti/ EGO no. 109/2011

2013 — 2015 — Secretary of State in the Ministry of Economy - Department of Energy and Energy Ministry

2013 – to date member of the Board of Directors of GDF Suez Energy Romania (Engie)

2013 – to date member of the Board of Directors of GDF Suez Energy Romania (Engie)

2006 to date member of the General Association of Engineers of Romania - AGIR

2005 to date member of the Romanian Petroleum Engineers Society - SPEROM

1994 to date member of the Romanian Society of Thermo technicians - SRT

1992 to date - member of the commissions for supporting exams, papers and doctoral theses

2001 - 2004 and 2009 - 2013 - Member of the Board of Directors within Transgaz Medias

2009 - 2013 - member of the ANRE Advisory Committee

2004 - 2006 - Member of the Board of Directors of CONPET S.A. Ploiesti

2001 - 2004 - Member of the Board of Directors of Petrom SA;

2004 - 2009 - Member of the Board of Directors of Termoelectrica S.R. Ploiesti

2002 – to date - member of the examination commissions for awarding the degree of plumbers authorized by the National Authority for Regulation in the field of Natural Gas (ANRGN);

Representative works

Books

C. Eparu, **M.A. Albulescu,** S. Neacsu, C. Albulescu, Gas leaks through corrosion defects of buried gas transmission pipelines, Chemistry Magazine, Vol. 65, Nr. 11, 2014, p. 1385-1390**,** www.revistadechimie.ro

S. Neacsu, **M.A. Albulescu,** C. **Eparu,** *Performing and testing an environmentally friendly heating system for viscous oil transport,* Chemistry Magazine, Nr. 9, 2010, www.revistadechimie.ro

S. Neacsu, C. Trifan, **M.A. Albulescu,** *Considerations* on *the Errors Associated to the Measuring of the Amounts of Natural Gas Delivered to Household Consumers*, Chemistry Magazine, vol. 59 (7), pg. 796-801, 2008, www.revistadechimie.ro

S. Neacsu, C. Trifan, **M.A. Albulescu,** R. Radulescu, *Numerical modeling of the viscous petroleum transport through pipelines under non-isothermal regime*, Chemistry Magazine vol 58 nr. 10 2007, pg. 992-995, www.revistadechimie.ro

C. Trifan, S. Neacsu, **M.A. Albulescu** *Transitional phenomena in natural gas polyethylene networks. Plastics*, no. 3/2006, pg. 211-pg. 214, www.revistadechimie.ro

C. Trifan, S. Neacsu, **M. Albulescu, C***omparative study between the PE and steel pipes, respectively steel, regarding their behavior in transitional regime*, Plastic materials, vol. 43, no. 4/2006, pg. 278 - pg. 282, www.revistamaterialeplastice.ro

Europass

Curriculum Vitae

Personal information

Surname(s) / First name(s)	**Iacob Constantin Ciprian**
Address(es)	
Telephone(s)	
Fax(es)	
E-mail	
Nationality	
Date of birth	
Gender	Male

Professional experience

Period	November 2017 – to date
Occupation or position held	**Member of CONPET S.A. Board of Administration**
Name and address of the employer	CONPET SA, conpet@conpet.ro, https://www.conpet.ro, No. 1-3, Anul 1848 Street, postal code 100559, Ploiesti, Prahova
Period	2014 – to date

Occupation or position held	**Member of the Eparchial Council of Târgoviște Archiepiscopate**
Name and address of the employer	TÂRGOVIȘTE ARHIEPISCOPATE, cancelaria@arhtgv.ro, https://arhiepiscopiatargovistei.ro, No.11, Mihai Bravu Street, Targoviste Municipality, Dambovita County
Period	2006 – to date
Occupation or position held	**Attorney at Law**
Name and address of the employer	"IACOB CIPRIAN" Individual Law Practice; Activities: filing actions in court, assistance, representation and pleading in court
Period	2007 – 2008;
Occupation or position held	**Collaborating attorney at law**
Name and address of the employer	"PUIU ANDI CONSTANTIN" Individual Law Practice Activities: filing actions in court, assistance, representation and pleading in court, civil court, criminal court, labour disputes, commercial
Period	2006 – 2007
Occupation or position held	**Collaborating attorney at law**
Name and address of the employer	"CORNEL BOBOACĂ" Individual Law Practice Activities: filing actions in court, assistance, representation and pleading in court, civil court, criminal court, labour disputes, commercial

Education and training	

Period	2012 - 2014
Qualification/diploma awarded	**Graduate of the Training Module for Teaching Staff**
Name and type of the education institution	"Valahia" University in Târgoviște, https://www.valahia.ro/ro/
Period	2010 - 2014
Qualification/diploma awarded	**Doctor of Management, supporting the PhD Thesis "Communication, vector of increasing the performance of management in legal institution"**
Name and type of the education institution / training provider	The organizing institution for doctoral studies within "Valahia" University in Târgoviște
Period	2011 – 2011
Qualification / diploma awarded	**Trainer**

Name and type of the education institution / training provider	SC PRO TRAINING INTENS SRL, BUCHAREST, https://www.trainingpro.ro
Main studied disciplines / achieved professional skills	Preparation of training, execution of training activities, assessment of training participants, marketing of training, The organization of training programs and internships
Period	2011
Qualification / diploma awarded	**Manager in the environmental system**
Name and type of the education institution / training provider	The Chamber of Commerce, Industry and Agriculture Teleorman, https://cciatr.ro
Main studied disciplines / achieved professional skills	The policy of sustainable development in the EU and in Romania, defining the organization's environment policy, environmental management systems. Environmental management standards.
Period	2010
Qualification / diploma awarded	**Mediator**
Name and type of the education institution / training provider	Uzamint
Period	2006 – 2007
Qualification / diploma awarded	**Fully qualified lawyer**
Name and type of the education institution / training provider	National Institute for Training and Improvement of Lawyers, https://www.inppa.ro
Period	2005 - 2006

Qualification / diploma awarded	**Affiliation to Dâmbovița Bar as trainee lawyer, following examination**
Name and type of the education institution / training provider	Dâmbovița Bar, http://www.barouldambovita.ro
Period	2004 – 2006
Qualification / diploma awarded	**Master's Degree/Master's Thesis "Visible and invisible traces discovered at a crime scene"**
Name and type of the education institution / training provider	"Valahia" University in Târgoviște, https://www.valahia.ro/ro/
Qualification / diploma awarded	**"Entrepreneurial training course for young people"**
Name and type of the education institution / training provider	"Gheorghe Cristea" University, M1 Building, 1st floor, Bucharest, Romania
Qualification / diploma awarded	**Legal**
Main studied disciplines / achieved professional skills	Legal sciences
Name and type of the education institution / training provider	"Valahia" University in Târgoviște, No. 13 Sinaia Alley, Târgoviște

Linguistic competence

Mother tongue **Romanian**

Other language(s)

Known foreign languages

Self-assessment	**Understanding**		**Speaking**		**Writing**
European level (*)	Oral comprehension	Reading	Written interaction	Conversation	Writing
English	B2	B2	B2	B2	B2
Italian	B2	B2	B2	B2	B2

Levels: A1 and A2 Basic user, B1 and B2 Independent user C1 and C2 Proficient user

Social abilities and skills

- Intelligence (logic thinking, memory, capacity of analysis and synthesis);
- Team spirit;
- Good communication skills;
- Flexibility;
- Responsiveness;
- Capacity to adapt to solving issues acquired following the professional experience.

Seriousness, dynamism, creativity, team work, motivation and interaction

Organizational skills

Technical abilities and skills Word, Excel, Power Point, Internet

Curriculum vitae

Personal Information

First name / Surname	**Nicuşor Marian Buică**
Nationality	Romanian
Year of birth	1975

Professional experience

Period	**December 2017 - present**
Occupation or position held	Director General
Name and address of employer	SAI Muntenia Invest
Type of business or sector	Authorized Investment Management Company Administrator of Alternative Investment Funds Registered

Period	**September 2020 - present**
Occupation or position held	Non-executive administrator
Name and address of employer	BIOFARM
Type of business or sector	Manufacturing of pharmaceutical formulae

Period	**September 2019 - present**
Occupation or position held	Administrator
Name and address of employer	CONPET
Type of business or sector	Transport via pipelines

Period	**June 2019 - present**
Occupation or position held	Non-executive administrator
Name and address of employer	ICPE SA
Type of business or sector	Research – development in other sciences and engineering

Period	**March 2018 - present**
Occupation or position held	Non-executive administrator
Name and address of employer	COCOR SA
Type of business or sector	Renting and sub-renting of own or rented real estate

Period	**May 2017 – present**
Occupation or position held	**Member of the Board of Directors**

Name and address of employer	INCERTRANS SA Company
Type of business or sector	Research - Design Institute

Period	**March 2017 - December 2017**
Occupation or position held	**Member of the Board of Directors**
Name and address of employer	SAI Muntenia Invest SA
Type of business or sector	Authorized Investment Management Company

Period	**June 2016 - 7th December 2016**
Occupation or position held	**Member of the Board of Directors**
Name and address of employer	Swiss Capital S.A.
Type of business or sector	Services and Financial Intermediation Company Member of the Bucharest Stock Exchange

Period	**May 2016 – October 2016**
Occupation or position held	Manager
Name and address of employer	Romenergo
Type of business or sector	Energy domain

Period	**October 2015 - April 2016**
Occupation or position held	**State Secretary**
Name and address of employer	Ministry of Investments and European Funds
Type of business or sector	Central Public Authority

Period	**February 2015 - September 2015**
Occupation or position held	Member of the Board of Directors
Name and address of employer	CN „Loteria Română" S.A.
Type of business or sector	Gambling development, organization, administration and exploitation

Period	December 2014 – July 2015
Occupation or position held	Member of the Board of Directors
Name and address of employer	Enel Energie Muntenia SA
Type of business or sector	Electricity market

Period	**August 2014- December 2014**
Occupation or position held	Advisor Minister Delegate for Budget
Name and address of employer	Ministry of Public Finance
Type of business or sector	Central Public Authority

Period	**March 2013 - March 2014**
Occupation or position held	State Secretary
Name and address of employer	Ministry of Transport
Type of business or sector	Central Public Authority

Period	**June 2012 - November 2012**
Occupation or position held	State Secretary Advisor
Name and address of employer	Ministry of Environment and Climate Change
Type of business or sector	Central Public Authority

Period	**July 2010 - June 2012**
Occupation or position held	Chairman of the Board of Directors
Name and address of employer	Dunapref S.A.
Type of business or sector	Prefabricated elements for civil construction, roads, bridges, railways

Period	**January 2008 - May 2009**
Occupation or position held	Commercial Director
Name and address of employer	Apolodor Com Impex
Type of business or sector	Special foundations, Infrastructure works, Demolition work, Civil construction

Period	**March 2005 - December 2007**
Occupation or position held	Member of the Board of Directors - Executive Director
Name and address of employer	Elpreco S.A.
Type of business or sector	Manufacturer of building materials

Period	**October 2001 - March 2005**
Occupation or position held	Development Manager
Name and address of employer	Elpreco S.A.
Type of business or sector	Manufacturer of building materials

Period	**February 2004 – 2006**
Occupation or position held	**Internal control**
Name and address of employer	Active International S.A.

Type of business or sector	Services and Financial Intermediation Company Member of the Bucharest Stock Exchange

Period	**2007 – July 2009**
Occupation or position held	Deputy Director
Name and address of employer	Active International SA
Type of business or sector	Services and Financial Intermediation Company Member of the Bucharest Stock Exchange

Period	**January 1998 - September 2001**
Occupation or position held	Investment broker
Name and address of employer	Active International S.A.
Type of business or sector	Services and Financial Intermediation Company Member of the Bucharest Stock Exchange

Education and training

Period	**29.03.2021 – 31.03.2021**

Title of qualification awarded/

Principal subjects/

occupational skills covered Training program/MPC -03. I.21.SB/FT

Name and type of organization

providing education and training Millenium Financial Training Center

Period **22.03.2021 – 24.03.2021**

Title of qualification awarded/

Principal subjects/

occupational skills covered Training program/MPC-02.I.21.FIA/AFIA

Name and type of organization

providing education and training Millenium Financial Training Center

Period **16.02.2021**

Title of qualification awarded/

Principal subjects/

occupational skills covered Online money laundering course/P.17218

Name and type of organization

providing education and training The Romanian Banking Institute

Period	**01.10.2020 – 20.11.2020**
Title of qualification awarded/	
Principal subjects/	
occupational skills covered	Training program/FPC2.2020
Name and type of organization	
providing education and training	AS Financial Markets

Period	**11.10.2019 – 28.11.2019**
Principal subjects/	
occupational skills covered	Training program
Name and type of organization	
providing education and training	AS Financial Markets

Period	**01.10.2018 – 29.10.2018**
Principal subjects/	
occupational skills covered	Training program/FPC3.2018
Name and type of organization	
providing education and training	AS Financial Markets

Period	**November 2017**

Principal subjects/

occupational skills covered Manager – innovation

Name and type of organization

providing education and training The Ministry of National Education and Scientific Research

Period **October 2017 - November 2017**

Title of qualification awarded Graduation certificate

Principal subjects/

occupational skills covered Innovation Manager

Name and type of organization

providing education and training CIT - IRECSON Centrul de Informare Tehnologică SRL Bucharest

Level in national or international

Classification Specialization program

Period **March 2014 – June 2014**

Name and type of organization

providing education and training "Mihai Viteazul" National Intelligence Academy

Level in national or international

Classification Postgraduate program of training and continuous professional development

Period	**September 2013 – June 2015**
Principal subjects/	
occupational skills covered	Defense diplomacy
Name and type of organization	
providing education and training	"Lucian Blaga" University Sibiu

Period	**October 2003 - March 2005**
Title of qualification awarded	Graduation certificate Master of Business Administration, no. 200513205 of November 22nd 2005
Principal subjects/	
occupational skills covered	Turnaround Management; Marketing management; Manager economics; Investment management; Business policy
Name and type of organization	**City University,** State of Washington, USA
providing education and training	
Level in national or international	
Classification	EMBA

Period	**September 16th - 25th 2005**
Title of qualification awarded	Graduation certificate PROFESSIONAL SALES MANAGEMENT September 25th 2005
Principal subjects/ occupational skills covered	Techniques and sales methods; Modern systems for organizing sales departments
Name and type of organization	Bucharest Chamber of Commerce and Industry and Royal
providing education and training	Trading House S.R.L.
Level in national or international Classification	Specialization
Period	**1998 – 2003**
Title of qualification awarded	Diploma in Economics, U series, no. 0041447/February 2003, Economics, Banking Financial Management Specialization
Principal subjects/ occupational skills covered	Financial Management; Finance and Banking; The economy and the role of banks; Payment methods, tools and techniques; Financial analysis of economic agents; Introduction to marketing; Financing in international trade; Efficiency and valuation of investments; Asset and Liability Management
Name and type of organization	University of Craiova, Faculty of Economic Sciences
providing education and training	
Level in national or international	Bachelor's degree
Classification	
Period	**1994 – 1997**
Title of qualification awarded	Engineering assistant diploma, P Series, no. 004495/June 1997, Mechanics, Materials and defectoscopy specialization
	Valedictorian
Principal subjects/ occupational	Mechanics; Material resistance; Electrical appliances; Electrical

skills covered	machines; Thermal machines; Constructive parts of fine mechanics
Name and type of organization providing education and training	Polytechnic University of Bucharest
Level in national or international Classification	Graduation Diploma

Personal Skills And Competences

Mother tongue(s) **Romanian**

Foreign language(s)

	Understanding		**Speaking**		**Writing**
Self-assessment					
European level (*)	Listening	Reading	Interaction	Oral speech	Written expression
English language	B Independent	B Independent	B Independent	B Independent	B Independent
	1 user	1 user	1 User	1 User	1 User

French language

	A Basic	A Basic	A basic	A basic	A basic
	2 user	2 user	2 User	2 User	2 User

(*) Common European Framework of Reference for Languages

Social skills and competences

Good ability to adapt to multicultural environments, team spirit

Verified skills in a professional context

Organizational skills and competences

Organizational spirit, planning skills

Technical skills and competences

Detailed knowledge of company management. Sales systems. Ability to analyze and implement new projects. Knowledge in the field of financial management.

Technical knowledge in the field of mechanical industrial processes and in the field of machine building technologies.

Competencies in coordinating and guiding production and sales activities.

Computer skills and competences

Good use of Microsoft Office tools (Word™, Excel™ and PowerPoint™)

Europass

Curriculum Vitae

Personal information

Surname(s)/First name(s)	**KOHALMI-SZABO LUMINIȚA – DOINA**
Address	Bucharest, District 1, No. 53 Vârful Înalt street, apt.2
Telephone	0726345547
E-mail	kohalmiro@yahoo.com
Nationality	Romanian
Gender	Female

Work experience

Period	**February 2015 – to date**
Name and address of the employer	**"Dimitrie Cantemir" Christian University, Faculty of Political Science**
Type of activity and sector	Education
Occupation or position held	PhD Associate Professor
Main activities and responsibilities	• Supporting courses and seminars in the disciplines: Public communication in the field of security, Information management for defence: military intelligence, Globalization, Security and Good Governance, Energy security and critical infrastructures, Social factor of security and defence, Management of communication crises • Scientific research and publication of specialized materials • Attendance in national and international conferences and in scientific sessions of teachers and students

Period	**July 2019 – to date**
Name and address of the employer	**LK Strategic Centre SRL**
Type of activity and sector	Consultancy in public relations and communication
Occupation or position held	Administrator
Main activities and responsibilities	• Development of business strategy, financial forecasts, management of the clients' relationship, attracting new clients • Monitoring the market and identification of development trends • Analysis of legislative, financial, technological and social opportunities/constraints • Identification of development means of the services offered by the company in line with the trends of the market • Identification and recruitment of necessary resources for implementation of new business projects • Ensuring a good image of the company on the market • Attendance in business meetings with suppliers, clients, financial bodies and government institutions in the country and abroad
Period	**December 2014 – to date**
Name and address of the employer	**Association for the Security of the Future**
Type of activity and sector	Research/Volunteering
Occupation or position held	Director of the Research Centre for the Security of the Future
Main activities and responsibilities	• Planning and coordination of the research projects • Assessment of the research projects

Period	**2013-2015**
Name and address of the employer	**"Dimitrie Cantemir" Christian University, Faculty of Political Science**
Type of activity and sector	Education
Occupation or position held	University lecturer (Associate)
Main activities and responsibilities	• Supporting courses and seminaries in the disciplines: Globalization and Globalism, Political Management, Contemporary Theories of Democracy, Political Ideologies • Scientific research and publication of speciality materials • Attendance in national and international conferences and in scientific sessions of teachers and students
Period	**2012-2014**
Name and address of the employer	**The Presidential Administration**
Type of activity and sector	**Public administration**
Occupation or position held	Counselor
Main activities and responsibilities	• Assessment of development trends related to national and international security • Assessment of risks, threats and vulnerabilities against national security
Period	**2010-2012**
Name and address of the employer	**The Ministry of National Development and Tourism**
Type of activity and sector	**Public administration – Regional development and tourism**
Occupation or position held	Adviser to the Minister
Main activities and responsibilities	• Developing public relations policies, plans and programs to support institutional objectives • Advising the Minister on communication issues • Communication management in developing the national tourism brand program

Period	**2009-2010**
Name and address of the employer	**The Ministry of Tourism**
Type of activity and sector	**Public administration - Tourism**
Occupation or position held	Adviser to the Minister
Main activities and responsibilities	• Developing public relations policies, plans and programs to support institutional objectives • Advising the Minister on communication issues • Communication management in developing the national tourism brand program

Period	**2007-2009**
Name and address of the employer	**The Ministry of Defence**
Type of activity and sector	**Public administration – Security and National Defence**
Occupation or position held	Deputy Director – Information and Public Relations Unit
Main activities and responsibilities	• Developing public relations policies, plans and programs to support objectives and operations of the Ministry of Defence • Developing public information policies in view of implementing the Access Agreement between Romania and the USA
Period	**2006-2007**
Name and address of the employer	**"Carol I" National Defence University**
Type of activity and sector	Education – Security and defence
Occupation or position held	Associate professor
Main activities and responsibilities	• Supporting courses and seminaries in the disciplines: Information and public relations • Scientific research and publication of speciality materials • Attendance in national and international conferences
Period	**2005-2007**
Name and address of the employer	**The Ministry of Defence**
Type of activity and sector	Public administration – Security and national defence
Occupation or position held	Director – Information and public relations Unit
Main activities and responsibilities	• Developing public relations policies, plans and programs to support objectives and operations of the Ministry of Defence • Establishment and management of the public relations budget of the Ministry of Defence • Ensuring a free flow of public information for the media, the general public and the internal audiences of the military • Evaluation of requests for support and cooperation from the media and determination of the optimal level of participation of the MoD • Establishing administrative, activation and media management

procedures at the level of the MoD; supervision and coordination of the group's activities to publicize military operations

- Monitoring, evaluation and development of standards, management procedures, policies, plans and public relations programmes
- Management of the activity of elaboration of public relations instructions and guides for the structures of the MoD
- Management of the ministry's public information line relations with other ministries, government agencies and civil society
- Management of media monitoring and analysis services within the MoD
- Preparation of speeches and public statements of the ministry’s management
- Management of requests for free access to information of public Interest

	• Approval of requests for support addressed to MoD on film, video and television productions; • Management of the ministry's press trust; • Professional coordination of the public relations system in the military, including central and local military media for public information; • Planning and coordination of courses in the field of public relations for the MoD
Period	**2005**
Name and address of the employer	**The Ministry of Defence**
Type of activity and sector	Public administration – Security and national defence
Occupation or position held	Deputy director – Information and public relations Unit
Main activities and responsibilities	• Developing public relations policies, plans and programs to support objectives and operations of the Ministry of Defence • Ensuring a free flow of public information for the media, the general public and the internal audiences of the military • Advising the Minister on communication issues
Period	**1996-2005**
Name and address of the employer	**BBC World Service – Romanian Radio Broadcasting Radio**
Type of activity and sector	Radio
Occupation or position held	Reporter
Main activities and responsibilities	• Radio reports from national and international events • Interviews with Romanian and foreign officials
Period	**1997-2005**
Name and address of the employer	**Radio Orion Sebeș/Alba**
Type of activity and sector	Radio
Occupation or position held	Director
	• Planning, implementation and evaluation of the radio's editorial

Main activities and responsibilities	and marketing programs; • Recruitment and training of staff; • Budget planning and execution; • Design and implementation of local multi-media and PR advertising campaigns
Period	**1995-1998**
Name and address of the employer	**“Cotidianul” Newspaper**
Type of activity and sector	Written press
Occupation or position held	Editor

Main activities and responsibilities	• News, interviews, reports, surveys, editorials from local and national events; • Interviews with Romanian and foreign officials
Period	**1995-1996**
Name and address of the employer	"**West Magazin", "Informația de Alba", "Gazeta de Alba"**
Type of activity and sector	Written press
Occupation or position held	Editor-in-chief, editor
Main activities and responsibilities	• Planning, implementation and evaluation of the publication's editorial programs; • Recruitment and training of staff;
Period	**1989-1996**
Name and address of the employer	**Pre-university education units**
Type of activity and sector	Education
Occupation or position held	Teacher
Main activities and responsibilities	• Teaching courses in physical and mathematical subjects

Education and training

Period	**2014**
Qualification/diploma awarded	**Trainer/ Graduation certificate**

Main studied disciplines / achieved professional skills	Training, implementation of training programmes, evaluation of training participants, implementation of special training methods and techniques, marketing of training, design of training programmes, organization of training programs and traineeships, evaluation, review and assurance of quality of training programs and traineeships
Name and type of the education institution / training provider	Body of Experts in Accessing the European Structural and Cohesion Funds
Period	**2014**
Qualification / diploma awarded	**Project manager/ Graduation certificate**
Main studied disciplines / achieved professional skills	Establishing the purpose of the project, establishing the integrated project management requirements, planning the project activities and milestones, Managing the use of operational costs and resources for the project, carrying out the procurement procedures for the project, risk management, project team, communication within the project
Name and type of the education institution / training provider	Body of Experts in Accessing the European Structural and Cohesion Funds
Period	**2014**
Qualification / diploma awarded	**Psycho – pedagogical module, Level II (postgraduate studies)/ Graduation certificate**
Main studied disciplines / achieved professional skills	Teenagers, youngsters and adults' psycho – pedagogy, design and management of education projects, educational and field projects in speciality teaching, education sociology, educational research methodology, pedagogical practice
Name and type of the education institution / training provider	"Dimitrie Cantemir" Christian University, Faculty of Education Sciences
Period	**2014**
Qualification / diploma awarded	**Psycho – pedagogical module, Level I (postgraduate studies)/ Graduation certificate**

Main studied disciplines / achieved professional skills	Psychology of education, pedagogy, management of the class of students, speciality education, computer-assisted learning, pedagogical practice
Name and type of the education institution / training provider	"Dimitrie Cantemir" Christian University, Faculty of Education Sciences
Period	**2008**
Qualification / diploma awarded	**Doctor**
Main studied disciplines / achieved professional skills	Military science/ Strategic communication
Name and type of the education institution / training provider	"Carol I" National Defence University
Period	**2005**
Qualification / diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Security and defence
Name and type of the education institution / training provider	"Carol I" National Defence University, the National Defence College
Period	**2003**
Qualification / diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Customer relationship management
Name and type of the education institution / training provider	The Open University Business School, UK

Period	**2002**
Qualification / diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Competitive management
Name and type of the education institution / training provider	The Open University Business School, UK
Period	**1991**
Qualification / diploma awarded	**Bachelor's degree**
Main studied disciplines / achieved professional skills	Faculty of Physics
Name and type of the education institution / training provider	"Babes – Bolyai" University – Cluj – Napoca
Period	**2005**
Qualification / diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Civil – military democratic relations
Name and type of the education institution / training provider	Canadian Department of National Defence, Otawa
Period	**2005**

Qualification/diploma awarded	**Certificate of participation**
Main studied disciplines / achieved professional skills	Planning and effective implementation of communication campaigns
Name and type of the education institution / training provider	European Institute of Public Administration – Maastricht
Period	**2004**
Qualification/diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Course for the BBC correspondents from Europe
Name and type of the education institution / training provider	BBC World Service
Period	**2003**
Qualification/diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Course for the BBC correspondents from Romania
Name and type of the education institution / training provider	BBC World Service
Period	**1998**
Qualification/diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Business initiation course
Name and type of the education institution / training provider	World Bank
Period	**1997**

Qualification/diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Economy and Finances for the journalists
Name and type of the education institution / training provider	Young Journalists Foundation
Period	**1996**
Qualification/diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	Politics for journalists
Name and type of the education institution / training provider	Young Journalists Foundation

Period	**1996**
Qualification/diploma awarded	**Graduation certificate**
Main studied disciplines / achieved professional skills	The BBC journalism school for radio
Name and type of the education institution / training provider	BBC World Service

RESEARCH – DEVELOPMENT PROJECTS

Period	2010-2011
Position	Communication manager
Name of the project	"Creating a positive image of Romania as a tourist destination by defining and promoting the national tourism brand", project financed under the Regional Operational Programme 2007-2013, Priority Axis No. 5 "Sustainable development and promotion of tourism", Major area of intervention 5.3 "Promoting tourism potential and creating the necessary infrastructure in order to increase the attractiveness of Romania as a tourist destination"
The institution that carried out the project	Ministry of Regional Development and Tourism
Value of the grant	75 million Euro
Financing source	Regional Development European Fund (Ro. FEDR) and the state budget
Type of competition	Grant achieved by international competition

PERSONAL SKILLS AND COMPETENCIES

Mother tongue	Romanian

Foreign languages

Self – assessment	Understanding	Speaking	Writing

	Listening		Reading		Spoken interaction		Spoken production		Writing	
English	C1	Advanced	C1	Advanced	C1	Advanced	C1	Advanced	C1	Advanced
French	C1	Advanced	B2	Upper intermediate	B2	Upper intermediate	B2	Upper intermediate	B2	Upper intermediate

(*) Common European Framework of Reference for Languages

Social abilities and skills

- Ability to adapt to multicultural environments
- Leadership;
- Team spirit;
- Strategic thinking;
- Negotiation skills;
- Capacity to coordinate and manage people, projects and budgets;
- Experience in project management;
- Adaptability and flexibility;

Digital competences

Information processing	Communication	Content creation	Security	Problem solving
Experienced user	Experienced user	Experienced user	Experienced user	Experienced user

Self – assessment Level

Driving licence(s) B category

Date: 16.03.2021

Kohalmi – Szabo Luminita – Doina

S.s illegible

CONPET S.A., Romania
1-3 Anul 1848 Street, Ploieşti 100559, Prahova
Tel: +40-244-401360; fax: +40-244-516451
TIN: RO 1350020; NACE Code 4950; CRN J29/6/22.01.1991
Subscribed and paid-up share capital 28 569 842.40 RON

Objectives and financial and non-financial key performance indicators for Directors with mandate contracts between 01.01.2021-31.12.2021

Annex no. 3

Crt.no.	Performance indicators	Performance objective	MU	(Period 01.01.-31.12.2021)			Degree of achievement KPIs (%)	KPIs weights for the settlement of the remuneration	Degree of achievement KPIs (%)
				Target values		Achieved values			
A. FINANCIAL KEY PERFORMANCE INDICATORS: 50%									
1	Outstanding payments	Level zero	Thousand RON	0		0	100.0%	5%	5.0%
2	The decrease of the operating expenses = (Operating expenses– Impairments of assets and impairments of provisions)/ Turnover	The maintenance of the share of operating expenses in the turnover at the level assumed by the Administration Plan	%	81.5%		85.4%	95.2%	20%	19.0%

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3	**Adjusted EBITDA = Operating profit - write-back of the reserve out of the modernization quota + Expenses regarding the modernization quota + Impairments of tangible and intangible assets, here included the revaluation differences.**	**The realization of adjusted EBITDA target assumed by the Administration Plan**	**Thousand RON**	**98,872**		**119,486**	**120.8%**	**20%**	**24.2%**
4	**Labor Productivity**	**Realization of the labor productivity level provided in the annual approved Budget**	**Thousand RON/person**	**296**		**303**	**102.4%**	**5%**	**5.1%**
B. NON- FINANCIAL KEY PERFORMANCE INDICATORS: 50%									
B1. OPERATIONAL: 30%									
5.	**Framing within the specific consumptions for the crude oil transport (does not include the crude oil**	**The target value lower than the value of the maximal**	**%**	**Domestic crude oil ≤ 0.361% Achieved = 0.343%**	**0.296 %**	**0.250%**	**115.5%**	**5%**	**5.8%**

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	quantity lost during provoked breakdowns or in case of breakage resulting in contamination, where the owners do not ease access for remedy).	**technological consumption, for crude oil**		**Import crude oil Lukoil ≤ 0.290% Achieved 0.180%** **Import crude oil Petrom ≤ 0.143% Achieved 0.140%** **Import crude oil Midia ≤ 0.108% Achieved 0.100%**					
6	**Monitoring of the annual electricity average specific consumption for technological purposes**	**Maintenance of the annual electricity average specific technological consumption at a level of max 3.3 Kwh/to**	**Kwh/to**	**Max 3.3 Kwh/to**	**3.3**	**2.79**	**100.0%**	**5%**	**5.0%**
7	**Achievement of the investment financed**	**Min. achievement 95% of the**	**%**	**≥ 95 %**	**95%**	**96.0%**	**100.0%**	**20%**	**20.0%**

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	out of the modernization quota	**annual Investments Plan financed out of the modernizati on quota**							
B2. OF CORPORATE GOVERNANCE: 20%									
8	**Implementation/develo pment of the internal control management system in compliance with the legal requirements in force**	**100% achievemen t of the actions included in the program**	**%**	**100%**	**100%**	**100%**	**100.0%**	**10%**	**10.0%**
9	**Duly reporting of the degree of achievement of the performance indicators of the company**	**Framing within the reporting due deadlines**	**%**	**100%**	**100%**	**100%**	**100.0%**	**5%**	**5.0%**
10	**Growth of institutional integrity by inclusion of the measures to mitigate corruption as an element of the management plan**	**Minimum 90% achievemen t of the measures assumed by the approved Integrity Plan**	**%**	**≥90 %**	**90%**	**100%**	**100.0%**	**5%**	**5.0%**

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Total degree of achievement of the performance indicators										**104.1%**
***) Average technological consumption (calculated according to each type of transport)**										
	Director General			**Deputy Director General**			**Economic Director**			
	Eng. TUDORA Dorin			**Legal Expert Dumitrache Anamaria**			**Econ. Toader Sanda**			
									Econ. Burlacu Rodica	

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TIN: RO 1350020; NACE Code 4950; CRN J29/6/22.01.1991
Subscribed and paid-up share capital 28 569 842.40 RON

CONPET SA PLOIEȘTI
No.

Director General
Eng. Dorin Tudora
S.s. Illegible

REPORT
on the internal control management system at 31.12.2021

Pursuant to Art. 4 Para. (3) of Government Ordinance no. 119/1999 concerning the internal control management and preventive financial audit, republished, further amendments and completions, the undersigned *TUDORA Dorin,* in capacity of DIRECTOR GENERAL, hereby declare that the company CONPET SA Ploiesti has an internal control management system whose design and implementation allow the Board of Directors and the management to provide reasonable assurance that the funds managed in order to achieve general objectives and targets have been used in conditions of legality, regularity, effectiveness, efficiency and economy.

This declaration is based on a realistic, accurate, comprehensive and reliable assessment on the internal control management system of the entity, formulated based on the self-evaluation thereof.

The internal control management system includes self-control mechanisms and the application of the measures on improving its effectiveness is based on risk assessment.

In this case, I mention the followings:

- The monitoring commission is functional.
- The development program of the internal control management system is annually implemented and updated.
- The risk management process is organized and monitored.
- The documented procedures are prepared 100% of the total procedural activities inventoried.
- The performance monitoring system is established and evaluated for the objectives and activities of the entity, by performance indicators.

Based on the results of the self-assessment, I appreciate that on December 31st, 2021, the internal control management system of CONPET SA Ploiesti complies with the standards contained in the Code of internal control management

I hereby mention that the statements contained in this report are formulated by assuming managerial responsibility and are based on data, information and findings recorded in the documentation of the internal control system management self-assessment.

Analyzed and endorsed by the monitoring committee of the internal control management system on 28.01.2022.

Chairman of the Committee for the Monitoring of the Internal Control Management System
Deputy Director General
Legal expert Anamaria Dumitrache
S.s. Illegible

					ANNEX no. 5
List of the procurement contracts concluded by the company in 2021 (with values higher than 100,000 RON)					
Crt. No.	**Contract number**	**Contract date**	**Partner**	**Contract scope**	**Value of the contract (RON, VAT excluded)**
1	2021/L-CA 292	30-AUG-21	CIS GAZ SA	Design and execution of works for achieving the objective of replacing wires connecting the Danube crossing C1-C2 and Borcea Arm C3-C4	107,335,602.65
2	2021/L-CA 407	07-DEC-21	PETROCONST SA	Works for the replacement of the crude oil transport pipeline 20" Baraganu - Calareti on 6 sections (about 18.000 m)	21,681,711.15
3	2021/L-CA 374	01-NOV-21	INVEST GENERAL CONSTRUCT SRL	Replacement of crude oil transport pipeline 20 C4 -Baraganu - Calareti on 3 sections (about 600 m), C2-C3 on 6 sections (approx. 7900 m) and Baraganu-Calareti on 6 sections (approx. 18.000 m)? object 1: replacement of crude oil transport pipeline 20 C4 - Baraganu - Calareti on 3 sections (about 600 m), C2-C3 on 6 sections (approx. 7900 m)	12,200,935.45
4	2021/L-CA 289	26-AUG-21	TALPAC SRL	Execution of construction works of 2 new tanks for crude oil (V = 2500 cm each) at Moreni crude oil pumping station according to project A 586	10,989,453.89
5	2021/L-CA 406	06-DEC-21	TALPAC SRL	Execution of modernization of the oil pumping system Moreni station	10,777,848.99
6	2021/P-CA 399	26-NOV-21	SOCIETATEA DE PRODUCERE A ENERGIEI ELECTRICE IN HIDROCENTRALE " HIDROELECTRICA" S.A.	Electricity Supply Batch 1	6,059,553.07
7	2021/L-CA 27	08-FEB-21	TALPAC SRL	Construction works of a new crude oil tank (V= 2500 cm). Biled crude oil loading Ramp	5,394,433.29
8	2021/P-CA 191	28-MAY-21	OMV PETROM MARKETING	Fuel supply based on credit cards.	5,203,800.00
9	2021/P-CA 414	13-DEC-21	PREMIER ENERGY SRL	Natural gas acquisition for 6 months	4,697,250.35
10	2021/L-CA 297	01-SEP-21	PRODREP STAR SRL	Design services and modernization works of the crude oil pumping system in Mislea Station, Prahova County	4,426,147.02

11	2021/L-CA 301	03-SEP-21	INSPET S.A.	Execution of works for the protection of crude oil pipelines 12 and 14 Cartojani, route located between the railway lines Triaj Brazi and Ghighiului Street, on a total length of 110 lm	3,950,579.40	
12	2021/P-CA 221	28-JUN-21	CEZ VANZARE	Electricity Supply Batch 1	3,526,655.76	
13	2021/S-CA 275	17-JUN-21	ENVIROTECH SRL	Framework agreement services for the restoration of the geological environment and of the polluted watercourses as a result of the damages produced on the route of the crude oil, gasoline and ethane transport pipelines or in the technological premises of CONPET S.A. Ploiesti, as well as of taking over the soil contaminated with crude oil	3,477,526.00	
14	2021/L-CA 210	10-JUN-21	TALPAC SRL	Pr+ex works for the replacement of the Constanta pipeline section? Midia 24?, Navodari area, approx. 1100 m (LOT 2)	3,353,974.96	
15	2021/P-CA 408	09-DEC-21	CRAYON SOFTWARE EXPERTS ROMANIA SRL	Licensing for Microsoft software products for a period of 3 years	3,259,562.95	
16	2021/L-CA 295	01-SEP-21	PRODREP STAR SRL	Modernization of the crude oil pumping system in Potlogi Station, Dambovita County	3,101,669.11	
17	2021/P-CA 421	18-MAR-21	SITAN GRUP SRL	Supply, installation of 5 devices/integrated autonomous systems for lifting and handling equipment in buildings pump house Orlesti Station, Otesti, Barbatesti Warehouse, Ticleni and Biled Ramp	2,322,000.00	
18	2021/P-CA 318	21-SEP-21	PREMIER ENERGY SRL	Acquisition of natural gas from the free energy market	2,093,641.86	
19	2021/L-CA 296	01-SEP-21	PRODREP STAR SRL	Execution of the replacement works for the crude oil transport pipeline 10" LASCAR CATARGIU-INDEPENDENTA, (inv. no.122406P/118536), domestic crude oil, on the section Capat RK Lascar Catargiu (2011) the independent irrigation main pipeline, diameter 10 3/4", in length of approx. 3.5 km	2,081,996.12	
20	2021/P-CA 401	26-NOV-21	SOCIETATEA DE PRODUCERE A ENERGIEI ELECTRICE IN HIDROCENTRALE " HIDROELECTRICA" S.A.	Electricity Supply Batch 3	1,919,231.35	
21	2021/S-CA 208	07-JUN-21	WMC GUARD SECURITY S.R.L. Buzau	Security, protection and intervention services, at the objectives, goods and values of CONPET S.A.	1,916,861.76	

22	2021/S-CA 276	12-AUG-21	ENVIROTECH SRL	Subsequent contract 1 to the Service Framework Agreement for the restoration of the geological environment and polluted watercourses as a result of damages caused on the route of crude oil, rich gas and ethane transport pipelines or in the technological premises of Conpet SA Ploiești, as well as picking up soil contaminated by crude oil.	1,738,763.00	
23	2021/P-CA 273	10-AUG-21	SWISO ELECTRIC SRL KAUF ELECTROMEISTER CONSOLIGHT COM SRL	FRAMEWORK AGREEMENT - Supply of materials and equipments for electrical installation The maximum price that can be paid to each Promissor-Supplier is: - 1,599,886.50 RON VAT excluded for CONSOLIGHT COM S.R.L. - 1,653,043.15 RON VAT excluded for SWISO ELECTRIC S.R.L. - 1,695,258.50 RON VAT excluded for KAUF ELECTROMEISTER S.R.L.	1,700,000.00	
24	2021/P-CA 299	01-SEP-21	ETANSARI GRAFEX DINAMIC CONSULT SRL Ploiesti	Framework Agreement Supply of seals for pumping aggregates The maximum price that can be paid to each Promissor-Supplier is: - 748,122.72 RON VAT excluded for DINAMIC CONSULT S.R.L. Ploiesti; - 785,255.75 RON VAT excluded for Societatea ETANSARI GRAFEX S.R.L. Ploiesti.	1,500,000.00	
25	2021/P-CA 400	26-NOV-21	SOCIETATEA DE PRODUCERE A ENERGIEI ELECTRICE IN HIDROCENTRALE " HIDROELECTRICA" S.A.	Electricity Supply Batch 2	1,422,748.38	
26	2021/P-CA 211	11-JUN-21	MAGUAY COMPUTERS SRL	Laptop-type computing systems: - 200 pieces 15.6' laptops with docking station, peripherals and bag, - 20 pieces 14" ultraportable notebook with docking station, peripherals and bag, - 17 pieces ultraportable 13.5"notebook 2in 1 with docking station, peripherals and bag - 17 pieces 23' monitors	1,371,950.00	
27	2021/P-CA 252	15-JUL-21	CORAL 33 ALL PROD SRL PLOIESTI	Supply of personal protection equipment LOT 5 Antistatic, fireproof overalls	1,048,190.00	

28	2021/S-CA 303	06-SEP-21	PHOENIX IT SRL	Services for the implementation of good practices and computerization of project management processes in CONPET	947,500.00	
29	2021/S-CA 363	12-OCT-21	PRIME TELECOM SRL	Maintenance services of fiber optic cable subsystem within the Telecommunication System of CONPET SA	800,000.00	
30	2021/S-CA 361	11-OCT-21	CON METAL CF SRL	Revision, current maintenance and repair of industrial railways - CONPET S.A.	799,958.08	
31	2021/P-CA 300	01-SEP-21	POWER NET CONSULTING SRL Bucuresti	Registry and Document Management Application	799,900.00	
32	2021/L-CA 412	10-DEC-21	CLASS BUSINESS & LEISURE CENTER SRL	Procurement of equipment for the modernization of the system for measuring the temperature and the level of crude oil stored in the tanks in the stations: Videle, Otesti, Ticleni and Poiana Lacului	740,000.00	
33	2021/P-CA 223	28-JUN-21	CEZ VANZARE	Electricity Supply Batch 3	717,725.32	
34	2021/P-CA 274	10-AUG-21	KAUF ELECTROMEISTER UNIOR-TEPID SRL THUNDER TOOLS SRL METATOOLS SRL PLOIESTI	FRAMEWORK AGREEMENT - Procurement of tools, gear and devices	690,000.00	
35	2021/L-CA 213	15-JUN-21	RUXO SERVICE CONSTRUCT	Pr + ex replacement works section Constanta-C1 14", Cuza-Voda area, approx. 550 m (Batch 1)	674,055.83	
36	2021/L-CA 325	30-SEP-21	GAZPET INSTAL SRL PLOIESTI	Execution of replacement works of crude oil transport pipeline F1 8 5/8 " Ticleni Barbatesti, in the access point of the water tank water tank, Barbatesti City Hall, about 200 m.	666,188.17	
37	2021/P-CA 426	24-DEC-21	ROMFLEX SISTEM SRL	Purchase of laptop computers and 23" monitors	639,470.00	
38	2021/S-CA 291	30-AUG-21	MISTER DELIVERY	ERP reconfiguration analysis services	607,500.00	
39	2021/P-CA 271	10-AUG-21	VASTRUM TRANSCOM SRL DELITA INDUSTRIAL TOOLS SRL	FRAMEWORK AGREEMENT - Acquisition of laminates and assembled components	600,000.00	
40	2021/P-CA 290	30-AUG-21	LUBRISTORE SRL MOL ROMANIA PETROLEUM PRODUCTS SRL	FRAMEWORK AGREEMENT - Acquisition of oils, greases, lubricants for motor vehicles, machinery and pumping aggregates	600,000.00	

41	2021/P-CA 222	28-JUN-21	CEZ VANZARE	Electricity Supply Batch 2	555,135.21	
42	2021/S-CA 286	26-AUG-21	MULTIMODAL SERVICE SRL	Maintenance 10 LDH 450, 700, 1250 - HP locomotives	543,733.60	
43	2021/P-CA 382	08-NOV-21	ROMVEGA SRL	5 flow measurement assemblies	522,485.00	
44	2021/P-CA 283	20-AUG-21	CORAL 33 ALL PROD SRL PLOIESTI	Supply of personal protective equipment Batch 4 Antistatic, fireproof coat	497,768.00	
45	2021/S-CA 96	01-MAR-21	AUTOGAS IMPEX SRL	Rental of 12 wagons suitable and authorized for the transport of gaseous hydrocarbons in liquefied mixture, NSA (C mixture)	479,062.50	
46	2021/L-CA 394	04-AUG-21	PGS IT SOLUTIONS SRL	Modernization of the centralized monitoring system for the rail transport of crude oil and rich gas	471,200.00	
47	2021/P-CA 173	06-MAY-21	PHILRO INDUSTRIAL SRL	Supply and installation of the system for weighing railway wagons in Marghita Ramp	468,300.00	
48	2021/S-CA 372	26-OCT-21	ROMFLEX SISTEM SRL	Maintenance services and technical support for the integrated information system (SII).	465,600.00	
49	2021/ADM 168	20-APR-21	OIL TERMINAL S.A.	land rental 3110.79 sq.m. (with a rent of 1804.53 USD/month - 5 years starting the date of the protocol) 1804.53 USD * 4.09 = 7380.53 RON/month*60 months = 442831.80 RON	442,831.80	
50	2021/S-CA 182	24-MAY-21	SERVICE IMPLEMENTARE PRODUCTIE SA	EX 2021 restesting services	433,280.00	
51	2021/EN 170	22-APR-21	SOC. DE DISTRIBUTIE A ENERGIEI EL. MUNTENIA NORD SA FOST FDEE EL. DISTRIB. MUNTENIA NORD SDEE PLOIESTI	connection of electricity headquarters III Ploiesti Str. Independentei	393,354.02	
52	2021/P-CA 266	02-AUG-21	BLUE OFFICE TRADING SRL MEDA CONSULT SRL MIDA SOFT BUSINESS SRL	FRAMEWORK AGREEMENT acquisition of consumables for printers and multifunctionals in 2021	374,840.00	
53	2021/P-CA 175	10-MAY-21	DITOP PAN SRL	Supply, transport and installation of furniture for Conpet S.A. headquarters in B-dul Independentei nr. 7 Ploiesti	332,660.00	

54	2021/ADM 167	20-APR-21	OIL TERMINAL S.A.	land rental 1793.71 sq.m. (with a value of 1327.48 USD/month for 5 years) 1327.48 USD * 4.09 RON = 5429.39 RON*60 months = 325763.59 RON	325,763.59	
55	2021/CCA 224	02-JUL-21	AGENTIA DOMENIILOR STATULUI	Temporary land rental 1366865 ha 65609.52 euro/year, starting the day of approval by the DG of A.D.S. of the Information note and Decision 46/11.06.2021 1 EURO = 4.9202 LEI	322,811.96	
56	2021/S-CA 192	28-MAY-21	ENVIROTECH SRL	Subsequent contract 3 to the framework agreement S-CA 149/11.06.2019 - restoration services of the geological environment and of the polluted watercourses as a result of the damages produced on the route of the oil, gasoline and ethane transport pipelines or in the technological premises of Conpet S.A. Ploiesti, as well as of taking over the soil contaminated with crude oil - duration 2 months; enters into force from 13.06.2021	313,474.90	
57	2021/P-CA 405	06-DEC-21	AUTOMECANICA MEDIAS SRL	Supply of transport semi-trailer for tubular material	290,000.00	
58	2021/P-CA 245	13-JUL-21	C&A Company Impex SRL	Supply of personal protective equipment Batch 2 Antistatic protection boots	282,286.00	
59	2021/RPS 285	23-AUG-21	SPITALUL DE PEDIATRIE PLOIESTI	sponsorship to the Pediatric Hospital Ploiesti	250,000.00	
60	2021/P-CA 163	15-APR-21	FABI TOTAL GRUP SRL	Hygienic and sanitary materials, - Batch 1 - DOVE brand soaps	231,816.96	
61	2021/L-CA-CD 248	14-JUL-21	NITZU JUNIOR CONSTRUCT SRL	Modernization/rehabilitation of Constanta apartments	219,223.00	
62	2021/P-CA 359	07-OCT-21	C&A Company Impex SRL	L 2 Antistatic rain blouse = 867 pc. and Antistatic rain assembly = 804 pc.	211,635.00	
63	2021/S-CA 287	26-AUG-21	REVAG SRL	Maintenance and remediation of accidental defects in tanks and loading-unloading equipment for wagons of 60 cubic meters, 80 cubic meters owned by CONPET SA	198,213.00	
64	2021/S-CA 25	02-FEB-21	ASIGURAREA ROMANEASCA-ASIROM SA	Optional insurance services CASCO 2021	193,601.68	
65	2021/P-CA 156	13-APR-21	ALDO SECURITY SRL BUCURESTI	Supply Seals necessary for sealing tank wagons carrying crude oil and gasoline from the loading ramps and Seals for sealing the valves on the pipes and of the measuring and control devices	188,964.00	

66	2021/L-CA 206	07-JUN-21	SWISO ELECTRIC SRL	Design and execution of works for electricity supply at the post charging electric locomotive with accumulators - Biled crude oil loading ramp	187,525.24	
67	2021/P-CA 265	02-AUG-21	MIDA SOFT BUSINESS SRL MAGUAY COMPUTERS SRL	FRAMEWORK AGREEMENT PURCHASING OF IT MATERIALS BY BATCHES: BATCH 1 - spare parts and peripherals	181,950.00	
68	2021/S-CA 424	21-DEC-21	DARIUS MOTORS SRL	Volkswagen maintenance	180,000.00	
69	2021/P-CA 409	09-DEC-21	NITECH SRL	Viscosimeter supply	178,400.00	
70	2021/S-CA 288	26-AUG-21	CARMENSIMI GRUP	Accidental defect repairs for crude oil transport wagons (60 cm) and rich gas (80 cm) - traffic safety elements	160,217.54	
71	2021/P-CA 214	18-JUN-21	PREMIER ENERGY SRL	Acquisition of natural gas from the free energy market	156,002.98	
72	2021/RPS 193	02-JUN-21		Club Sportiv CONPET sponsorship contract	150,000.00	
73	2021/S-CA 233	07-JUL-21	OIL DEPOL SERVICE SRL CONSTANTA	Slam cleaning services of the crude oil/fuel storage tanks and of the leaking basins within Calareti crude oil pumping station, Calarasi County and of the Martinesti crude oil pumping station, Vrancea County, with all the operations related to cleaning, the transport of the resulting slam and the safe capitalization/disposal for the environment	148,178.98	
74	2021/S-CA 427	30-DEC-21	ASIGURAREA ROMANEASCA-ASIROM VIENNA INSURANCE GROUP SA SUC. PRAHOVA	insuring the members of the Board of Directors and directors with a mandate contract	145,000.00	
75	2021/P-CA 310	15-SEP-21	ELECMOND ELECTRIC SRL	power transformer 6/0,5 kV 1000 kVA Barbatesti and power transformer 20/0,5 kV - 400 kVA Biled	137,400.00	
76	2021/P-CA 368	21-OCT-21	DOMIMED HELP SRL TECHTEX SRL	FRAMEWORK AGREEMENT disposable masks	132,300.00	
77	2021/P-CA 164	15-APR-21	FABI TOTAL GRUP SRL	Sanitary hygienic materials batch 2 towels	126,270.00	
78	2021/S-CA 386	21-JUL-21	IAT ENGINEERING & DESIGN SRL	Solution study and Design for the safety of the 12" and 14" Cartojani - Ploiesti pipelines when crossing the Cricovul Dulce brook	123,000.00	

79	2021/S-CA 413	13-DEC-21	OMNIASIG VIENNA INSURANCE GROUP SA	RCA insurance services	119,881.00	
80	2021/S-CA 422	20-DEC-21	SNIF PROIECT SA	Design and elaboration services of a solution study in order to achieve the objective: Safety of the F1 and F2 10 Siliste Oil Pipelines Ploiesti crude oil transport and decommissioning of the old-inactive pipelines in the Comisani-Bucsani area, at the undercrossing of the Ialomita River	117,000.00	
81	2021/S-CA 253	19-JUL-21	MULTIMODAL SERVICE SRL	Planned repairs without intervention to the container (RP-FIR) to a wagon of 80 cm transport gaseous hydrocarbons in liquefied mixture C and a wagon of 60 cubic meters. transport of crude oil	115,589.81	
82	2021/P-CA 244	13-JUL-21	RENANIA TRADE SRL	Supply of individual protection equipment Batch 1 water/mud protection boots	113,482.08	
83	2021/P-CA 281	18-AUG-21	COMPACT INDUSTRIAL SRL	Automatic equipment for determining the total hydrocarbon content (TPH) and the total oil and fat (TOG) content in water and soil Batch 2	110,000.00	
84	2021/S-CA 154	08-APR-21	MULTIMODAL SERVICE SRL	Intermediate brake overhaul + rollover overhaul (RIF+RRu) for 3 rich gas transport wagons and 38 crude oil transport wagons	109,960.62	
85	2021/S-CA 364	12-OCT-21	ROMANIA EUROEST SA	Services of planned revisions type (RT, 2R2) and accidental fault remediation at OHTL - locomotive adapted to electric drive no. 97 53 0490 010-6	101,848.00	
Important revenues contracts concluded in 2021 (higher than 100,000 RON)						
Crt. No.	**Contract number**	**Contract date**	**Partner**	**Object of the contract**	**Value of thecontract (RON, VAT excluded)**	
1	2021/BC 410	09-DEC-21	SC PETROTEL LUKOIL SA	Lukoil imported crude oil transport	85,959,290.00	
2	2021/BC 425	23-DEC-21	OMV PETROM SA BUCURESTI	crude oil pumping services	4,617,822.00	
3	2021/CD-V 235	14-JUL-21	MSD COM SRL BUZAU	pipeline sale Inotesti storehouse and Baraganu Storehouse	3,084,521.22	
4	2021/BC LUKT 411	09-DEC-21	SC PETROTEL LUKOIL SA	Lukoil domestic crude oil transport	1,582,500.00	
5	2021/BC 420	16-DEC-21	SC ROMPETROL	Midia imported crude oil transport	1,480,800.00	

			RAFINARE CONSTANTA SA			
6	2021/BC 152	06-APR-21	SC FLAGA GPL ROMANIA SRL	Salonta ramp rail tanks maneuvre	567,000.00	
7	2021/CD-V 12	20-JAN-21	MSD COM SRL BUZAU	14 3/4 Inotesti pipeline sale	440,733.69	
8	2021/BC NIS 316	20-SEP-21	NIS PETROL SRL	crude oil transport and condensate during 08.09.2021-31.12.2022	404,566.00	
9	2021/CD-V 133	22-MAR-21	ROMMETAL COM SRL	pipeline sale	175,389.20	
10	2021/BC Serbia 15	20-JAN-21	STANDARD LOGISTIC d.o.o.	Serbia crude oil transport	125,000.00	
			DIRECTOR GENERAL			
			Eng. Dorin Tudora			
		Economic Director				
		Econ. Sanda Toader				
		Sef Departament Comercial				
		jr. Dan Manolache			**Head of Contracts Tracking Department**	
					Econ. Eng. Veronica Nae	
					Drafted by	
					Eng. Ciprian Sava	

Annex no. 6

List of litigations on 14.03.2022

a) The list of files pending before Courts on 14.03.2022 in which the company CONPET S.A. has the status of claimant

1. File no. 19024/281/2009 - Ploiești Courthouse

Parties: Conpet S.A. - claimant

Compania de Transport Feroviar S.A. - Defendant

Subject matter: Conpet filed a lawsuit requesting the defendant to pay the amount of RON 50,511.6 representing the difference in payment from the value of the repair of the engine of the LDH 70-675 locomotive in the amount of RON 60,381.60, as well as the legal expenses.

Clarifications: By **the Conclusion of 02.09.2011**, the court **suspended** the case pursuant to art. 36 of Law 85/2006.

Procedural status of the case: Merits - **Suspended**

Deadline: -

2. File no. 6179/105/2009 - Prahova Court

Parties: Conpet S.A. - creditor

Petroconduct S.A. - debtor

Subject matter: Bankruptcy. Conpet S.A. by the Debt Declaration no. 5949/23.02.2010 requested the registration at the list of creditors with the amount of RON 202,890.47 representing penalties for non-execution on time of the obligations assumed by contract no. L45/18.03.2004 and MST9 / 09.06.2004, equivalent value of tubular material, transport costs, loading, unloading of tubular material, court costs. Conpet SA was registered on the creditors' list of the debtor S.C. Petroconduct S.A. with the amount of RON 62,739.06.

Clarifications: The debtor's judicial liquidator registered the company on the debtor's preliminary list with only a part of the claim claimed by Conpet, respectively RON 62,739.06, from the total claim in the amount of RON 216,412.56, although our company filed all appeals which were at his disposal.

By the **Sentence no. 118/02.03.2022** The Prahova Court orders the closure of the debtor's bankruptcy procedure. It orders the removal of the debtor from the Trade Register. It discharges the liquidator of any duties and responsibilities. It orders the notification of this sentence to the debtor, the creditor, the special administrator, the Territorial Directorate of Public Finances, the Trade Register Office attached to the Prahova Court, to make the closing and delisting statements, as well as the publication through the National Bankruptcy Register. The decision may be appealed after communication.

Procedural status of the case: --

Deadline: --

3. File no. 3033/105/2012 - Prahova Court

Parties: Conpet SA - creditor

Vasrep Petro Construct SRL - debtor

Subject matter: Bankruptcy. By the Sentence no. 238/03.03.2014 the Prahova Court ordered the entry in the bankruptcy procedure of the debtor Vasrep Petro Construct SRL, the sealing of the assets from the debtor's fortune and the fulfillment of the other liquidation operations.

Conpet SA formulates a request for admission of the claim requesting the registration on the list of creditors Vasrep Petro Construct SRL with the amount of RON 126,877, including VAT, representing the value of material costs, costs for workmanship and equipment necessary for bringing the pipeline to the state before the unlawful act was committed by the debtor, deed consisting in the unlawful destruction and theft of two sections of 4,120 ml in length from the pipeline Ø 10¾" Iancu Jianu - Ghercești. Conpet appeals against the measure of non-registration of Conpet SA on the Preliminary List with this claim, which is the subject matter of file no. 3033/105/2012/a1. By the Sentence no. 1958/19.11.2012, the Prahova Court dismissed Conpet's appeal, Conpet appealed again; the Ploiești Court of Appeal allowed the appeal, quashed the sentence on the merits and sent it for retrial.

By the **sentence no. 1008/17.09.2014** (file no. 3033/105/2012/a1 *) the Prahova Court admits the appeal to the preliminary title. It orders the registration of the appellant creditor Conpet S.A. in the consolidated list of creditors of the debtor with the amount of RON 1,473,628 the value of materials, workmanship and equipment as well as RON 120 judicial stamp duty appeal and RON 2500 expert fee. Vasrep appealed.

By **decision no. 141/15.01.2015** The Ploiești Court of Appeal rejects the appeal as unfounded.

Procedural status of the case: Merits

Deadline: 22.03.2022

4. File no. 2803/120/2013 - Dambovita Court

Parties: Conpet SA - creditor

Ecprod SRL - debtor

Subject matter: Insolvency. General procedure

Request for admission of claim. Conpet SA filed a request for admission of a claim on the property of the debtor Ecprod in the amount of RON 25,728.89. Conpet is registered on the List of creditors with the amount of RON 25,728.89.

Procedural status of the case: Merits

Deadline: 06.04.2022

5. File no. 7932/118/2013 * - Constanța Court

Parties: Conpet SA - civil party

Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Luca Viorel, Meridicos Romeo Ovidiu, Dimofte Petronel, Matei Marius Ionut, Ahălanei Ioan - defendants

Romeo International Service Company SRL Năvodari - defendant

Romeo International Service Company SRL Năvodari represented by Nicolaidis Constantin - defendant

Ministry of Public Finance - ANAF - civil party

DGFP - civil party

Subject matter: Tax evasion offenses (Law 87/1994, Law 241/2005), art. 323 Criminal Code, Grand larceny (art. 208-209 Criminal Code). Conpet SA became a civil party for the amount of RON 928,785.94 representing the value of the amount of stolen crude oil (277 tons), pipeline remediation works and laboratory analyzes.

Clarifications: By the **sentence no. 472/17.12.2015** the Constanța Court admits the civil action filed by the civil party Conpet SA. Ploieşti. It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 90,814.50 (the equivalent of 30 tons of crude oil stolen on 05/27/2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 93,841.65(the equivalent of 31 tons of crude oil stolen on 05/31/2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 111,027.27 (the equivalent of 36 tons of crude oil stolen on 06/03/2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 585,977.25 (the equivalent of 190 tons of crude oil stolen on 04.06.2013 and 05.06.2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 17,289.32 representing the value of the decommissioning works of the artisanal installation and for bringing the pipeline to its initial state. It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 9,576.84 representing the equivalent of laboratory analyzes, for 17 samples of petroleum product. Note that the civil party Conpet SA. waived the civil claims in the amount of RON 20,268.11 for the deed of 03.08.2013 because the damage was fully recovered. The decision was appealed by the defendants.

By **decision no. 675/10.06.2016** the Constanța Court of Appeal admits the appeals made by the Prosecutor's Office attached to the Constanta Court and by the defendants Bivolaru Gabriel, Chihaia Marin, Mangalea Gheorghe, Arhire Adrian, Poenaru Marius Ciprian, Boamfă Paul, Luca Viorel, Meridicos Romeo Ovidiu, Dimofte Petronel, Matei Marius Ionut, Ahălanei Ioan and SC Romeo International Service Company SRL Năvodari. It abolishes in full the criminal sentence no. 472/17.12.2015 pronounced by the Constanța Court in file no. 7932/118/2013 and orders the case to be sent for retrial to the Constanța Court. Here it receives * and orders the case to be sent to the judge of the preliminary chamber (7932/118/2013*/a1).

By the **Conclusion no. 93/28.02.2017** the Constanța Court rejects as unfounded the requests and exceptions formulated by the defendants Bivolaru Gabriel, Chihaia Marin, Merdicos Romeo Ovidiu, Arhire Adrian and Mangalea Gheorghe. It finds the legality of notifying the court with Indictment no. 569/P/2013 of 08/30/2013 issued by the Prosecutor's Office attached to the Constanţa Court of Appeal, which ordered the prosecution of the defendants. It ascertains the legality of

the administration of the evidence and of the execution of the criminal investigation acts. It orders the commencement of the trial of the case. The conclusion was contested, rejected by CA Constanța.

Also, by **the Conclusion of 28.02.2017**, the Constanța Court finds the plea of non-compliance with the constitution admissible. It notifies the Constitutional Court with the settlement of the plea of non-compliance with the constitution invoked by the defendant Bivolaru Gabriel, in the file no. 7932/118/2013 * of the Constanţa Court, regarding the constitutional challenge of art. 280 para.1, art. 281 paragraph 1 and art. 282 paragraphs 1 and 2 of the Code of Criminal Procedure - file no. 812D/2017. The plea was rejected as unfounded.

Procedural status of the case: Merits- retrial

Deadline: 16.03.2022

6. File no. 1862/114/2014 - Buzău Court

Parties: Conpet SA - creditor

Geluval Stor SRL - debtor

Subject matter: By the Sentence no. 621/26.10.2016, the Buzău Court orders the entry into the general bankruptcy procedure of the debtor, the sealing of all the assets from the debtor's property, their inventory and the fulfillment of the other liquidation operations. Conpet SA formulates a request for admission of the claim requesting the registration on the list of creditors of Geluval Stor SRL with the amount of RON 1,440.90, representing delay penalties due for payment over the term provided in the contract for a value of 7 invoices issued by Conpet for services provided in under Contract no. STA 101/20.03.2012 concluded with the defendant, amount to which the debtor was obliged by the sentence no. 8867/16.06.2014 given by the Ploiești Court in the file no. 109/281/21014, remained final by non-appeal.

Procedural status of the case: Merits

Deadline: 24.03.2022

7. File no. 1510/262/2014 - Moreni Court

Parties: Conpet SA - claimant

Pîrvu Gheorghe - defendant

Pîrvu Nicolae - defendant

Grigorescu Gabriel - defendant

Zlăteanu Dragoș Marian - defendant

Dărmănești Commune, legally represented by the Mayor of Dărmănești Commune - defendant

SC Nimb Dâmbovița SA - defendant

Subject matter: Conpet filed a lawsuit requesting the court to order the defendants, jointly and severally, to pay to Conpet the amount of RON 34,944.18 as civil damages - representing the equivalent of remedial works of the Link 14 fiber optic pipeline and cable, destroyed on 03.06.2011, within the commune of Dărmănești, Dâmbovița county, works necessary to bring them to the initial state before committing the deed, i.e. in working order, amount to which is added the interest from the date on which the sentence in the present case becomes final and until the date of actual payment; payment of the legal expenses.

Clarifications: By the **Conclusion of 08.01.2015**, the Moreni Court suspends the trial of the case in relation to the defendant SC Nimb Dambovita SA. It dismisses the case regarding the other defendants and the formation of a new file (184/262/2015 - finalized by obliging the defendants Pârvu Gheorghe, Pârvu Nicolae, Grigorescu Gabriel and Zlăteanu Dragoș Marian to pay to Conpet the amount of RON 34,944.18 and the related interests of this amount, starting with the date of finality of the Sentence no. 97/04.02.2016 and until the date of actual payment. The decision was executed and is the subject of the file No. 30/2018 – Bailiff's Office Petrov Sergiu Alexandru).

Note: By the Conclusion of 14.12.2012 - file no. 9446/120/2012 - the Dâmbovița Court ordered the opening of the general insolvency procedure against the debtor Nimb Dâmbovița SA. By the Sentence no. 611/09.10.2014 The Dâmbovița Court orders the opening of the general procedure of judicial reorganization and the confirmation of the reorganization plan. The reorganization procedure is ongoing.

By the **Conclusion of 22.06.2017** pronounced in the file no. 1510/262/2014 the Moreni Court, finding that the law applicable to the insolvency proceedings of the defendant SC Nimb Dambovita SA is Law no. 85/2006 and that the suspension will last until the closing of the insolvency procedure pronounced by the syndic judge based on art. 11 para. 1 letter n of Law no. 85/2006, maintains the suspension of the trial of the case ordered by the Conclusion of 08.01.2015.

Procedural status of the case: Merits - **Suspended**

Deadline: -

8. File no. 6819/118/2013 - Constanța Court

Parties: Conpet SA - creditor

Tobias SRL - debtor

Subject matter: Bankruptcy. Conpet S.A. requested the registration on the list of creditors of the debtor with the amount of RON 663 representing the equivalent value of 230 kg of aluminum (RON 575) and 110 kg of scrap metal (RON 88), handed over to Tobias SRL on 06/04/2013, based on the contract of sale - purchase of waste no. 2013/ADM/15.02.2013 concluded between Conpet and Tobias.

The request formulated by Conpet was admitted in part by the judicial administrator, in the sense that our company was registered on the list of creditors with the amount of RON 643.11, the difference of RON 19.89 representing the 3% environmental fund and due to the Environmental Fund Administration.

The percentage of the Conpet receivable is 0.014% of the total of receivables entered in the list.

Procedural status of the case: Merits

Deadline: 05.05.2022

9. File no. 717/105/2015 - Prahova Court

Parties: Conpet SA - creditor

Footbal Club Petrolul Ploiești SA - debtor

Subject matter: Bankruptcy. Conpet filed a request for admission of the claim by which it requested the registration on the list of creditors of the debtor Fotbal Club Petrolul Ploiești SA with a claim in the amount of RON 14,465.33. Conpet was entered on the list of receivables of the debtor's creditors with the requested amount.

Clarifications: By the sentence no. 821/22.06.2016 The Prahova Court admits the request of the judicial administrator. It approves the conclusions of the judicial administrator's report. It orders the beginning of the general procedure of the debtor's bankruptcy. It orders the dissolution of the debtor company and the lifting of the debtor's right of administration. It orders the sealing of the debtor's assets and the fulfillment of the other liquidation operations.

Procedural status of the case: Merits

Deadline: 06.04.2022

10. File no. 13386/3/2015 - Bucharest Court

Parties: Conpet SA - creditor

Perfect Metal SRL - debtor

Subject matter: Bankruptcy. Conpet S.A. requested the registration on the list of creditors of the debtor with the amount of RON 221,189.85 representing penalties for delay, compensations, interest and legal expenses.

The request was accepted but Conpet was entered on the list in the **category of unsecured creditors** and not in the category of secured creditors as would have been the case considering the content of our request for registration in the preliminary list of creditors. Conpet filed an appeal against the preliminary list of creditors, which was the subject matter of the file no. 13386/3/201 / a1 with a deadline on 18.09.2015. By **Decision no. 7106/18.09.2015** The Bucharest Court rejects the appeal as unfounded. The percentage of the Conpet receivable is **0.42625 of the total receivables entered on the list.**

Procedural status of the case: Merits

Deadline: 09.09.2022

11. File no. 19602/3/2015 - Bucharest Court

Parties: Conpet SA - creditor

Top Birotica SRL - debtor

Subject matter: Bankruptcy. Conpet S.A. requested the registration on the list of creditors of the debtor with the amount of RON 2,258.72 representing delay penalties due for the delayed delivery of the equipment that was the object of the contract P-CA 438/17.11.2014.

Conpet was registered at the debtor's list of creditors with the amount of RON 2,258.72.

The percentage of the Conpet receivable is 0.010% of the total receivables entered on the list. The amount recovered so far: RON 0

Procedural status of the case: Merits

Deadline: 22.06.2022

12. File no. 2899/62/2015 - Brașov Court

Parties: Conpet SA - creditor

Condmag SA - debtor

Subject matter: Bankruptcy. Request for admission of the Conpet claim against the property of the debtor Condmag SA – RON 42,950.85 representing penalties.

Conpet was registered on the list of creditors with the amount of RON 42,2950.85 representing an unsecured debt. The percentage of the Conpet receivable is 0.02% of the total receivables entered on the list. The amount recovered so far: RON 166.15

Procedural status of the case: Merits

Deadline: 15.03.2022

13. File no. 8156/281/2014 * - Ploiești Court

On appeal: file no. 447/42/2020

Parties: Conpet SA - civil party

Matei Marinel - claimant for judicial review

Subject matter: Grand larceny. Revision. Matei Marinel formulates a request for revision of the criminal decision no. 1383/14.10.2013 pronounced by the Ploiești Court of Appeal in the file no. 19230/281/2011.

Note: By the Criminal Decision no. 1383/14.10.2013 Ioniță Ion, Marin Matei Georgian and Matei Marinel were obliged to pay to Conpet an amount of RON 13,259.79. The decision was enforced and is the subject of file no. 200/2016 located at the Bailiff's Office Petrov Sergiu Alexandru.

Clarifications: By **Sentence no. 1162/03.08.2020** The Ploiești Court admits the request for review formulated by the claimant for judicial review Matei Marinel, against the criminal sentence no. 1286/07.06.2013 of the Ploieşti Court, abolished and finalized by the criminal decision no. 1383/14.10.2013 of the Ploieşti Court of Appeal. It cancels the criminal sentence no. 1286/07.06.2013 of the Ploieşti Courthouse, as well as MEPI no. 1538/2013 of 15.10.2013 issued by the Ploiești Courthouse. It orders the acquittal of the defendant Matei Marinel, under the aspect of committing the crime of grand larceny, provided by art. 208 para. (1) - art. 209 para. (1) letters a) and g) para. (3) letter a) Previous Criminal Code, with the application of art. 41 para. (2) Criminal Code. It finds that the defendant Matei Marinel was detained from 22.11.2013 to 12.11.2014, inclusive. The decision was appealed by the Prosecutor's Office attached to the Ploiești Courthouse.

By **Decision no. 954/26.10.2020** The Ploiești Court of Appeal admits the appeal declared by the Prosecutor's Office attached to the Ploiești Courthouse against the criminal sentence no. 1162 of August 3, 2020 pronounced by the Ploieşti Courthouse, which it annuls in its entirety and sends the case for retrial to the first instance according to the considerations of the present decision. Final.

Procedural status of the case: Review

Deadline: 15.03.2022

14. File no. 310/120/2016 - Ploiești Court of Appeal

Parties: Conpet SA - civil party

OMV Petrom SA - civil party

SNTGN Transgaz SA - civil party

Gruia Gheorghe, Vasile Valentin, Ciobanu Viorel, Dudas Pavel, Tudorache Marius, Parvu Valentin, Georgescu Anda, Manda Marin - defendants

Subject matter: Establishment of an organized criminal group (art. 367 NCP). Conpet became a civil party for the amount of RON 405,536.24, representing the equivalent value of the stolen pipelines.

Clarifications: By the Conclusion of 05/31/2016, the Dâmbovița Court sends to the Prosecutor's Office the case started by the indictment given in the criminal prosecution file no. 124/D/P/2013 of the Prosecutor's Office attached to the High Court of Cassation and Justice - DIICOT – Dâmboviţa FO regarding the defendants G G, V V, C V, D P, T M, P V, G A, M M injured people being OMV Petrom SA, Conpet SA , National Company for Natural Gas Transport „Transgaz" SA. The Prosecutor's Office filed an appeal against the decision, pending before the Ploiești Court of Appeal. By the Conclusion of 13.10.2016, the Ploiești Court of Appeal admits the appeal filed by the Prosecutor's Office attached to the High Court of Cassation and Justice - DIICOT - Dâmboviţa Field Office, annuls the contested decision and, re-judging, finds the legality of the referral of the Dâmboviţa Court by the indictment no.124/D/P/2013 of the Prosecutor's Office attached to the High Court of Cassation and Justice - DIICOT - Dâmboviţa Field Office, administration of evidence and execution of criminal investigation acts. It orders the commencement of the trial.

By the **Sentence no. 366 / 09.05.2019** The Dâmbovița Court admits the civil actions filed in the case by the civil parties of the National Company for Natural Gas Transport "TRANSGAZ" S.A., S.C. CONPET S.A., and S.C. OMV PETROM SA, specified during the judicial investigation and obliges the defendants to compensate, as follows: a) For the deeds committed to the detriment of the civil party, the National Company for Natural Gas Transport „TRANSGAZ" SA, it jointly obliges the defendants: Gruia Gheorghe, Vasile Valentin, Ciobanu Viorel, Dudaș Pavel, to pay the amount of RON 51,588; b) For the deeds committed to the detriment of the civil party S.C. CONPET S.A., it jointly and severally obliges the defendants: Gruia Gheorghe, Vasile Valentin, Georgescu Anda to pay the amount of RON 869,084, 26; c) For the deeds committed to the detriment of the civil party S.C. OMV PETROM S.A., it jointly and severally obliges the defendants: Gruia Gheorghe, Vasile Valentin, to pay the amount of RON 28,134.11; It dismisses the civil action brought by Amuza Daniel as unfounded. The decision was appealed by the defendants.

By the **Decision no. 1292/22.12.2021** The Ploiești Court of Appeal rejects as unfounded the appeals declared by the Prosecutor's Office attached to the High Court of Justice DIICOT Ploiești Territorial Service and by the defendants: Gruia Gheorghe, Vasile Valentin, Ciobanu Viorel, Dudaş Pavel, and Georgescu Anda. Vasile Valentin filed an appeal in cassation.

Procedural status of the case: Appeal in cassation

Deadline: --

15. File no. 8529/281/2016* - Ploiești Courthouse

Parties: Conpet SA - civil party

Constantin Costel, Matei Marian, Stan Mihai Catalin, Matei Valentin Dumitru - defendant

Subject matter: Grand larceny. Conpet became a civil party for the amount of RON 158,780.39 composed of:

- RON 24,691.2 (including VAT) representing the equivalent value of the quantity of 30,000 liters stolen during September-October 2015 by the defendants Stan Mihai Catalin, Matei Marian and Matei Valentin Dumitru
- RON 128,394.0 (including VAT) representing the equivalent value of the quantity of 156,000 liters stolen during September-October 2015 by the defendants Constantin Costel, Stan Mihai Catalin and Matei Marian.

- RON 5,695.19 (including VAT) representing the equivalent value of the pipeline remediation works, necessary to bring it to its initial state before the commission of the crime, i.e. in working order.

Conpet filed a request to increase the amount of the application for civil party to the amount of RON 243,127.77 representing the damage suffered by Conpet as a result of the theft of petroleum products that took place between September and October 2015 from the pipeline 14 ”Brazi inside the skid 24” administered by Conpet. The damage suffered by Conpet is of RON 248,822.96 composed of:

- RON 39,218.96 (including VAT) representing the equivalent value of the quantity of 30,000 liters stolen during September-October 2015 by the defendants Stan Mihai Catalin, Matei Marian and Matei Valentin Dumitru
- RON 203,914.72 (including VAT) representing the equivalent value of the quantity of 156,000 liters stolen during September-October 2015 by the defendants Constantin Costel, Stan Mihai Catalin and Matei Marian.
- RON 5,695.19 (including VAT) representing the equivalent value of the pipeline remediation works, necessary to bring it to its initial state before the commission of the crime, i.e. in working order.

Clarifications: By the **sentence no. 2366/13.12.2019** The Ploiești Courthouse partially admits the civil action filed by the civil party Conpet SA and jointly obliges the defendants Constantin Costel, Matei Marian, Stan Mihai Cătălin and Matei Valentin Dumitru to pay to it the amount of RON 243,127.77 representing material damages. The decision was appealed by Conpet, as well as by Constantin Costel and Matei Marian.

By Decision no. 538/2021 **t**he Ploiești Court of Appeal admits the appeals made by the defendants Constantin Costel, Matei Marian, against c.s. no. 2366/13.12.2019, ordered by the Ploiești Courthouse in the file no. 8529/281/2016, it partially annuls the appealed sentence and orders the retrial of the civil side by the Ploiești Courthouse.

By the civil Sentence no. 1748/01.11.2021 pronounced by the Ploiești Court in the file 8529/281/2016 * in retrial, the court obliged the defendants to pay the amount of RON 243,127.77 representing the equivalent amount of 186,000 liters of stolen crude oil. Conpet appealed because the court did not oblige the defendants to pay the amount of RON 5695.19 representing the equivalent value of the pipeline remediation works, necessary to bring it to its initial state before committing the crime, i.e. in working order.

By the **Decision** no. 15/05.01.2022 The Ploiești Court of Appeal admits the appeals declared by the appellant civil party SC Conpet SA and by the appellant defendants: CONSTANTIN COSTEL and MATEI MARIAN. It shall annul the judgment under appeal in its entirety and order that the case be referred to the retrial in accordance with the terms of this Decision.

Procedural status of the case: Merits - retrial

Deadline: --

16. File no. 8262/281/2016 - Ploiești Courthouse

Parties: Conpet SA - creditor

Conpet Club Football Association - debtor

Subject matter: Dissolution of a legal entity. Request for admission of the claim. Conpet SA formulates a request for admission of the claim on the property of the debtor Conpet Club Football Association, against which the dissolution was ordered by the Civil Sentence no. 8683/04.10.2016 pronounced by the Ploiești Courthouse in the file no. 8262/281/2016, by which it requests the court to admit the application for registration on the list of creditors of the debtor Conpet Club

Football Association with the amount of RON 424.94, as a certain, liquid and due receivable, born before the admission of the dissolution application, representing the penalties payment rest, according to the invoice no. 1653/31.05.2015, calculated for the late payment of the obligations arising from the Lease Agreement no. ADM 366/23.10.2012, concluded by Conpet SA with the Conpet Club Football Association. By the address 39101/28.09.2017 Conpet requested the completion of the value of the debt registered by the Conpet Club Football Association and with the amount of RON 1,358.84 representing delay penalties born prior to the dissolution request (total RON 1,783.78).

Procedural status of the case: Merits

17. File no. 789/105/2017 - Prahova Court

Parties: ICIM SA by CITR Bucharest administrator - debtor

Conpet SA- creditor

Subject matter: Insolvency proceedings. Conpet requests the registration on the list of creditors of the company ICIM SA represented by judicial administrator CITR BUCHAREST SUBSIDIARY SPRL, with the total receivable in the amount of RON 393,934.37 representing delay penalties, legal expenses, execution costs.

A) RON 50,094, 8 representing the equivalent value of the works for repairing the damage to the pipeline Ø 6 RA Moreni-Ploiești and the lost crude oil, legal interest, legal expenses and execution costs established by the enforceable title - civil sentence no. 1014/28.01.2015 pronounced in the file no. 113/281/2014 remained final and corrected by the Conclusion of correction of the material error on 06.06.2016, by which the Ploiești Courthouse admitted the request for summons filed by the claimant Conpet S.A.

B) RON 343,839.57 composed of the amount of RON 331,271.57 representing penalties for delay in accordance with the provisions of art. 8.1. from the contract 0135/1995 (modified by art. 5 of the additional act 9/2005 and the additional act no. 10/2006), as well as the amount of RON 12,568 representing judicial stamp duty, judicial stamp and expertise fee.

Conpet was entered on the list with the requested amount.

The percentage of the Conpet receivable is 0.75 & of the total receivables entered on the list.

ICIM filed an appeal which is the subject of the file no. 789/105/2017 / a1 and requested:

- mainly a partial amendment of the preliminary list of creditors in connection with the rejection of the application for entry of the claim in the amount made by Conpet
- in the alternative, a partial amendment of the preliminary list of creditors for the purpose of entering the conditional Conpet claim.

The ICIM appeal was the subject matter of the file 789/105/2017 / a1. By Decision 776/2018, the Prahova Court rejects the appeal regarding the preliminary list formulated by the debtor INTREPRINDEREA CONSTRUCȚII INSTALAȚII MONTAJE SA regarding the claim of the creditor CONPET SA

By the Conclusion of 11.09.2020, the Prahova Court ordered the entry into the bankruptcy procedure of the debtor.

Procedural status of the case: Merits

Deadline: 22.03.2022

18. File no. 2782/229/2018 - Fetești Courthouse

Parties: Conpet SA - claimant

Zacon Trandafir - defendant

Subject matter: Conpet SA filed a summons for the named Zacon Trandafir so that based on the evidence that will be administered, the court will issue a court decision by which:

- found the absolute nullity of the sale-purchase contract no. 1047/03.02.1999, concluded between Conpet SA, as seller and Zacon Trandafir as buyer;

- orders to the defendant to pay the legal expenses.

In the alternative, the defendant Zacon Trandafir is required to pay the equivalent value of the property at the fair market value established following the administration of a forensic technical expertise.

The court ordered the stamping of the second end of the application with the amount of RON 4472. The fee was paid by Conpet.

Clarifications: By the **Conclusion of 22.04.2021**, the Fetesti Courthouse defers the judgement for the date of 05.05.2021, disjoins the second end of the request and orders the formation of a new file, having as object an application for damages. By **Sentence no. 828/2021 of 29.07.2021**, it rejects as unfounded the request for summons filed by the claimant S.C. CONPET S.A. in contradiction with the defendant ZACON TRANDAFIR, having as subject matter the annulment of the deed (affirmance of absolute nullity). It admits the counterclaim filed by the defendant-claimant ZACON TRANDAFIR, in contradiction with the claimant-defendant S.C. CONPET S.A. having as subject matter the finding of a valid conclusion of the contract concluded between the parties. It obliges the claimant to pay to the defendant the amount of RON 7,471, as legal expenses (RON 3,000 - lawyer's fee, RON 4,471 - judicial stamp duty). The decision can be appealed in 30 days after the communication, which will be submitted at the Fetesti Courthouse. Pronounced by making the solution available to the parties through the court registry, today, 29.07.2021. Conpet appealed.

Procedural status of the case: appeal

Deadline for judgement: --

19. File no. 27022/3/2018 - Bucharest Court

Parties: Conpet - creditor

PETROCONSTRUCT GROUP S.R.L - debtor

Subject matter: Bankruptcy - general insolvency proceedings.

By the application for admission of the initial claim, Conpet requested the registration on the list of creditors with the claim in the amount of RON 17,176.14 representing unpaid debt and penalties resulting from the ADM 803/05.12.2017 contract (space rental). From this debt, the amount of RON 2,867.90 was recovered through compensation, being a receivable that was born after the opening of the procedure.

Conpet is registered on the list of creditors (BPI 21250/08.11.2018) **with the amount of RON 14,308.24**.

Clarifications: --

Procedural status of the case: Merits

Deadline: 05.04.2022

20. File no. 13717/281/2019 - Prahova Court

Parties: Conpet SA - creditor

Dobrogeanu Dumitru - debtor

Subject matter: Conpet formulates a request for the return of the foreclosure by which it requests the court, as by the decision that will pronounce it, to order the return of the foreclosure carried out on the basis of the enforceable title represented by the decision no. 669 of 20.12.2011 of the Prahova Court in the execution file no. 20/2016 to the Bailiff's Office Divoiu Maria, by partially restoring the situation prior to the execution, in the sense of obliging the defendant DOBROGEANU DUMITRU (pursuant to art. 723 of the Civil Procedure Code) to pay the following amounts to the undersigned:

- RON 5,930 amount which represents the difference between the amount actually enforced and the debt we owed.
- RON 576 as legal expenses consisting of stamp duty and equivalent value of photocopies of the execution file.

Also, it requests the updating with the penalizing legal interest of the amount of RON 5,930 starting with the date of 11.04.2016 and up to the date of the effective payment.

Clarifications: By the **Conclusion of 27.11.2020**, the Ploiești Courthouse reopens the case in order to summon the appellant with the mention of paying a remaining judicial stamp duty in the amount of RON 250, with the right of re-examination within 3 days from communication and with the possibility to apply for the granting of facilities for the payment of the stamp duty within 5 days from the communication.

By Sentence no. 4382/28.05.2021, the Ploiești Courthouse dismisses based on the plea of claimant's lack of interest regarding the amount of RON 576, invoked ex officio, as unfounded. It admits the action brought by Conpet S.A., against the defendant DOBROGEANU DUMITRU. It orders the return of the enforcement in the enforcement file no. 20/2016 of the Bailiff's Office Divoiu Maria for the amount of RON 5,930 and it obliges the defendant to pay the claimant this amount. It obliges the defendant to pay the claimant the amount of RON 576 as legal expenses in file no. 8872/281/2016. It obliges the defendant to pay the claimant the amount of RON 460.65 as legal expenses incurred in this case. With right of appeal in 30 days after the communication. The appeal application will be submitted at the Ploiesti Courthouse. Dobrogeanu Dumitru appealed.

Procedural status of the case: Appeal

Deadline: 19.01.2022

21. File no. 8727/105/2017 - Prahova Court

Parties: Conpet SA - claimant

PAULUS S.R.L. - Defendant

Subject: Bankruptcy - general procedure

Subject matter: On 14.102019, Conpet filed a payment request with the judicial administrator CITR BUCHAREST SUBSIDIARY SPRL (art. 75 * paragraph 3 of Law no. 85/2014) for the payment of the amount of **RON 32,493.44**, amount due on 07/04/2019 by PAULUS SRL (CF 4000500), for not fulfilling the obligations established by the contract no. S-CA 1191/05.07.2017 (air conditioning maintenance). The request was granted.

Clarifications: Paulus filed an appeal against the measure of the judicial administrator file 8727/105/2017/a13 - Appeal term 09/09/2020 (Ploiesti Court of Appeal). By Decision 213/2020, the appeal was rejected.

Procedural status of the case: Merits

Deadline: 24.03.2022

22. File no. 2036/83/2019 - Satu Mare Court

Parties: Conpet SA - claimant

PRODREP MG S.R.L. - Defendant

Subject: bankruptcy

Subject matter: On 18.11.2019, Conpet filed an application for registration on the list of creditors of the debtor PRODREP MG S.R.L. with the amount of RON 284,496.11 representing:

- damages in the amount of RON 148,926.49 provided in art. 18.2 of the works contract L-CA 699 of 28.09.2017 (20% of the contract value provided in art. 3 of the contract);
- penalties of 0.5%/day of delay provided by art. 17.1 of the works contract L-CA 699 of 09/28/2017 applied to the value of the unexecuted works in the amount of RON 46,575 for a number of 162 days of delay calculated from 10.04.2019 to 19.09.2019 the date of termination of the contract;
- equivalent value for electricity supply in the amount of RON 16.54 for the period 01.08.2019-31.08.2019, resulting from the execution of the works contract L-CA 699 of 28.09.2017;
- penalties of 0.5%/day of delay in the amount of RON 78,644.16 provided by art. 17.1 of the works contract L-CA 537 of 27.07.2017 applied to the value of unexecuted works for a number of 168 days of delay calculated from 01.05.2019 to 15.10.2019 the date of opening the insolvency procedure;
- penalties of 0.5%/day of delay in the amount of RON 10,333.92 provided by art. 17.1 of the works contract L-CA 380 of 10/05/2016 applied to the value of the unexecuted works for a number of 114 days of delay calculated from the date set for the completion of the works until their actual completion.

Conpet filed an application for registration on the supplementary list and for the amount of RON 18,724.8 (address 38994/04.12.2020) representing the current receivable born after the date of opening the insolvency and appeal procedure to the extent of the administrator to recover the amounts of RON 5,105.26 (address 30649/29.09.2020) and RON 49,295.45 (address 38987/04.12.2020) representing aggregate repairs, performed during the warranty period.

Clarifications: at the deadline on 20.10.2020, the court admitted the request of the judicial administrator and pursuant to art. 145 paragraph 1 point A letter c and point B of Law no. 85/2014 ordered the beginning of the bankruptcy procedure in the general form of the debtor PRODREP MG S.R.L. - SC 339/F/20.10.2020 BPI 18101/28.10.2020. On 26.11.2021 Conpet made a request for intervention in the file 2036/83/2019/a9- **deadline 22.02.2022**. Conpet appealed against the measure of the administrator 2036/83/2019 / a10 - **in judgement – 02.03.2022.**

Procedural status of the case: Merits

Deadline: 03.05.2022

24. File no. 4532/281/2020 * - Ploiesti Courthouse

Parties: Conpet SA - claimant

Dobrogeanu Dumitru - defendant

Subject matter: Conpet filed an appeal against the documents issued in the enforcement file no. 1/2020 pending before the Office of the Bailiff Divoiu Maria and requested:

1. Cancellation of the summons from 12.02.2020 issued by the Office of the Bailiff Divoiu Maria for the payment of **a debt in the amount of RON 19,342.63** **(RON 16,321.30** representing the difference resulting from the calculation of inflation related to the amount of RON 53,116 for the years 2018 and 2019 starting with 20.12.2011 until 31.12.2018 for the amount due in 2018 and starting with 20.12.2011 until 31.12.2019 for the amount due in 2019, **RON 1,079.1** representing execution expenses and RON **1,942.23** representing the executor's fee)

2. Cancellation of the Conclusion establishing the execution expenses in the amount of **RON 3,021.33** from 12.02.2020 issued by the Office of the Bailiff Divoiu Maria in the execution file no. 1/2020

3. Cancellation of the notice of establishment of the attachment issued on 12.02.2020 issued by the Office of the Bailiff Divoiu Maria in the execution file no. 1/2020

4. Return of the execution for the amount of **RON 131.55** representing the difference resulting from the calculation of the inflation index calculated by the bailiff Divoiu Maria (16,321.30 RON) according to the conclusion of 12.02.2020 and the calculation made by CONPET S.A. according to INS (16,189.75 RON).

5. Return of the execution for the amount of RON **1,311.97** paid as a debit update with the inflation index for the period 01.01.2018-31.12.2018 within the real payment offer no. 5/2018 – the Bailiff's Office Petcu Alexandru

6. Return of the execution for the amount of RON **1,333.21** paid as a debit update with the inflation index for the period 01.01.2019-31.12.2019 within the real payment offer no. 2/2019 made by the Professional Civil Society of Bailiffs Goslan and Stanga

7. Return of the execution for the difference in fee paid in addition to Bailiff's Office Divoiu Maria within the execution file no. 1/2020, respectively the amount of RON **587.78** (16,189.75 CONPET calculation as debit - 1,311.97-1,333.21 = 13,544.57; the debit is 13,544.57X10% = 1,354.45; 1,942.23 RON fee paid - 1,354. 45 RON fee due = 587.78 RON)

8. Return of the execution for the amount of **RON 850** representing unjustified execution expenses

Clarifications: By **Conclusion no. 1136/16.07.2020** The Ploiești Courthouse admits the plea of the territorial incompetence of the Ploiești Courthouse, a plea invoked ex officio by the court. It declines the competence to settle the case having as object a contestation to execution formulated by the claimant CONPET S.A., in contradiction with the defendant Dobrogeanu Dumitru in favor of the Câmpina Courthouse.

By **Conclusion no. 51/13.01.2021** The Câmpina Courthouse admits the plea of the territorial incompetence of the Câmpina Courthouse, invoked by the appellant CONPET SA. It declines the competence to settle the case regarding the appellant CONPET SA and the respondents DOBROGEANU DUMITRU and Bailiff's Office DIVOIU MARIA in favor of the Ploieşti Courthouse. It notes the negative conflict of jurisdiction that occurred between the Ploieşti Courthouse and the Câmpina Courthouse. It suspends the settlement of the case until the negative conflict of competence is resolved. It sends the case to the Prahova Court for a ruling by the competent regulator. At the deadline of 25.02.2021, the Prahova Court sent for settlement to the Ploiesti Courthouse - the Ploiesti courthouse file 4532/281/2020 *. At the deadline of 29.06.2021, the court ruled and remanded the case pending for an expertise. At the deadline of 20.01.2022 the case was judged, the court remained in ruling – 14.03.2022.

Procedural status of the case: Merits

Deadline:

24. File no. 1186/223/2020 - Drăgășani Courthouse

Parties: Conpet SA - petitioner

ITM Vâlcea - respondent

Subject matter: Appeal against contravention minutes no. 009540/07.05.2020 prepared by ITM Vâlcea by which Conpet S.A. was sanctioned with a fine of RON 8,000 for the documents in the periodic training files of Mr. Hotei Stefan.

Clarifications: By **Sentence** 582/25.05.2021 the court admitted in part the misdemeanor complaint filed by the petitioner CONPET S.A., against the misdemeanor report series VL ITM no.009540 concluded on May 7, 2020 by I.T.M. Vâlcea, in contradiction with the respondent Vâlcea Territorial Labor Inspectorate. It amends the misdemeanor report series VL ITM no.009540 concluded on May 7, 2020 by I.T.M. Vâlcea and consequently, **replaces the sanction of the contravention fine in the amount of 8,000 lei applied based on art. 39 paragraph 4 of Law no. 319/2006 with the sanction "Warning".** It draws the petitioner's attention to the provisions of Article 7 of G.D. no.2/2001 amended. With the right to appeal within 30 days from the communication

Procedural status of the case: Merits

Deadline: --

25. File no. 16445/281/2020 - Ploiești Courthouse

Parties: Conpet SA - civil party

Drăghici Adrian Marian - defendant

Tocu Petrică - defendant

Constantin Dan - defendant

Atanasiu Ion - defendant

Subject matter: Grand larceny. Conpet was a civil party for the amount of RON 87,184.57, representing the equivalent value of 40 liters of stolen and unrecovered gasoline (84.26 RON), the equivalent value of 17,615 kg of gasoline lost after the discharge of the pipeline (in order to intervene to remedy the pipeline at the point where it was damaged) (53,930.69 RON) and the equivalent value of the remediation works for the pipeline Ø $6^{5/8"}$ Țicleni - Ploiești, consisting in the decommissioning of the artisanal installation, works necessary to restore the pipeline in working order (RON 28,956.81)

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Clarifications: By Conclusion no. 690/09.12.2020 pronounced in the file no. 16445/281/2020/a1 rejects the requests and pleas invoked by the defendants DRĂGHICI ADRIAN MARIAN, TONCU PETRICĂ, CONSTANTIN DAN and ATANASIU ION, finds the material and territorial competence of the court, the legality of the referral with the indictment no. 3569/P/2014 of 30.06.2020 of the Prosecutor's Office attached to the Ploieşti Courthouse, of the legality of the administration of evidence and of the execution of criminal investigation acts. It orders the beginning of the trial in the case registered in the Ploieşti Courthouse under number 16445/281/2020. The Conclusion was contested by the defendants. By Conclusion no. 138/26.03.2021 The Prahova Court admits the appeals of the defendants: DRĂGHICI ADRIAN MARIAN; TONCU PETRICĂ; CONSTANTIN DAN; ATANASIU ION. It annuls the contested decision and sends the case for retrial to the same court, the Ploieşti Courthouse, according to the provisions of the present decision. By **Conclusion no. 379/12.07.2021** pronounced in the file no. 16445/281/2020 / a1 * The Ploiești Courthouse rejects as unfounded the requests and pleas invoked by the defendants DRĂGHICI ADRIAN MARIAN, CONSTANTIN DAN and ATANASIU ION, it finds the material and territorial competence of the court, the legality of the notification with the

indictment no. 3569/P/2014 of 30.06.2020 of the Prosecutor's Office attached to the Ploieşti Courthouse, the legality of the administration of evidence and of the execution of criminal prosecution acts, regarding the defendants: DRĂGHICI ADRIAN MARIAN, TONCU PETRICĂ, CONSTANTIN DAN. It orders the beginning of the trial in the case bending before the Ploieşti Courthouse under number 16445/281/2020 regarding the defendants DRĂGHICI ADRIAN MARIAN, TONCU PETRICĂ CONSTANTIN DAN and ATANASIU ION. The conclusion was appealed by the defendants. By the Conclusion no. 418 / 07.10.2021 The Prahova Court rejects as unfounded the appeals filed by the appellants-defendants DRĂGHICI ADRIAN MARIAN, TONCU PETRICĂ, CONSTANTIN DAN.

Procedural status of the case: Merits

Deadline: 11.05.2022

26. File no. 6143/2/2020 - Bucharest Court of Appeal

Parties: Conpet SA - claimant

The Insured Guarantee Fund – defendant

Subject matter: Conpet **appealed against Decision no. 24238/25.09.2020** issued by the Insured Guarantee Fund by which the payment requests no. 79167, 79166, 79163, 81691, 81687, 81698, 82691, 82690, 88271, 88728 and 89684 were rejected.

Clarifications: CONPET S.A. formulated payment requests for the refund of amounts related to policies concluded with the Insurance-Reinsurance Company ASTRA S.A. during the years 2009-2015, but by decision no. 24238/25.09.2020 which is the subject matter of the appeal, the Insured Guarantee Fund did not refer to the requests made by CONPET S.A. for the refund of the amounts due. The payment requests no. 79167, 79166, 79163, 81691, 81687, 81698, 82691, 82690, 88271, 88728 and 89684 specified in the decision are not related to any documents issued by our company.

Procedural status of the case: By **Sentence no. 1051/30.06.2021** The Bucharest Court of Appeal admits the request. It annuls the decision no. 24238/25.09.2020 issued by the Insured Guarantee Fund. It obliges the defendant to issue an administrative act admitting the request for payment made by the claimant for the amount of RON 36,430.13. The decision can be appealed within 15 days since the communication. The appeal will be submitted to the Bucharest Court of Appeal - Section VIII Administrative and Fiscal Litigation.

Deadline: --

27. File no. 25520/212/2020 - Constanța Courthouse

Parties: Conpet SA - claimant

Safir Gabriela - defendant

Subject matter: Conpet formulates a request for summons of the defendant SAFIR GABRIELA domiciled in Ovidiu locality, 101 Poporului street (or 82 A), Constanța county so that by the decision you will pronounce to order the **establishment of the share due to each co-owner on the building located in Ovidiu locality, Poporului street no. 82 A, Constanța county, building located in the joint property (joint ownership)** of our debtor SAFIR MARIUS (execution file 51/2019- Bailiff's Office Menaef Cristian) and of the defendant SAFIR GABRIELA.

Clarifications: By the **Conclusion of 13.01.2021**, the Constanța Courthouse annuls the request for summons invoking that it did not submit within 10 days the land book extract regarding the building.

Against the conclusion, Conpet filed a request for re-examination, by which we showed that the building under joint ownership of the defendant Safir Gabriela and our debtor Safir Marius is not tabulated, the right of joint property not being registered in the land book, Conpet being aware of the existence of the property right in the patrimony of the defendant and of the debtor from the relations received from the Ovidiu City Hall. At the same time, we demonstrated to the court that only the exclusive property right of the debtor on the land building is written in the land book and we attached the land book extract for the land, as well as all the steps taken by Conpet and Bailiff Menaef Cristian.

By Conclusion no. 5783/21.04.2021, issued in the file 25520/212/2020/a1, The Constanța Courthouse admits the request for re-examination submitted by Conpet and orders the resubmission of the file of the compiled C31 for the continuation of the procedure.

By the **Conclusion** of **11.01.2022**, the Constanta Courthouse, based on art. 413 para. (1) pt. 1 of the Code of Civil Procedure, suspends the trial of the present action until the final settlement of the file no. 27269/212/2021, pending before the Constanţa Courthouse. With a separate right of appeal, during the suspension of the trial.

Procedural status of the case: Merits

Deadline: --

28. File no. 704/249/2021 - Lehliu Gară Courthouse

Parties: Conpet SA - claimant

NATIONAL ROAD INFRASTRUCTURE ADMINISTRATION COMPANY S.A. – R.D.R.B. Bucharest / National Roads / Highways Section Bucharest - Section 1 Bucharest - defendant

Subject matter: Conpet complains against the Traffic Violation Report (PVCC) Series BU 19 No. 000112 concluded on 11.02.2021 requesting:

1. Cancellation of the Traffic Violation Report (PVCC) Series BU 19 No. 000112 concluded on 11.02.2021 by the NATIONAL ROAD INFRASTRUCTURE ADMINISTRATION COMPANY S.A. – R.D.R.B. Bucharest/National Roads/Highways Section Bucharest - Section 1 Bucharest;
2. Exemption of CONPET S.A. the payment of the civil penalty;
3. Ordering the defendant to pay the legal expenses incurred by this trial.

Clarifications: By Sentence no. 636/04.06.2021 The Lehliu-Gară Courthouse admitted the misdemeanor complaint filed by the petitioner CONPET S.A. Company in contradiction with the respondent C.N.A.I.R. S.A. through the Bucharest Regional Directorate of Roads and Bridges. It cancels the report of the contravention series BUI19, no. 000112/11.02.2021. It obliges the respondent to pay to the petitioner the amount of RON 20 as legal expenses. With the right to appeal within 30 days from the communication. CNAIR appealed against the above-mentioned decision, which is pending before the Călărași Court.

Procedural status of the case: Appeal

Deadline: 26.05.2022

29. File no. 238/42/2021 - Ploiești Court

Parties: Conpet SA - claimant

Ministry of Agriculture and Rural Development defendant

Ialomița County Directorate for Agriculture defendant

National Agency for Cadastre and Real Estate Advertising defendant

Subject matter: Obligation of the defendants to pay CONPET S.A. of the amount of **RON 238,300** representing the amount paid by CONPET S.A. and undue. The amount was paid in April 2017 for the removal from the agricultural circuit of a land area of 74,712 sq m, which was subsequently reduced by the restoration of the documentation to an area of 56,462 sq m. The investment objective was "Oil pipeline replacement Ø 14 " C2 - C3 on 8 sections in Balta Ialomiței area, Ialomita County on a length of approx. 4,037 m"- Project no. 160/4993/2016 PETROSTAR.

By the **Conclusion no. 130/08.09.2021** The Ploiești Court of Appeal admits the motion to dismiss for lack of jurisdiction of the Ploiesti Court of Appeal. It declines jurisdiction to settle the case in favor of the Prahova Court. No appeal.

Clarifications: --

Deadline: 11.03.2022

30. File no. 1907/105/2021 - Prahova Court of Appeal

Parties: Conpet SA - claimant

Tiab SA - defendant

Subject matter: Conpet files a lawsuit against TIAB SA Bucharest, requesting:

1. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of the amount of RON 179,800 representing damages in the amount of 20% due according to art. 19.2 of the supply contract no. P-CA 731/20.10.2017;

2. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of penalties in the amount of RON 2,777,910, due by the defendant in accordance with the provisions of art. 18.1 of the contract no. P-CA 731/20.10.2017, for the non-execution in time of the obligations of supply, installation and commissioning of some technical Security systems at Independența Platform, Independența Warehouse and at Băicoi Station;

3. Obligation of the defendant upon payment of the legal expenses.

Clarifications: By the Decision no. 1057/13.10.2021 The Prahova Court partially admitted Conpet's request for a summons and obliged the defendant to pay the claimant the amount of RON 179,800 representing damages. It dismisses the request as unfounded. It obliges the defendant to pay the claimant the legal expenses of RON 4,701 representing the judicial stamp duty corresponding to the admitted claims. With appeal within 30 days from the communication. The appeal will be submitted to the Prahova Court.

Conpet filed an appeal against Decision no. 1057/13.10.2021.

Deadline: A trial date has not yet been established.

31. File no. 1270/229/2021 - Fetesti Courthouse

Parties: Conpet SA- Claimant

Zacon Trandafir - Defendant

Subject matter: Claims

Clarifications: File disjointed from file no. **2782/229/2018.**

Procedural status of the case: Suspended

By the **Conclusion of 22.04.2021**, the Fetesti Courthouse ordered the suspension of the trial until the resolution of the merits case, from which the second end of the request was disjointed.

32. File no. 3011/105/2021 - Prahova Court

Parties: Conpet S.A. - claimant

Tiab S.A. - Defendant

Subject matter: Conpet is suing TIAB S.A. Bucharest requesting:

1. Finding the unilateral termination of the Supply Contract no. P-CA 559/08.08.2017 in accordance with the provisions of art. 19.4 letter b) of the contract;

2. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of the amount of RON 109,841.24 representing damages in the amount of 20% due by the defendant according to art. 19.5 paragraph (1) of the supply contract no. P-CA 559/08.08.2017, as a result of the unilateral termination of the contract in accordance with the provisions of art. 19.4 letter b) of the contract;

3. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of penalties in the amount of RON 1,081,936.25, due by the defendant in accordance with the provisions of art. 18.1 of the contract no. P-CA 559/08.08.2017, for non-execution in time of the obligations of supply, installation and commissioning of a technical system of Security at Marghita Platform, penalties calculated until the date of the unilateral termination of the contract (24.06.2021);

4. Obligation of the defendant to pay the legal expenses.

Subsidiarily, in so far as the court dismisses the main heads of claim, Conpet requested:

1. Termination of the Supply Contract no. P-CA 559/08.08.2017 through the fault of the defendant TIAB S.A. in accordance with Art. 19.1 of the contract, for the non-execution of the obligations consisting in the supply, installation and commissioning of a technical safety system at Marghita Platform.

2. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of penalties in the amount of RON 917,174.39, due by the defendant in accordance with the provisions of art. 18.1 of the contract no. P-CA 559/08.08.2017, for non-execution in time of the obligations of supply, installation and commissioning of a Technical Security System at Marghita Platform, penalties calculated until the date of the unilateral termination of the contract (24.06.2021) as well as in continued until the date of the final decision of the court.

3. Obligation of the defendant to pay the legal expenses.

Clarifications: --

Deadline: 25.03.2022

33. File no. 13833/281/2021 - Ploiesti Courthouse

Parties: Conpet SA - appellant

Toncu Stefan - respondent

Subject matter: Conpet files an enforcement appeal against the decision ordered by the Bailiff's Office Petrov in the enforcement file 139/2019.

Procedural status of the case: Merits

Clarifications: By the **Conclusion no. 2477/20.12.2021** The Ploiesti Courthouse admits in part the enforcement appeal filed by the appellant Conpet SA in contradiction with the respondent Toncu Stefan.
It cancels the conclusion issued on 12.10.2020 in the execution file no. 13912019 by the Petrov Sergiu Alexandru Bailiff's Office by which it was ordered the cessation of the forced execution started against the respondent.
It orders the continuation of the forced execution initiated against the respondent in the mentioned execution file until the full recovery of the claim provided in the enforceable title.
It dismisses the petition having the subject matter of ordering the respondent to pay the legal expenses as unfounded.
With the right to appeal, which is submitted to the Ploiesti Courthouse, within 10 days from communication.
Deadline: --

34. File no. 4289/105/2021 - Ploiești Courthouse

Parties: Conpet SA - claimant
Ministry of Agriculture and Rural Development defendant
Ialomița County Directorate for Agriculture defendant
National Agency for Cadastre and Real Estate Advertising defendant

Subject matter: Obligation of the defendants to pay CONPET S.A. of the amount of **RON 121,313** the amount paid by CONPET S.A. as a guarantee. The amount was paid on 18.06.2015 for the removal from the agricultural circuit of a land area of 26,453 sq. m, but the construction permit was not obtained for the investment objective, which should have led to the return of the guarantee. The investment objective was *"Replacement of the Călărești-Ploiești imported crude oil pipeline Ø 12 ¾" F1 on 5 sections, in length of 4115 m and Ø 12 ¾ "F2 on 5 sections, in length of 3800 m, total 7915 m".* – a PETROSTAR project. At the deadline of 12.01.2022, the court ruled on the plea of jurisdiction of the Prahova Court. By the Decision 8/12.01.2022, the court admitted the motion to dismiss for lack of jurisdiction of the Prahova Court, invoked by the defendant MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT. It declines the jurisdiction to settle the case in favor of the Ploieşti Courthouse. No appeal.

Clarifications:

Deadline: 14.03.2022

35. File no. 17936/281/2021 - Ploiești Courthouse

Parties: Conpet SA - claimant
SYSTEMS OF ECOLOGYCAL SOLUTIONS SRL Ilfov - defendant
CĂTĂOIL PRODUCTIONS SRL - defendant

Subject matter: Conpet is filing a summons, requesting the court:
1. Obligation, jointly and severally, of the defendants to pay CONPET S.A. of the amount of RON 29,927.68 representing delay penalties calculated for the period 12.09.2019 – 25.05.2020 inclusive, due by the defendants in accordance with the provisions of art. 16.1 (1) of the contract no. S-CA 806/06.12.2017, for the non-execution of the sludge cleaning services, the performance of the operations related to the cleaning of the tank as well as the transport of the resulting sludge,

including the activity of recovery/disposal in safe environment, related to the R9 Crude Oil Tank within the Silișteț Automated Crude Oil Pumping Station, Poiana Lacului-Silișteț Sector, Division 2 South, Dâmbovița County;

2. Obligation, jointly and severally, of the defendants to pay CONPET S.A. of the amount of RON 155,792.97, representing 20% of the estimated value of the contract, due according to art. 17 of the service contract no. S-CA 806/06.12.2017, following the unilateral termination of the contract due to the fault of the defendant;

3. Orders the defendants jointly and severally to pay the legal expenses of the proceedings in question.

At the deadline of 14.01.2021, the court approved for Conpet the documentary evidence, the video recording evidence and the testimonial test with a witness (Pârvu Raluca), and for the defendant SES the documentary evidence, the video recording test and the testimonial test with two witnesses.

At the deadline of 25.01.2022, the court ordered the reopening of the summons procedure together with the request for summons also against Recop Recycling SRL (former Cătăoil Productions SRL).

Clarifications: --

Deadline: 22.03.2022

36. File no. 19121/281/2021 - Ploiesti District Court

Parties: Conpet SA - petitioner

Dobrogeanu Dumitru

Subject matter: Invalidation of enforcement. Conpet requested the court to order the invalidation of foreclosure carried out on the basis of the enforceable title represented by decision no. 669 of 12/20/2011 of the Prahova Court in the execution file no. 458/2015 to the Divoiu Maria Bailiff's Office, by restoring the situation prior to the enforcement, in the sense of obliging the defendant **DOBROGEANU DUMITRU (pursuant to art. 723 of the Code of Civil Procedure)** to pay the following amounts to the undersigned:

- RON 11067.41 representing the amount enforced by the Divoiu Maria Bailiff's Office illegally

- RON 800.40 as legal expenses (out of which RON 600 represent the fee of the accounting expertise and RON 200.40 represent the equivalent value of photocopies of the execution file 458/2015), **amount to which the defendant was obliged by the sentence 8369/19.10.2017 pronounced in the file 983/281/2016 remained final by Decision no. 1239/26.09.2018**

- RON 200.40 represents the equivalent value of the photocopies of the execution file 458/2015 (for the file 8115/281/2016) **amount to which the defendant was obliged by the sentence 2448/26.03.2018 pronounced in the file 983/281/2016** (which ordered the completion of the operative part of the civil sentence 8369/19.10.2017 pronounced in the file with the same number) **remained final by Decision no. 1239 / 26.09.2018 of the Prahova Court**

Also, we request the updating with the penalizing legal interest of the amount of RON 11,067.41 starting with the date of 01.04.2016 and up to the date of the effective payment.

Clarifications:

Deadline: 03.02.2022

37. File no. 3487/255/2021 - Marghita Courthouse

Parties: Conpet SA - petitioner

The prosecutor's office attached to the Marghita Courthouse - respondent

Subject matter: Conpet files a complaint against the Nolle Prosequi issued on 24.09.2021 by the Prosecutor's Office attached to the Marghita Courthouse in the file no. 788/P/2011, regarding the commission of the crime of grand larceny requesting the admission of the complaint, the annulment of the Nolle Prosequi dated 24.09.2021 and of the Ordinance no. 18/II.2.2021 dated 09.11.2021, ordered by the Prosecutor's Office attached to the Marghita Courthouse in the file no. 788/P/2011, the continuation of the criminal prosecution and investigations in order to identify the offenders and to bring them to criminal responsibility for the damage, for the purpose of stealing petroleum products, of the crude oil transport pipeline Ø 14 " Petreu Warehouse - Marghita Platform dated 06/13/2011, as well as in order to recover the damage caused to our company (RON 8,498.41).

Clarifications: --

Deadline: Postponement of the ruling on 25.03.2022

38. File no. 27269/212/2021 - Constanța Courthouse

Parties: Conpet SA - claimant

Safir Marius - defendant

Safir Gabriela Izabela

Subject matter: Revocation of donation deed. Conpet requested the court to order, pursuant to art. 1562 et seq. Of the Civil Code, that the deed of donation authenticated under the no. 293 of April 8th, 2021 at the Beiu Professional Partnership of Notaries to be declared unenforceable against the CONPET SA company, creditor of the donor debtor.

Clarifications: On 11.03.2022, the Constanța Courthouse admits the request to suspend the trial of the present case, formulated by the defendant Safir Marius. Pursuant to art. 413 para. 1 pt. 1 of the Code of Civil Procedure, orders the suspension of the trial of the case until the final settlement of the file no. 32805/212/2021 pending before the Constanta courthouse, in the case regarding the claimant Conpet, in contradiction with the defendants Safir Marius and Safir Gabriela Izabela, having as action to set aside. The decision may be appealed for the entire duration of the suspension.

Deadline: --

39. File no. 892/315/2022 - Târgoviște Courthouse

Parties: Conpet - petitioner

The Prosecutor's Office attached to the Targoviste Courthouse - respondent

Subject matter: Conpet SA files a complaint against the Nolle Prosequi issued on 24.09.2021 by the Prosecutor's Office attached to the Târgoviște Courthouse in the file no. 187/P/2011, regarding the commission of the crime of attempted grand larceny requesting the admission of the complaint, the annulment of the Nolle Prosequi ordered on 24.09.2021 by the Prosecutor's Office attached to the Târgoviște Courthouse in the file no. 187/P/2011, the continuation of the criminal prosecution and investigations in order to identify the offenders and bring them to criminal responsibility for damaging,

in order to steal petroleum products, the Teiș - Moreni crude oil transport pipeline, an offense identified on 22.12.2010 , as well as in order to recover the damage caused to our company.

Clarifications: --

Deadline: 17.03.2022

40. File no. 5081/105/2013 / a13 - Prahova Court

Parties: Energopetrol SA through Judicial Administrator Andrei Ioan Ipurl - respondent

Conpet SA - appellant

Subject matter: Appeal against the measures of the judicial administrator / liquidator

Clarifications: --

Deadline: 03/23/2022

41. File no. 390/284/2022 - Răcari Courthouse

Parties: Conpet - petitioner

The Prosecutor's Office attached to the Răcari Courthouse - respondent

Subject matter: Conpet SA files a complaint against the Nolle Prosequi issued on 22.11.2021 by the Prosecutor's Office attached to the Răcari Courthouse in the file no. 1428/P/2012, regarding the commission of the crime of grand larceny requesting the admission of the complaint, the annulment of the Nolle Prosequi ordered on 22.11.2021 by the Prosecutor's Office attached to the Răcari Courthouse in the file no. 1428/P/2012, the continuation of the criminal prosecution and investigations in order to identify the offenders and to bring them to criminal responsibility for the theft of components of the installations from the Ø 14" and Ø 20" crude oil transport pipelines, Crevedia river surface crossing area, Dâmbovița county, offense ascertained on 16.08.2012, as well as in order to recover the damage caused to our company (RON 10,906.32).

Clarifications: --

Deadline: 30.03.2022

42. File no. 838/202/2022 - Călărași Courthouse

Parties: Conpet - petitioner

The Prosecutor's Office attached to the Călărași Courthouse - respondent

Subject matter: Conpet SA files a complaint against the Nolle Prosequi issued on 30.07.2021 by the Prosecutor's Office attached to the Călărași Courthouse in the file no. 2114/P/2013, regarding the commission of the crime of grand larceny requesting the admission of the complaint, the annulment of the Nolle Prosequi of 30.07.2021 and of the Ordinance no. 43/II/2/2021 dated 10.01.2022, ordered by the Prosecutor's Office attached to the Călărași Courthouse in the file no. 2114/P/2013, continuation of the criminal prosecution and investigations in order to identify the offenders and bring them to criminal responsibility for the theft between 31.05 - 03.06.2013 of two cathodic protection terminals related to the imported crude oil transport pipelines from Jegălia locality, Dragalina commune, Călărași County, as well as in order to recover the damage caused to our company (RON 1,753.23).

Clarifications: --

Deadline: 19.05.2022

43. File no. 456/284/2022 - Răcari Courthouse

Parties: Conpet - petitioner

The Prosecutor's Office attached to the Răcari Courthouse - respondent

Subject matter: Conpet files a complaint against the Nolle Prosequi issued on 22.11.2021 by the Prosecutor's Office attached to the Răcari Courthouse in the file no. 461/P/2012, regarding the commission of the crime of grand larceny requesting the admission of the complaint, the annulment of the Nolle Prosequi dated 22.11.2021 and of the ordinance no. 7/II/ 2/2022 dated 18.01.2022, ordered by the Prosecutor's Office attached to the Răcari Courthouse in the file no. 461/P/2012, continuation of the criminal prosecution and investigations in order to identify the offenders and bring them to criminal responsibility for stealing a metal terminal from the crude oil transport pipeline within the Crevedia commune, Dâmbovița county, offense found on 12.06.2012, as well as in order to recover the damage caused to our company (RON 2,000 according to the Dismissal Report).

Clarifications: --

Deadline: 30.03.2022

44. File no. 2512/280/2022 - Pitești Courthouse

Parties: Conpet - petitioner

The Prosecutor's Office attached to the Pitești Courthouse - respondent

Subject matter: Conpet files a complaint against the Nolle Prosequi issued on 06.09.2021 by the Prosecutor's Office attached to the Pitești Courthouse in the file no. 1201/P/2014, regarding the commission of the crime of destruction requesting the admission of the complaint, the annulment of the Nolle Prosequi on 06.09.2021 and of the Ordinance no. 404/I /2/2021 on 20.12.2021, ordered by the Prosecutor's Office attached to the Pitești Courthouse in the file no. 1201/P/2014, the continuation of the criminal prosecution and investigations in order to identify the offenders and bring them to criminal responsibility for damaging, for the purpose of stealing petroleum products, the crude oil transport pipeline Ø 10" F1 Orlești - Poiana Lacului, offense identified on 08/12/2011, as well as in order to recover the damage caused to our company.

Clarifications: --

Deadline: 29.03.2022

45. File no. 713/284/2022 - Răcari Courthouse

Parties: Conpet SA - petitioner

G.N.M. Dâmbovița - respondent

Subject matter: Complaint against the GNM traffic violation report Series no. 07949 concluded by the National Environmental Guard - Dâmbovița County Commissariat on 11.02.2022 by which Conpet SA Ploiesti was sanctioned with a fine of RON 50,000.

Procedural status of the case: Merits

Deadline: --

b) The list of files pending before Courts on 14.03.2022 in which the company CONPET S.A. has the status of defendant

1. File no. 8296/281/2007 - Ploiești Courthouse

Parties: Cornea Rodica Aurora - claimant

Conpet S.A., Petrotrans S.A., Regionala Transgaz Bucharest, Ministry of Finance - defendants

Subject matter: Cornea Rodica Aurora claims jointly and severally that the defendants are required to pay civil damages in the amount of EUR 74,000 representing the damage caused by the presence of pipes belonging to the defendants in the basement, the property of the claimant and the payment of civil damages provisionally assessed at RON 10,000 for the period of February 2004 - February 2006 as a result of the use of pipes that crossed the property of the claimant.

Clarifications: The case is suspended based on art. 36 of Law no. 85/2006.

Procedural status of the case: Merits

2. File no. 8297/281/2007 - Ploiești Courthouse

Parties: Rusu Mihaela - claimant

Conpet S.A., Petrotrans S.A., Regionala Transgaz Bucharest, Ministry of Finance - defendants

Subject matter: Rusu Mihaela claims that the defendants should be jointly and severally liable for civil damages in the amount of EUR 74,000, representing the damage caused by the presence of pipes belonging to the defendants in the basement, the property of the claimant.

Clarifications: The case is suspended based on art. 36 of Law no. 85/2006.

Procedural status of the case: Merits

3. File no. 3451/108/2016 ** - High Court of Cassation and Justice

Parties: Conpet SA - defendant

ATU Pecica Town - claimant

Subject matter: ATU of Pecica town filed a request for a summons requesting:

Mainly:

- the obligation of the defendant Conpet S.A. to divert the crude oil pipeline that crosses a number of 22 plots of urban land, intended for the construction of houses, located in our property, in a total area of 20,287 sq. m.
- order the defendant Conpet S.A. to pay the amount of EUR 65,000 representing the equivalent value of the house located in plot no. A141.7760/5/174, entered in L.B. no. 306869 because it can no longer be capitalized by the subscriber.

In subsidiary:

- order the defendant Conpet S.A. upon payment of an annual rent, during the existence of the pipeline, as a result of the encumbrance of the areas shown above by the right of legal easement exercised by Conpet SA; **NOTE:** The annual rent has not been quantified.
- order the defendant Conpet S.A. to the granting of compensations for the period 31.10.2014 – 31.05.2016 as a result of the limitation of the attributes of the property right of the 22 urban land plots and of the decrease of the circulation value of the land on the real estate market due to the restrictions imposed by Order 196/2006 of NAMR on construction.
- order the defendant Conpet S.A. that every 3 years to adapt the amount of compensation to the value of circulation at that time of similar lands and the provisions of future orders of the NAMR.
- the setting by the court of the due date on which the compensations will be paid annually, following the non-payment at the due term to attract the payment of the legal interest related to the amount received as compensation for the delay period.
- award the legal expenses incurred in the event of opposition.

Clarifications: By the Conclusion of 07.12.2016, the Arad Court finds the functional incompetence of the Civil Section I of the Arad Court and declines in favor of the Civil Section II of the Arad Court, the judgment of the action filed by the claimant Territorial Administrative Unit of Pecica Town.

By the Conclusion no. 40/26.01.2017 The Arad Court rejects the request to show the right holder formulated by the defendant Conpet SA in contradiction with the claimant ATU of Pecica Town and with the respondents the Romanian State through the Ministry of Public Finance and the National Agency for Mineral Resources. The decision was appealed by Conpet (File no. 3451/108/2016 */a1 - Timisoara Court of Appeal, deadline: 14.03.2017). By the Decision no. 211/20.03.2017 The Timișoara Court of Appeal rejects the appeal.

By the **sentence no. 336/18.05.2017**, the Arad Court rejects the civil action filed by the claimant ATU of Pecica Town in contradiction with the defendant SC Conpet SA having as subject the obligation to act and claims. No legal expenses. The decision was appealed by the ATU Pecica Town.

By the **Decision no. 761/23.11.2017** The Timișoara Court of Appeal admits the appeal. It annuls the appealed sentence and sends the case for retrial to the Arad Court. Conpet filed an appeal.

Through the Report of 07.06.2018, the High Court of Cassation and Justice found the inadmissibility of the Conpet appeal, it being promoted against a final decision, which does not fall within the hypothesis regulated by art. 483 para. 1 Code of Civil Procedure. The parties may submit a written opinion on the report within 10 days of its communication. By the Conclusion of 10.10.2018, the HCCJ admits in principle the appeal declared by the appellant-defendant Conpet S.A. against the civil decision no. 761/A of November 23, 2017, pronounced by the Timişoara Court of Appeal - Civil Section II. It sets a deadline for resolving the appeal on January 30, 2019. By the **Decision no. 615/22.03.2019** The HCCJ admits the appeal declared by the appellant-defendant Conpet S.A., quashes the appealed decision and sends the case to a new court of the same court of appeal. According to the report of forensic expertise in the assessment performed in question at the request of the claimant ATU Pecica and submitted by the deadline of 11.01.2021, conclusions: The overall value of compensation for affecting the right of construction proposed by the expert is EUR 137,045.69, which at the exchange rate from 25.09.2020 of EUR 4.8750 has the value of RON 668,097.74. As regards the amount of the annual rent, the claimant did not formulate an objective of expertise. To date, the claimant TAU Pecica has not made any request to specify its claims with the value of the assessment expertise. By Decision no. 306/07.06.2021 The Court rejects the appeal

declared by the appellant-claimant, the Territorial Administrative Unit of the City of Pecica, against the civil sentence no. 336 of May 18th, 2017, ordered by the Arad Court in the file no. 3451/108/2016, in contradiction with the appellant-defendant S.C. Conpet S.A. With the right to appeal within 30 days from the communication.

The claimant, the Territorial Administrative Unit of the City of Pecica, filed an appeal. The case has not yet been referred to the High Court of Cassation and Justice as a court of appeal. The filter procedure is next and then the trial term is set.

Procedural status of the case: Appeal – filter procedure

Deadline: --

4. File no. 5413/204/2017* - Prahova Court

Parties: Conpet SA - defendant

NAMR - defendant

Dobrogeanu Dumitru - claimant

Dobrogeanu Păun Ioan - claimant

Subject matter: Claims. Dobrogeanu Dumitru and Dobrogeanu Păun Ioan filed a summons requesting the court that by the decision it will pronounce to order the obligation of the defendants to:

1. Payment of an annual rent for the land areas occupied by the two pipelines transporting petroleum products (crude oil) starting with 01.07.2014 and in the future, throughout the existence of the pipelines.

2. Obligation of the defendants to pay the losses suffered by not achieving economic objectives on the area left between the two pipelines after their restriction and the area along DN1 (E60);

3. Payment of legal expenses.

The first head of the claim was estimated by the claimants at the amount of EUR 48,000/year (RON 220,000), and the second head at the amount of RON 25,000/year.

Clarifications: By the Decision no. 594/28.02.2018 the Câmpina Courthouse admits the plea of the material incompetence of solving the case of the Câmpina Courthouse, invoked by the court ex officio. It declines jurisdiction to settle the request in favor of the Prahova Court. No appeal.

By the **sentence no. 2446/28.08.2018** the Prahova Court admits the exception of the lack of passive procedural quality, invoked by the defendant National Agency for Mineral Resources Bucharest. It dismisses the action, in contradiction with that defendant, as being brought against a person without procedural capacity. It admits the exception of the res judicata. It dismisses the claim filed against the defendant SC Conpet SA, as there is res judicata. It finds that the defendants have not applied for legal expenses. The decision was appealed by Dobrogeanu Dumitru.

By the **decision no. 2804/11.11.2019** the Ploiești Court of Appeal rejects the appeal filed by the appellant Dobrogeanu Dumitru as unfounded. It admits the plea of inadmissibility of the cross-appeal. It dismisses as unfounded the cross-appeal declared by the appellant Dobrogeanu Păun Ioan. The decision was appealed by Dobrogeanu Dumitru and Dobrogeanu Păun Ioan.

By **Decision no. 206/04.02.2021**, the High Court of Cassation and Justice rejects the appeal filed by the claimant Dobrogeanu Păun Ioan against the civil decision no. 2804 of November 11, 2019, pronounced by the Ploieşti Court of Appeal, Civil Section I. It admits the appeal filed by the claimant Dobrogeanu Dumitru against the same decision. It

quashes the appealed decision and the civil sentence no. 2446 of August 28, 2018 of the Prahova Court and sends the case for retrial to the Prahova Court. Final.

Procedural status of the case: Merits - retrial

Deadline: 24.03.2022

5. File no. 5212/105/2018 - Ploieşti Court of Appeal

Parties: Conpet SA - defendant

Fondul Proprietatea SA - claimant

Subject matter: Fondul Proprietatea SA files an appeal requesting the court to:

1. Oblige Conpet to pay the amount of RON 734,747.04, representing the net value of the dividends related to a share of 6% of the share capital of Conpet, respectively for a number of 524,366 shares held by the claimant on the registration date of AGOA Conpet from 25.04.2007 (i.e. 14.05.2007), for the financial year of 2006,

2. Oblige Conpet to pay damages, respectively the legal interest related to the dividends from the due date of the amount requested in point 1 and until the date of filing the summons (i.e. 09.11.2018), in the amount of RON 579,015.97.

3. Oblige Conpet to pay thereafter the legal interest related to the net value of the dividends, from the date of filing the summons and until the actual payment of the requested amounts,

4. Oblige Conpet to pay the legal expenses of the present litigation

Conpet S.A. filed an impleader of the Romanian State through the Ministry of Finance and A.A.A.S.

Clarifications: By the **Conclusion of 25.06.2019**, the Prahova Court rejected as unfounded the impleader of the Authority for the Administration of State Assets, formulated by the defendant Conpet S.A. Conpet and the Romanian State through the Ministry of Public Finance filed an appeal against this decision of the court. By the same Conclusion of 25.06.2019, the court admitted in principle the impleader of the Romanian State through the Ministry of Public Finance, formulated by the defendant Conpet S.A. and rejected as unfounded the plea of the lack of passive procedural quality of the Romanian State through the Ministry of Public Finance. The appeal was registered with the Ploiești Court of Appeal with no. 5212/105/2018 / a2. By the **decision no. 515/05.11.2019** the Ploiești Court of Appeal admits the plea of the inadmissibility of the appeal declared by the Ministry of Public Finance. It dismisses this appeal as inadmissible. It rejects the plea of lack of interest and the exception of inadmissibility of the appeal declared by Conpet SA. It dismisses this appeal as unfounded. Final.

By the **Conclusion of 20.09.2019**, the Ploiești Court of Appeal suspended the trial of the case until the settlement of the appeals made against the decision pronounced on 25.06.2019. This conclusion remained final by non-appeal.

By **Sentence no. 633/20.05.2021** The Court unfoundedly rejects the exception of the prescription of the right to action. It admits the action. It obliges the defendant Conpet SA to pay to the claimant the amounts of RON 734,747.04 representing the value of dividends, of RON 579,015.97, representing dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 and until the actual payment of the main debit. It admits in part the request for bail. It obliges the summoned in guarantee The Romanian State to pay to the defendant SC CONPET SA, the amount of RON 734,747.04, representing the value of dividends, and the legal interest related to this amount starting with 17.12.2018 and until the date of restitution to the defendant of the amount of RON 734,747.04. The decision can be appealed within 30 days from communication.

By **Decision no. 814/01.07.2021** The Court admits the request for correction of the material error made by the claimant. It corrects the material error crept into the content of paragraph 3 of the operative part of sentence no. 633/02.06.2021 pronounced by the Prahova Court, in the sense that it is written: "It obliges the defendant S.C. Conpet S.A. to pay to the claimant the amounts of RON 734,747.04 representing the main debit, of RON 579,015.97, representing dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 until the actual payment of the main debit.". It admits the request for completion of the decision made by the claimant. It orders the completion of the civil sentence no. 633/02.06.2021 in the sense that it also provides: It reduces to RON 70,000 the fee of the claimant's lawyer. It obliges the defendant S.C. Conpet S.A. to pay the claimant the following legal expenses: RON 20,347.63 representing judicial stamp duty, RON 4,300 expert fee, RON 8,481.87 expert fee, RON 70 lawyer's fee and RON 1,125 other expenses. It obliges the summoned in guarantee The Romanian State to pay to the defendant S.C. Conpet S.A. legal expenses in the amount of RON 16,943. With the right of appeal within 15 days from communication.
Procedural status of the case: Appeal
Deadline: --

6. File no. 198/241/2020 – Valcea Court
Parties: Podureanu Iordachi - claimant
Conpet S.A. - defendant
Subject matter: Podureanu Iordachi made an appeal requesting the court, by the decision it will issue, to order:
- the obligation of the defendant Conpet SA to pay the amount of RON 150,000 representing moral damages
- the obligation of the defendant Conpet SA to pay the legal expenses
Clarifications: By **Sentence no. 1246/14.07.2021** the Horezu Courthouse admitted the plea of the prescription of the material right to action, invoked by Conpet S.A., it rejected the request for a lawsuit filed by the claimant Podureanu Iordachi in contradiction with the defendant Conpet S.A., as the material right to action is prescribed, and it dismissed as unfounded the defendant's claim for legal expenses. With the right to appeal within 30 days from the communication. Podureanu Iordachi appealed against the above-mentioned decision, which is pending before the Vâlcea Court.
Procedural status of the case: Appeal
Deadline: By the Decision no. 106/11.02.2022 The Vâlcea Court rejected the appeal as unfounded. With an appeal within 30 days from the communication, which is to be submitted to the Vâlcea Court.

7. File no. 4395/270/2020 - Onești Court
Parties: Municipality of Onești - claimant
Local Council of Onești - claimant
Conpet SA - defendant
Subject matter: Onești Municipality and the Local Council of Onești Municipality, Bacău County, have sued Conpet S.A. asking the court:
"1. The obligation of the defendant at the conclusion of the agreement for the exercise of the right of legal easement over the lands with an area of 11,474.5 sq. m., crossed and affected by crude oil transport pipelines within the municipality of Onești, equivalent to the payment of an annual rent, during the existence of the pipelines, to the local budget of Onești

municipality, determined according to the principle of the least violation of the property right and calculated taking into account the circulation value of the affected real estate, established under the law, at the time of the damage.

2. The obligation of the defendant to pay material damages, representing the equivalent value of the lack of use for the land in the area of 11,474.5 sq. m. crossed and affected by the crude oil pipelines within the municipality of Onești, established according to the Market Study approved by the Decision of the Local Council no. 199 of 29.11.2018, respectively according to the Updated Market Study approved by the Decision of the Local Council no. 122 of 29.06.2020, calculated starting with 2017 and until the date of concluding the agreement for exercising the right of legal easement over these lands, to which are added late fees, interest and late payment penalties in the amount provided by the Fiscal Procedures Code applicable in this period.

3. The obligation of the defendant to pay the legal expenses of the present proceedings. '

Clarifications: ---

Procedural status of the case: Merits

Deadline: 22.03.2022

8. File no. 17433/303/2020 - Bucharest Court

Parties: Conpet SA - respondent

Dobrogeanu Păun Ioan - appellant

Subject matter: Dobrogeanu Păun Ioan files an enforcement appeal against the foreclosure which is the subject of the enforcement file no. 16/2017 – the Bailiff's Office Raduta Nicoleta respectively the address for setting up the seizure of 05.10.2020, the conclusion of 05.10.2020 regarding the establishment of the additional execution expenses, notification of seizure of 05.10.2020. On 15.07.2021, the court admitted the appeal and annulled the decision to establish additional expenses of 05.10.2021, as well as all other enforcement documents drawn up on 05.10.2021 in the enforceable file no. 16/2017 pending before the Raduta Nicoleta Bailiff's Office.

Clarifications: By **Sentence no. 5837/15.07.2021**, the Bucharest District 6 Courthouse admits the enforcement appeal filed by the appellant DOBROGEANU PAUN IOAN in contradiction with the respondents CONPET SA and the Bailiff's Office RADUȚĂ NICOLETA. It annuls the conclusion establishing some additional expenses of 05.10.2021, as well as all the other enforcement documents drawn up on 05.10.2021 in the enforcement file no. 16/2017 on the role of the Bailiff's Office Raduta Nicoleta. It finds that the foreclosure started against the appellant in the enforcement file no. 16/2017. Pursuant to art. 45 para. 1 letter f) GEO 80/2013, it orders the refund to the appellant of the amount of RON 193, representing the stamp duty paid through the receipts submitted to the file, f 382 - 387. Enforceable. The decision was appealed by Conpet SA.

Procedural status of the case: Appeal

Deadline: 24.03.2022

9. File no. 19819/303/2020 - Bucharest Court

Parties: Conpet SA - respondent

Dobrogeanu Păun Ioan - appellant

Subject matter: Dobrogeanu Păun Ioan files an enforcement appeal against the foreclosure which is the subject of the enforcement file no. 16/2017 – the Bailiff's Office Raduta Nicoleta respectively the address for setting up the seizure of 06.11.2020, the conclusion of 06.11.2020 regarding the establishment of the additional execution expenses, notification of the seizure reduction of 06.11.2020.

Clarifications: By **Sentence no. 2725/29.03.2021**, the Bucharest District 6 Courthouse rejects the exception of connection, invoked by the appellant, as unfounded. It rejects the exception of the belatedly formulation of the appeal against the enforcement acts of 06.11.2020, as inadmissible. It admits the exception of the belatedly completing the request with new grounds of appeal, invoked by the response to the response.

It dismisses the application as inadmissible. It obliges the appellant to pay the Bailiff's Office RADUTA NICOLETA the amount of RON 402.22 expenses for the communication of the copy of the foreclosure file. The decision was appealed by Dobrogeanu Păun Ioan.

At the deadline of 18.11.2021, pursuant to the provisions of art. 413 para. 1 pt. 1 CCP the court ruled the suspension of the trial of the case until the final settlement of the file no. 17433/303/2020.

Procedural status of the case: Appeal - suspended

Deadline: --

10. File no. 1347/90 / 2021- Vâlcea Court

Parties: Conpet SA - respondent

Stan Ionel - appellant

Subject matter: Stan Ionel files an appeal for annulment against Decision no. 281 of 18.03.2021 pronounced by the Vâlcea Court in the file 804/241/2020 (having as subject matter an enforcement appeal)

The appellant requests the annulment of Decision no. 281/18.03.2021, the retrial of the appeal and the annulment of the Conclusion no. 47/2020 by which the Horezu Courthouse annulled the enforcement appeal as unstamped.

Clarifications: --

Procedural status of the case: Merits

Deadline: 03.02.2022

11. File no. 447/204/2021 - Câmpina Courthouse

Parties: Conpet SA - respondent

Dobrogeanu Dumitru-appellant

Subject matter: Enforcement appeal against the foreclosure initiated at the request of Conpet based on Conclusion no. 2912/05.11.2020 ordered by the Câmpina Courthouse in the file no. 6655/204/2020 by which the foreclosure was approved, respectively against the enforcement acts drawn up by the Bailiff's Office Petcu Alexandru in the enforcement file no. 1149/2020. It is required:

1. Cancellation of the summons issued by the Bailiff's Office Petcu Alexandru for payment of a debt in the amount of RON 20,105.55 representing the concurrent amount composed of: RON 17,740.60 representing outstanding debt according to the enforcement request (the amount of RON 2,062.30 plus the current penalty interest in the amount of RON 857.84, the amount of RON 8,202.82 plus the current penalty legal interest in the amount of RON 3,952.60, the

amount of RON 298.99 plus the current penalty legal interest in the amount of RON 144.07, the amount of RON 1,000 plus the current penalty legal interest in the amount of RON 481.86, the amount of RON 550.89 and the amount of RON 189.23) and the amount of RON 2,364.95 of foreclosure costs.

2. Cancellation of the conclusion establishing the penalizing legal interest established without the communication of the calculation method.

3. Cancellation of the conclusion establishing the enforcement expenses in the amount of RON 2,364.95.

4. Cancellation of the conclusion of the garnishment notice dated 29.12.2020 issued by the Bailiff's Office Petcu Alexandru in the enforcement file no. 1149/2020.

5. Provisional suspension of the foreclosure for the amounts due as legal interest, penalizing in the amount of RON 5,625.60.

6. Invalidation of the foreclosure for the amounts resulted from the calculation with the penalizing legal interest through an accounting expertise.

7. Invalidation of the enforcement for the amounts representing unjustified enforcement expenses.

8. Legal expenses.

Clarifications: By the sentence 524/24.02.2022, the Campina Courthouse rejects the request to suspend the foreclosure as being devoid of purpose. It partially admits the enforcement appeal filed by the appellant Dobrogeanu Dumitru in contradiction with the respondent SC Conpet SA. It partially cancels the enforcement documents drawn up in the enforcement file no. 1149/2020 of the Bailiff's Office Petcu Alexandru regarding the amount of RON 857.81. It dismisses the appeal as unfounded. It dismisses the head of the claim for the invalidation of enforcement as unfounded; It obliges the respondent to pay the legal expenses in the amount of 500 representing expert fee Based on art. 45 paragraph 1 letter f of GEO 80/2013 it orders the refund of the stamp duty in the amount of RON 65 upon the finality of this decision. After the final decision, a copy will be communicated to the Bailiff's Office Petcu Alexandru. With appeal within 10 days from the communication.

Procedural status of the case: Merits

Deadline:

12. File no. 3377/105/2021 - Prahova Court

Parties: Conpet SA - defendant

Dumitrescu Andrei Sebastian - claimant

Subject matter: Dumitrescu Andrei Sebastian has filed a request for a summons requesting the court to issue a court decision in the sense of:

1. finding the absolute partial voidness of the A.G.E.A. Decision no. 1/10.03.2021 endorsed within Conpet SA, regarding art. 2;

2. finding of the absolute partial voidness of the A.G.E.A. Decision no. 2/11.03.2021 endorsed within Conpet SA, regarding art. 2;

3. Order Conpet SA to pay the legal expenses

Clarifications: By the **sentence no. 29/11.03.2022** The Prahova Court rejects the request. It admits the exception to the ineligibility of the connected claim, invoked by the defendant Ministry of Energy. It dismisses the connected claim as ineligible. It dismisses the main claim as unfounded. With appeal within 30 days from the communication.

Procedural status of the case: Merits

Deadline: .....

13. File 3531/105/2021 - Prahova Court

Parties: Conpet SA - defendant

Dumitrescu Andrei Sebastian - claimant

Subject matter: Dumitrescu Andrei Sebastian has filed a request for a summons requesting the court to issue a court decision in the sense of:

1. finding the incidence of the provisions of Law no. 137/2002 (art. 12, paragraph (5) and the following corroborated, in the absence of a provision contrary to the provisions of Law no. 31/1990) and not of Law no. 24/2017 regarding the increase of the share capital of Conpet SA with the value of the lands for which certificates of attestation of the private property right were issued in favor of Conpet S.A.

2. obliging the Romanian State Shareholder through the Ministry of Energy and the Ministry of Energy not to adopt a conduct through which to give effect to the provisions of Law no. 24/2017 on increasing the share capital by contribution in kind set forth in point 1, within the next meetings of A.G.E.A.

3. Order the defendants to pay the legal expenses of this trial.

Clarifications: By the Conclusion of 07.10.2021, the Court admits the connection request formulated by Conpet. It orders the connection of the file no. 3531/105/2021 to the file no.3377/105/2021.

Procedural status of the case: Merits

Deadline: .....

14. File 3214/95/2021 - Gorj Court

Parties: Conpet SA - defendant

POPESCU D. VASILE - claimant

Subject matter: Popescu Vasile requests through the court the recalculation of the pension and the issuance by CONPET of the necessary certificates.

Clarifications: on 17.02.2022 the court rejected the request. The court noted the waiver of the claimant regarding the lawsuit filed in contradiction with the defendant Conpet S.A. It admits the exception of the res judicata authority regarding the claims regarding the recalculation of the pension by capitalizing the certificate no. 639/16.12.2005, regarding the increase for overtime, as well as the capitalization of the certificate no. 75/01.02.2021, formulated in contradiction with the defendant Gorj County House of Pensions, it rejects these claims as ineligible. It rejects the subsequently amended and specified request for a summons, formulated in contradiction with the defendant Gorj County House of Pensions, regarding the rest of the claimant's claims, as unfounded. With appeal within 30 days from the communication.

Procedural status of the case: merits

Deadline:

15. File no. 13053/303/2020 - Bucharest District 6 Courthouse

Parties: Conpet SA - respondent

Dobrogeanu Păun Ioan - appellant

Subject matter: Dobrogeanu Păun Ioan files an enforcement appeal against the foreclosure which is the subject of the enforcement file no. 16/2017 – the Bailiff's Office Răduță Nicoleta respectively the conclusion of 23.06.2021 and 25.06.2021 regarding the establishment of additional expenses, garnishment notice of 25.06.2021, address of seizure from 25.06.2021, garnishment notice of 25.06.2021. At the deadline of 25.11.2021, pursuant to the provisions of art. 413 paragraph 1 point 1 of the CCP, the court decided to suspend the trial of the case until the final settlement of the file no. 17433/303/2020.

Clarifications: --

Procedural status of the case: merits

Deadline:

16. File 1926/223/2021 - Drăgășani Courthouse

Parties: Filotie Adrian - appellant

Conpet SA - respondent

Subject matter: Filotie Adrian filed an enforcement appeal against the Conclusion No. 157 of 23.07.2021 by which the Bailiff's Office Bălan Ovidiu ordered the debtor Filotie Adrian to pay the amount of RON 16552.06 representing the unpaid difference following the update of the debt with legal interest and the payment of the amount of 1800 representing enforcement expenses.

Clarifications:

Procedural status of the case: merits

Deadline: 20.04.2022

17. File 16204/302/2021 - Bucharest District 5 Courthouse

Parties: Dobrogeanu Păun Ioan - appellant

Conpet SA - respondent

Subject matter: Dobrogeanu Păun Ioan filed an enforcement appeal against the decisions of June 22, 2021, respectively June 23, 2021 issued in the enforcement file 10/2013 of the Bailiff's Office Răduță Nicoleta.

Clarifications: By the **Closing of the hearing on 19.11.2021**, the Bucharest District 5 Courthouse rejects the request for suspension of the foreclosure formulated by the appellant Dobrogeanu Păun Ioan, as unfounded. With an appeal within 5 days from the communication, for the request for suspension, which is to be submitted to the District 5 Courthouse.

Procedural status of the case: merits

Deadline: 18.03.2022

18. File 267/36/2021 - Constanța Court of Appeal

Parties: Safir Marius - appellant

Conpet SA - respondent

Subject matter: Safir Marius filed an enforcement appeal (Article 588 of the NCPP) against the Criminal Decision no. 368/P of 03/23/2018 ruled by the Constanța Court of Appeal - Criminal Section and for criminal cases with minors and family in the court file no. 15042/212/2015

Clarifications:

Procedural status of the case: merits

Deadline: 20.01.2022

19. File 32805/212/2021 – Constanta Courthouse

Parties: Safir Marius - appellant

Conpet SA - respondent

Subject matter: Enforcement appeal

Clarifications: the debtor Safir Marius filed an enforcement appeal against the enforcement documents drawn up by the Bailiff's Office Menaef Cristian, the enforcement file no. 51/2019.

Procedural status of the case: merits

Deadline: 19.05.2022

20. File 1621/105 / 2021- Prahova Court

Parties: Conpet SA - defendant

HABAU PPS PIPELINE SYSTEM SRL, INSPET S.A., REVICOND CANALTECH S.R.L., IAT ENGINEERING & DESIGN S.R.L., HABAU PPS PIPELINE SYSTEM SRL - INSPET S.A. - REVICOND CANALTECH SRL - IAT ENGINEERING & DESING SRL Association - claimants

CIS GAZ-HORIZONTAL France ASSOCIATION - intervener for the benefit of CONPET

Subject matter: The applicants claim:

1. Urgent suspension of the Procurement Procedure until the solution of the case; 2. Annulment of decision no. 1/24.03.2021 issued by the CONPET settlement commission regarding the appeal filed by the claimants within the procurement procedure; 3. Cancellation of the CONPET Communication no. 5691/16.02.2021, annulment of all previous and/or subsequent acts, incidents or related issues issued by CONPET regarding the declaration of the tender of the CIS GAZ - HORIZONTAL Association as admissible and winning (including the relevant sections of the Procurement Procedure report, of the assessment minutes, as well as any other communications sent for this purpose to the subscribed and/or the CIS_ HORIZONTAL Association); 4. CONPET's obligation to re-evaluate the tender of the CIS GAZ - HORIZONTAL Association; 5. Orders CONPET to pay the legal expenses.

The claimants' claims relate to the procurement procedure carried out by CONPET S.A. for the award of the contract having as subject matter “Replacement of wires connecting the Danube crossing C1-C2 and Borcea Branch C3-C4”, by which the tender submitted by the Association of the CIS - HORIZONTAL was designated the winner.

Clarifications: By the sentence no. 785/29.06.2021, the Court admitted the exception of ineligibility of heads 3-6 of the amended summons, by reference to the provisions of Law no. 554/2004 and rejects the heads of claim as inadmissible, rejected the exception of devoid of purpose of the head 4 of the modified summons, as unfounded. It rejected the exception of belatedly of the 5th head of point 1 of the modified summons, as unfounded. It rejected the exception of the prematurity of the end of head 5 point 2 of the request for summons, as unfounded. It admitted the exception of the belatedly of the modification of the request for summons invoked by the intervener SC CIS GAZ SA and finds that the claimants are deprived of the right to modify the request for summons by the hearing notes submitted at the trial dates of 21.05.2021 and 27.05.2021. It rejected the request for an amended summons, based on the provisions of the Civil Code, as unfounded. It granted the form of order sought by the intervener to order the claimants to pay the legal expenses. It ordered the claimants to pay the intervener the sum of EUR 59199.64 for legal expenses. With the right to appeal within 30 days from the communication. No appeal was filed.

In February 2022, the intervener CIS GAZ - HORIZONTAL Association filed a request for correction of the material error and a request for clarification of Sentence no. 785/29.06.2021 pronounced by the Prahova Court.

Clarifications: By the conclusion of 10.03.2022, the Court admits the request for correction of material omission formulated by the intervener SC CIZ GAZ SA. It orders the correction of the material omission in the recitals and in the operative part of the civil sentence no. 785/29.06.2021 pronounced by the Prahova Court - Second Civil Section, of administrative and fiscal contentious in the file no. 1621/105/2021, in the sense that the amount granted to the intervener as legal expenses representing attorney's fees is in the amount of RON 59199, 64. It admits the request for clarification regarding the meaning, scope and application of the operative part of the civil sentence no. 785/29.06.2021 pronounced by the Prahova Court - Second Civil Section, of administrative and fiscal contentious in the file no. 1621/105/2021. It clarifies the operative part of the civil sentence no. 785/29.06.2021 pronounced by the Prahova Court - Second Civil Section, of administrative and fiscal contentious in the file no. 1621/105/2021, in the sense that: It obliges the claimants HABAU PPS PIPELINE SYSTEM SRL, INSPET SA, REVICOND CANALTECH SRL, IAT ENGINEERING & DESIGN SRL and the ASSOCIATION HABAU PPS PIPELINE SRL-INSPET SA- REVICOND CANALTECH SRL-IAT ENGINEERING & DESIGN SRL to pay to the intervener the amount of RON 59199.64 as legal expenses. With the right to appeal within 30 days from the communication.

Procedural status of the case: merits

Deadline: .....

c) The list of files pending before Courts on 14.03.2022 in which the company CONPET S.A. has double status

1. File no. 378/105/2007 - Prahova Court

Parties: Conpet S.A. - claimant-defendant

Petroconduct S.A. – defendant - counterclaimant

Subject matter: Conpet S.A. requests the obligation of the defendant Petroconduct S.A. Ploiesti at:

- payment of the amount of RON 80,548.49 representing penalties for non-execution on time of the obligations assumed by contract no. L 45/18.03.2004 and the contract no. M 59/9.06.2004

- delivery of the tubular material composed of China steel pipe in the quantity of 504 in the amount of EUR 21,344.4 and China steel pipe in the quantity of 96 m in the amount of EUR 4,366.08 or upon payment to our company of its equivalent value, i.e. the amount of RON 89,291 .50.
- payment of the amount of RON 20,626 representing transport, loading, unloading expenses for the tubular material
- payment of the legal expenses in the amount of RON 5,062.24, of which RON 5,057.24 judicial stamp duty and RON 5.00 judicial stamp as well as other legal expenses that we will incur in these proceedings.

Petroconduct S.A. filed a counterclaim requesting the obligation of Conpet SA to pay the amount of RON 46,214.01, representing the equivalent value of the works executed by it based on the works execution contracts no. L 45/18.03.2004 and no. MST 09/09.06.2004, in favor of the beneficiary Conpet SA.

Clarifications: On 22.02.2010, based on art. 36 of Law no. 85/2006, the court ordered the suspension of the case.

Procedural status of the case: Merits

Deadline: Suspended

2. File no. 1372/212/2017* - Constanța Courthouse

Parties: Conpet SA – defendant - counterclaimant

Cruceanu Alin Florinel - claimant-defendant

Subject matter: Cruceanu Alin Florinel filed a request for a summons requesting the court to order:

- the obligation of Conpet SA to pay compensations equal to the market value of the land building with an area of 460 sq. m. located in Lazu commune, Luceafărului street no. 29, Constanța county and of the land building with an area of 460 sq. m. located in Lazu commune, Luceafărului street no. 31, Constanța county, the equivalent value estimated at EUR 30,000, the equivalent in RON 134,700.
- the obligation of Conpet SA to pay the equivalent value of the lack of land use in the form of an annual rent for the last three years.
- the obligation of Conpet SA to pay the legal expenses of settling the present request.

The claimant subsequently set out his action on the second head of claim, claiming that the court should:

- order Conpet SA to pay the amount representing the non-use of the two land buildings for the period between 10.12.2015 and the date of finality of the decision by which the first head of the claim was admitted.

The lack of use was provisionally assessed for stamping in the amount of RON 5,000.

Conpet filed a counterclaim requesting:

- The obligation on the claimant to allow Conpet S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the two lands owned by the claimant Cruceanu Alin Florinel, located in Agigea commune, Lazu village, Luceafărului street no. 29 and 31, respectively, Constanța County. The exercise of the right of legal easement is to be done on a 2.4-meter-wide corridor located along the main crude oil transport pipeline Ø 20 ″ Constanța-Bărăganu for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and execution of any repair works.
- Establishing the amount of the annual rent provided by law owed by us to the claimant in exchange for exercising the right of legal easement.

Conpet also filed an impleader request with the Ministry of Public Finance and the National Agency for Mineral Resources (N.A.M.R.) that if Conpet S.A. Ploiești will fall into claims regarding the claimants' claims made in the summons to compensate us with the amounts we will be obliged to pay to the claimants.

Clarifications: By **the Civil Sentence no. 8561/14.07.2021** the Constanța Courthouse rejects, as unfounded, the pleas of the lack of passive procedural quality regarding the defendants CONPET SA, the ROMANIAN STATE THROUGH THE MINISTRY OF PUBLIC FINANCE, THE NATIONAL AGENCY FOR MINERAL RESOURCES and the MINISTRY OF ENERGY. It rejects as unfounded the pleas of the lack of passive procedural quality regarding the impleaders MINISTRY OF PUBLIC FINANCE, NATIONAL AGENCY FOR MINERAL RESOURCES. It admits the request formulated by the claimant CRUCEANU ALIN FLORINEL, against the defendants CONPET SA, the ROMANIAN STATE THROUGH THE MINISTRY OF PUBLIC FINANCE, THE NATIONAL AGENCY FOR MINERAL RESOURCES and the MINISTRY OF ENERGY. It obliges the defendants, jointly and severally, to pay to the claimant the amount of RON 184,700 representing the market value of the land building with an area of 460 sq m located in Lazu Commune, 29 Luceafărul Street, Constanța County and the market value of the land building with an area of 460 sq m located in Lazu Commune, 31 Luceafărul Street, Constanța county. It obliges the defendants, jointly and severally, to pay to the claimant the amount of RON 22,164 representing the equivalent value of the lack of land use between 10.12.2015 -10.12.2018. It rejects, as unfounded, the request for impleader formulated by CONPET SA against the MINISTRY OF PUBLIC FINANCE. It rejects, as unfounded, the request for impleader made by CONPET SA against the NATIONAL AGENCY FOR MINERAL RESOURCES. It rejects, as unfounded, the counterclaim formulated by CONPET SA against CRUCEANU ALIN FLORINEL. It obliges the defendants jointly and severally to pay to the claimant the legal expenses in the amount of RON 8414.28 represented by the stamp duty and the expert's fee. With the right to appeal within 30 days from the communication.

Conpet, N.A.M.R., the Romanian State through the Ministry of Public Finance and Cruceanu Alin filed an appeal.

By the **Conclusion no. 1548/07.10.2021**, the Constanta Court admits the exception of the material procedural incompetence of the Civil Section I of the Constanta Court. It declines the competence to resolve the appeal in favor of the Second Civil Section of the Constanţa Court. No appeal.

Procedural status of the case: Merits

Deadline: 21.04.2022

3. File no. 18344/212/2017 - Constanța Courthouse

Parties: Conpet SA – defendant - counterclaimant

Mitu Dumitru – claimant - defendant

Mitu Rodica – claimant - defendant

Subject matter: Obligation to do. Mitu Dumitru and Mitu Rodica file a summons requesting Conpet's obligation to pay compensations for the two plots of land with an area of 4,972 sq. m. and 4,977 sq. m. respectively located in Lazu village, Agigea commune, Constanța county affected by the route of some pipelines transporting petroleum products, as well as obliging the defendant to pay an annual rent for the lack of use on the land affected by the exercise of the right of legal easement , starting with 20.06.2014 and compensations in the form of an annual payment for affecting the use of part of the land on which the pipeline is not located, with the obligation to pay the legal expenses.

The claimants assessed the claims brought before the court in the amount of RON 10,000 to stamp the request, showing that after establishing the values by the expertise that they will administer in the case, to pay the difference of judicial fee.
Conpet filed a counterclaim requesting the court:
1. To order the claimants to allow Conpet S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the two plots of land owned by the claimants. The exercise of the right of legal easement is to be done on a 2.4-meter-wide corridor located along the main crude oil transport pipeline F2 Ø 20″ Constanța-Bărăganu for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and execution of possible repair works.
2. To establish the amount of the annual rent provided by law due by Conpet to the claimants in exchange for exercising the right of legal easement.
Conpet also filed an impleader request with the Ministry of Public Finance and the National Agency for Mineral Resources (N.A.M.R.) that if Conpet S.A. Ploiești will fall into claims regarding the claimants' claims made in the summons to compensate us with the amounts we will be obliged to pay to the claimants.
Procedural status of the case: Merits
Deadline: 30.03.2022

4. File no. 2323/120/2018 - Dâmbovița Court
Parties: Conpet SA - defendant - counterclaimant
Buzatu Florin - claimant - defendant
Subject matter: Buzatu Florin files a request for a summons requesting the court:
1. To oblige the defendant Conpet SA to pay the claimant the amount of EUR 150,000, payable at the NBR exchange rate on the day of payment (amount to be revalued on completion of the real estate assessment expertise report to be carried out in the probation case, to be resized and specified the value of the claims, corroborated with the appropriate adjustment of stamp duties), representing fair and equitable compensation for the damage suffered by restricting the possibility of exercising its property right over the land area of 5980 sq. m. located in the built-up area of Slobozia Moară locality, Dâmbovița county, with cadastral number 70618, registered in the land book 70618/ATU Slobozia Moară Dâmbovița county, on which are the underground gas pipelines and above-ground devices owned by the defendant, a land which cannot be used for building;
2. To oblige the defendant Conpet SA to pay a monthly indemnity of EUR 1,000 payable at the NBR exchange rate on the day of payment, starting with the date of the sentence, throughout the existence of underground pipelines and above-ground devices, buildings on the land owned by the claimant and to bear all the costs incurred by the claimant for the stages prior to the construction permit.
3. In the alternative, claims that the defendant should erect all the buildings built on the claimant's property, namely the gas pipelines and the above-ground devices, to restore the land to its original condition or to enable the claimant to carry out the obligation to do so, at the defendant's sole expense.
4. To order the defendant Conpet SA to pay the legal expenses incurred in the present legal proceedings.

Conpet filed a counterclaim requesting the obligation of the claimants to allow our company to exercise the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 and the establishment of the amount of the annual rent provided by law due by Conpet to the claimants in exchange for exercising the right of legal easement.

Clarifications: By the **sentence no. 602/10.03.2022** The Dâmbovița Court rejects the exception of the lack of passive procedural capacity of the defendant-claimant Conpet S.A. as regards the claims for compensation and indemnity raised by it. It admits the claimant Conpet S.A.'s lack of passive procedural capacity. As regards the head of claim concerning the obligation to raise the above-ground pipes and devices and to restore the land to its original condition or to empower the applicant to do so, invoked by it and consequently rejects that head of claim in contradiction with the defendant-claimant Conpet S.A. as being formulated against a person without passive procedural capacity. It admits in part the summons. It admits in part the counterclaim. It obliges the defendant claimant to demolish the construction without authorization (foundation) existing on the land belonging to him, with no. cadastral 70618, registered in the land book no. 70618 of the Slobozia Moară ATU, Dâmbovița County, identified according to the sketch drawn up in the expertise report in the topography specialty dated 04.11.2019 (f. 300 vol. I). It establishes the amount of the annual rent due by the claimant defendant to the defendant claimant for exercising the right of legal easement on the land with an area of 890 sqm related to crude oil pipelines O 143/4 and O 123/4, identified according to the sketch prepared in the expertise report of 02.11.2019 (f. 357 vol. I), at the amount of RON 284.8 and obliges the claimant defendant to pay it to the defendant claimant starting with the date of the finality of the present sentence. It dismisses the remainder of the action and the counterclaim. It rejects the request to show the right holder formulated by the claimant defendant in contradiction with the Romanian State, through the Ministry of Public Finance and the National Agency for Mineral Resources. It orders the refund to the claimant defendant of the stamp duty paid and not owed in the amount of RON 1,143.4. It compensates the expenses up to the amount of RON 1,172.7 and obliges the defendant claimant to pay to the claimant defendant the uncompensated difference of RON 836 legal expenses.

Procedural status of the case: --

Deadline: --

5. File no. 1122/284/2019 - Dâmbovița Court

Parties: Sotir Mădălina Rebeca - claimant

Conpet SA - defendant

Subject matter: Sotir Mădălina Rebeca filed a summons requesting the court to oblige Conpet SA to compensate her with the amount of EUR 25,000 for the land area of 523 sq. m., construction yard category, land surface of the claimant located in Cojasca commune, Dâmbovița County having the cadastral no. 72587, undercrossed by the Conpet pipeline.

Conpet SA filed a counterclaim requesting:

1. Obligation on the claimant Sotir Mădălina Rebeca to allow CONPET S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the land owned by her, located in Cojasca commune, Cojasca village, Dâmbovița County. The exercise of the right of legal easement is to be carried out on a 2.4-meter-wide corridor located along the main crude oil transport pipeline Ø $14^{3/4''}$ Cartojani-Teleajen Refinery (Lukoil) for the purpose of permanent access to the pipeline in order to daily checking of the condition of the pipeline and execution of any repair works. The exercise of the right of easement is to be carried out throughout the existence of the pipeline located on the

claimant's land but not later than the date of termination of the oil concession agreement concluded by us, the undersigned CONPET S.A., with the Romanian State.

2. Establishing the amount of the annual rent provided by law due by us, the subscribed CONPET SA, to the claimant Sotir Mădălina Rebeca in exchange for exercising the right of legal easement starting with the date of finality of the decision pronounced in the present case, rent consisting in the equivalent value of the annual use of the land under the exercise of easement.

Clarifications: By the **Conclusion of 25.09.2019**, the Răcari Courthouse rejected the plea of the lack of passive procedural capacity of Conpet SA. It admitted the plea of the lack of passive procedural capacity of the National Agency for Mineral Resources (N.A.M.R.).

By the **Decision no. 1734/03.12.2021** The Răcari Courthouse partially admitted the request for summons filed by the claimant-defendant Sotir Mădălina Rebeca, in contradiction with the defendant-claimant CONPET SA, summoned as impleader being the Romanian State, through the Ministry of Public Finance, and the National Agency for Mineral Resources. It obliges the defendant-claimant to pay to the claimant-defendant the amount of 3504 euros representing compensations for the lack of use of the land building, with an area of 523 sqm, registered in the land book no. 72587 of Cojasca locality, Dâmbovița County. It admits the request for impleader of the Romanian State, through the Ministry of Public Finance, formulated by the defendant-claimant. It obliges the impleaded person to pay to the defendant-claimant the amount of 3504 euros representing compensations due by the defendant-claimant to the claimant-defendant for the lack of use of the land, of 523 sqm, registered in the land book no. 72587 of Cojasca locality, Dâmbovița County. It admits the counterclaim filed by the claimant defendant Conpet S.A. in contradiction with the claimant-defendant Sotir Mădălina Rebeca. It obliges the claimant-defendant to allow the access of CONPET SA, on the land owned by the former, located in Cojasca commune, Cojasca village, Dâmbovița county, on a 2.4 meter wide corridor, located along the main crude oil transport pipeline with a diameter of $14^{3/4}$ ", Cartojani-Teleajen Refinery (Lukoil), for the purposes provided by the provisions of art. 7 et seq. of Law no. 238/2004, throughout the existence of the pipeline located on the claimant's land, but not later than the date of termination of the oil concession agreement concluded by CONPET S.A. with the Romanian State. It obliges the defendant-claimant to pay to the claimant-defendant an annual rent of 14.5 Euro, in exchange for the right of access on the land, from the date of finality of the decision until the date of termination of the concession agreement. It obliges the defendant-claimant to pay to the claimant-defendant the amount of RON 3,855 representing legal expenses. It obliges the claimant-defendant to pay to the defendant-claimant the amount of RON 2,020 representing legal expenses. It compensates the legal expenses owed to each other by the defendant-claimant and the claimant-defendant, and in the end the defendant-claimant will pay the claimant-defendant the amount of RON 1,835. With appeal within 30 days of communication.

Sotir Mădălina Rebeca and the Ministry of Public Finance filed an appeal against this decision.

Procedural status of the case: Merits

Deadline: 13,04,2022

6. File no. 18792/281/2019 - Prahova Court

Parties: Conpet S.A. - claimant

Andex Import - Export S.R.L. - Defendant

Subject matter: Conpet is suing Andex Import - Export S.R.L. so that by the decision that the court will pronounce, it will order:

1. The obligation of the defendant Andex Import - Export S.R.L. upon payment to Conpet S.A. of the amount of RON 46,176.27 representing damages in the amount of 20% due according to art. 16 of the service contract no. S-CA 97/15.03.2018, following the unilateral termination of the contract due to the fault of the defendant.

2. The obligation of the defendant Andex Import - Export S.R.L. upon payment to Conpet S.A. of the penalties in the amount of RON 2,123.62, due by the defendant in accordance with the provisions of art. 15.1 (1) and art. 15.2 of the contract for the non-execution in whole or in part of the collection, transport and temporary storage services from the locations of Conpet S.A. sent through orders between August 2018 and December 2019, according to Annex 2.

3. The obligation of the defendant to pay the legal expenses.

Andex Import - Export S.R.L. filed a counterclaim requesting the obligation of Conpet S.A. to:

1. the refund of the amount of RON 22,704.89, representing a guarantee of good execution constituted by SGB and executed abusively by Conpet on the date of notification of the unilateral termination.

2. the payment of the amount of RON 10,000 (plus VAT) representing the value of the services provided under the contract and not paid by Conpet S.A.

3. the payment of the amount of RON 25,000 as damages, representing the damage caused by Andex Import-Export S.R.L. (unrealized benefit) because of the abusive termination of contract no. S-CA 97/15.03.2018.

Clarifications: By the **Sentence no. 7008/06.11.2020** the Ploiești Courthouse admits the main request, obliges the defendant to pay to the claimant the amount of RON 46,176.27, representing damages and to pay the amount of RON 2,123.62, representing delay penalties. It dismisses the counterclaim as unfounded. It obliges the defendant to pay to the claimant the amount of RON 2,143.29 representing legal expenses, respectively equivalent to the judicial stamp duty. The decision was appealed by Andex Import - Export S.R.L.

By **Decision no. 1863/30.06.2021** The Prahova Court rejected the appeal, as unfounded. With the right to appeal within 30 days from the communication, which will be submitted to the Prahova Court. So far, the appeal of Andex Import - Export S.R.L. has not been registered with the courts.

Procedural status of the case: --

Deadline: --

7. File no. 5022/270/2020 - Onești Courthouse

Parties: Bacău Regional Water Company S.A. - Claimant

Radu Marian - Defendant counterclaimant

SC E.On Energie România S.A.-Counterclaimant

SC Delgazgrid S.A. - Counterclaimant

SC Transgaz S.A. - Counterclaimant

SC Conpet S.A. - Defendant and counterclaimant

General Secretariat of the Government of Romania - Counterclaimant

Romanian State by the Ministry of Public Finance - Counterclaimant

Subject matter: We render the subject of the counterclaim filed by the defendant Radu Marian

By counterclaim, the defendant Radu Marian requested the obligation of the claimant and the other counterclaimants, including our undersigned Conpet S.A., to:

1. *"the prior purchase of the free right of way, because we had no advantage, no favor, but only suffered, caused us only inconvenience and damage, although all were obliged not to aggravate the situation of the servient tenement, not to cause damage to the owner of the servient tenement by the exercise of the easement , but on the contrary to contribute to its preservation and even to improve it, they were obliged to conclude an agreement or expropriation for all the real estate mentioned, taking into account that all the property mentioned is in the aisle of construction which is of public utility established in accordance with the laws mentioned, the constructions were carried out with their consent, but after a fair and prior compensation inclusive with the payment of claims, compensations invoked until the moment of effective expropriation or real estate exchange of value equal to the claimed amount, if it suits us, or even other options if they are convenient for us… we formulate a counterclaim against the claimant and we sue the claimant and the following defendants in tort proceedings. ”*

2. *“The obligation of the defendants to move the transport networks located on its property, to another location, at a distance of min. 20m from the limits of our property, at their expense and until the network is moved, demand the immediate cessation of transport on these infrastructures until they agree to pay the damages and will guarantee that in case of damage resulting in material or human damage, they will accept our claims and will compensate us immediately without further comments."*

3. *"The obligation of the defendants to bring the land in the state it was in before, the dismantling of the manifold illegally placed by Transgaz".*

4. *"The obligation of the parties jointly and severally to pay compensation of EUR 1,000,000 (one million) in this case for infringement of fundamental rights and freedoms, for all criminal activity carried out to date and for all material and non-material damage caused, plus a monthly fee of EUR 5,000 (five thousand) and the tax to be paid to the state for this fee for each defendant, injured party, respectively for me and my wife, in the amount valid at the time of filing this counterclaim, summons in tort proceedings, at the Onești Courthouse, at the Bacău Court, for every month since 1990 when we became owners of the first plot of land and the claimant and the other defendants transport on these transport networks, illegally located on our property until present, a value that in the future requires to have a periodic indexation ex officio, equal to the coefficient of the minimum wage, as a reference index and to be transmitted to our descendants who will own these goods (buildings, land, everything on them, etc.) after our death, as long as these transport networks exist."*

5. *"The obligation of the defendants that in case of damages resulting in material, moral or human damages to compensate us in advance for the repair of damages, both for damages caused by failures and for damages caused during the repair of failures. We also claim compensation for damages caused by previous damages and their repair, as well as prior compensation for damages caused by current damages and those caused by their repair."*

6. *"The obligation of the claimant and the defendants to pay the legal expenses or, in the absence of such legal possibility, pursuant to Article 90 (1) and (2) (a) (b) and (c) and paragraph 3 of the Code of Civil Procedure, I request legal assistance under the conditions of the special law on public legal aid, namely the granting of exemptions both for the payment of this stamp duty and any fees during the entire case until the payment of damages, because we have no material possibilities to support this civil case without endangering our own livelihood and that of our family.”*

Conpet filed a counterclaim in this case, requesting the court:

1. *To order the claimants Radu Marian and Radu Elena to allow CONPET S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the arable land outside the town, their property, located in the city of Tg. Ocna, Progresului street, no. 6, Bacău County. The exercise of the right of legal easement is to be done on a corridor 2.4 meters wide located along the crude oil transport pipeline Ø 10$^{3/4}$″ Vermești - Tg. Ocna, for the purpose of permanent access to the pipeline to daily check the condition of the pipeline and the execution of any repair works. The exercise of the right of easement is to be carried out throughout the existence of the pipeline located on the claimants' land but not later than the date of termination of the oil concession agreement concluded by us, signed by CONPET S.A., with the Romanian State.*

2. *To establish the amount of the annual rent provided by law due by us, subscribed by CONPET SA, to the claimants Radu Marian and Radu Elena in exchange for exercising the right of legal easement starting with the date of finality of the sentence in this case, rent consisting of the annual use for the land affected by the exercise of the easement.*

At the same time, Conpet also formulated in the case a Request to show the holder of the right by which I indicated as holder of the property right over the crude oil transport pipeline Ø 10 3 / 4″ Vermești - Tg. Ocna with inventory number 120036/P.I.F. 1952 located on the arable land outside the town of the claimants Radu Marian and Radu Elena located in the city of Tg. Ocna, Progresului street, no. 6, Bacău County, Romanian State represented by: Ministry of Public Finance, headquartered in Bucharest, Apolodor Str., no.17, District 5, and the National Agency for Mineral Resources, headquartered in Bucharest, Dacia Boulevard, no. 59, district 1.

Clarifications: By the **Conclusion of 03.11.2021**, the Onești Courthouse admitted the exception of the inadmissibility of the counterclaim formulated by the defendant Radu marian in contradiction with the defendants E.On Energie România SA, Delgazgrid SA, Transgaz SA, Conpet SA, the General Secretariat of the Romanian Government and the Romanian State through the Ministry Public Finance, motivated by the fact that the conditions of art. 209 para.1 of the Code of Civil Procedure, and will reject the counterclaim regarding these defendants, motivated by the fact that the claims of the defendant Radu Marian in contradiction with these 6 defendants do not derive from the same legal relationship and are not closely related to the claim brought before the court by the lawsuit. However, the 6 defendants will also appear in the Ecris program on the summons. The court finds that this trial will be between CRAB Bacău and Radu Marian - the main claim and the counterclaim. All the exceptions and requests invoked by the 6 defendants will no longer be questioned, compared to the solution of admitting the exception of inadmissibility of the counterclaim in contradiction with these defendants.

Procedural status of the case: Merits

Deadline: Sentence postponed until 16.03.2022

8. File no. 1657/91/2020* - Vrancea Court

Parties: Vasile Maria Ilaria - at S.C.P.A. Buruian, Caracaş and Associates - Claimant

Dragu Georgeta - the S.C.P.A. Buruian, Caracaş and Associates - Claimant

The company Conpet SA Ploieşti - Defendant

Romanian State - through the Ministry of Public Finance - Defendant

National Agency for Mineral Resources - Defendant

Subject matter: By their summons, the claimants Vasile Maria-Ilaria and Dragu Georgeta requested to the court (we copy the petition for the summons) to:

A. In particular, order the defendant to pay an annual rent of EUR 496.64 for the protection area of the pipeline belonging to the defendant and which crosses the building privately owned by the undersigned, as of the date of registration of this summons.

B. In particular, order the defendant to pay a lump sum of EUR 508,080 in respect of the attribution of the use of the property according to its intended purpose, namely that the undersigned may not build buildings on the privately owned building.

C. In particular, order the defendant to pay legal interest on the annual rent provided for in point A, from the date of registration of the present summons.

D. In particular, order the defendant to pay legal interest for the lump sum compensation provided for in point B, from the date of registration of the present summons.

E. *In the alternative, we request you to order the other two defendants to pay the amounts indicated in the preceding paragraphs. '*

Conpet filed a counterclaim in this case, requesting the court:

1. *To order the applicants Vasile Maria - Ilaria, Dragu Georgeta and Dragu Maria to allow CONPET S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the land owned by them, located in Focșani city, Vrancea County. The exercise of the right of legal easement is to be done on a 2.4-meter-wide corridor located along the crude oil transport pipeline Ø 20″ Bărăganu - Borzești/Rafo Onești, for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and the execution of accidental and planned repair works. The exercise of the right of easement is to be carried out throughout the existence of the pipeline located on the claimants' land but not later than the date of termination of the oil concession agreement concluded by us, the undersigned CONPET S.A., with the Romanian State.*

2. *To establish the amount of the annual rent provided by law due by us, the undersigned CONPET SA, to the claimants Vasile Maria - Ilaria, Dragu Georgeta and Dragu Maria in exchange for exercising the right of legal easement, rent consisting in the equivalent value of the annual land use affected by the exercise of the legal easement.*

Clarifications: By the **Conclusion no. 71/09.03.2021** the competence to settle the case is declined in favor of the Second Civil Section of Administrative and Fiscal of the Vrancea Court. No appeal. Thus, the file no. 1657/91/2020* has been created.

Procedural status of the case: Merits

Deadline: 19.04.2022

9. File no. 220/262/2017 * - Moreni Courthouse

Parties: Conpet SA - defendant

Chivu Ion - claimant

Subject matter: Chivu Ion filed a request for a summons requesting the court to order:

- obliging Conpet SA to move the oil pipeline that crosses the land owned by him, with an area of 1,753 sq. m. located in the commune of Ocnița T14, P114.

- establishing the access location with the obligation of Conpet SA to pay an afferent annual rent both for the access road and for the pipeline that causes damage to the land.
- compensations for the land affected by the pipeline.

The claimant assessed his claims provisionally at the amount of RON 45,540/year x 3 years (RON 136,620).

Conpet filed a counterclaim requesting the court to:

- Order the claimant CHIVU ION to completely dismantle the existing construction (concrete foundation) located on the crude oil pipeline Ø $6^{5/8}$" Ochiuri - Moreni, which under-crosses the land owned by him, located in Ocnița, T 14, p114, cadastral no. 159 Land book no. 70441 Dâmbovița county. This construction was carried out without authorization, and Ocnița City Hall ordered the works to be stopped.
- To oblige the claimant to allow the company CONPET SA to exercise the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the land owned by the claimant CHIVU ION located in Ocnița commune, T 14, p114, cadastral no. 159 Land book no. 70441 Dâmbovița County. The exercise of the right of legal easement is to be carried out on a 2.4 meter wide corridor located along the crude oil transport pipeline Ǿ $6^{5/8}$" Ochiuri - Moreni that under-crosses the claimant's land, in order to have permanent access to the pipeline in order to daily check the condition of the pipe and perform any repair works.
- To establish the amount of the annual rent provided by law due by us to the claimant in exchange for exercising the right of legal easement, starting with the date of finality of the decision by which the claimant is obliged to allow CONPET SA to exercise the right of legal easement.

Conpet filed a request to show the owner of the property right over the transport pipeline that under-crosses the land owned by the claimant Chivu, introducing the Romanian state in question through the Ministry of Finance and NAMR.

Conpet filed a request to increase the amount, requesting the court to oblige the claimants to demolish the constructions (concrete platforms) built in the protection and safety area of the pipeline.

Clarifications: By the **sentence no. 1000/05.11.2019** the Moreni Courthouse partially admits the main request. It admits in part the counterclaim. The decision was appealed by Conpet SA and Chivu Ion.

By the **Decision no. 223/02.06.2020**, the Dâmbovița Court rejects the appeal filed by the Romanian State through the Ministry of Public Finance-General Regional Directorate of Public Finance Ploieşti against the Conclusion of 05.04.2019. It admits the appeals exercised against the civil sentence no. 1000/05.11.2019 pronounced by the Moreni Courthouse in the file no. 1220/262/2017. It annuls the sentence under appeal and remits the case for retrial to the first instance.

Procedural status of the case: Merits- retrial

Deadline: 24.03.2022

10. File no. 32294/299/2020 - Bucharest District 1 Courthouse

Parties: Conpet SA - defendant - counterclaimant

Bob Mihăiță - claimant-defendant

NAMR - defendant

Subject matter: Bob Mihăiță files a summons requesting the court to order:

1. The obligation of Conpet SA and NAMR to move the crude oil pipeline crossing the land owned by the claimant located in Cernavoda, plot 1, plot A6/2, Constanța county.

2. The establishing the equivalent value of the lack of use, for a period of three years, prior to the formulation of the summons, amounting to RON 150,000.

3. In the alternative, the obligation of Conpet SA to pay an annual rent for the use of the land owned by the claimant, from the date of filing the summons, in the amount of EUR 5/sq. m./year for the area of 14,645 sq. m., land affected by the protection and safety area, during the existence of legal easement.

4. The payment of legal expenses.

By the request for clarification of the summons, the claimant stated the following:

„..... ....

3. *For the method of calculating the amount of RON 150,000, I indicated the value of a rent, estimated at RON 4,166/month, for a period of three years prior to the formulation of the summons, which the defendants in the present case should pay as compensation for the damage suffered as a result of the impossibility of capitalizing the land crossed by their pipelines*

4. *We request, in the alternative, that the defendant SC Conpet SA be obliged to pay an annual rent for the use of the land personally owned by the undersigned, from the date of filing the summons, during the existence of the legal easement, until the lifting of the pipelines on the land of the undersigned.*

5. *The value of the 3rd head of the claim is RON 10,000, estimated value, following that, after performing the report of forensic technical expertise, the real estate assessment specialty, performed in question to stamp according to the value of the land related to the protection and safety area of the construction.*

6. *I request that the court oblige the defendant Conpet SA to pay all the compensations requested in the summons, and the defendant the National Agency for Mineral Resources to be obliged to move/decommission the oil pipelines on the land owned by the undersigned.*

.... “

Conpet filed a counterclaim seeking the following from the court:

1. To order the claimant to allow CONPET S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the land owned by the claimant Bob Mihăiță located in Cernavoda, plot 1, plot A6/2, Constanța County. The exercise of the right of legal easement is to be carried out on a 2.4 meter wide corridor located along each of the main crude oil transport pipelines that under-cross the claimant's land, respectively the F1 main crude oil transport pipeline Ø 14¾ ", F2 main crude oil transport pipeline Ø 20 ", and Pipeline 28 Constanța - Bărăganu of crude oil transport Ø 28", for the purpose of permanent access to pipelines for daily verification of the condition of pipelines and execution of possible repair works. The exercise of the right of legal easement is to be carried out throughout the existence of the pipelines located on the land of the claimant, but no later than the date of termination of the oil concession agreement concluded by us, the undersigned Conpet SA, with the Romanian State.

2. To establish the amount of the annual rent provided by law due by us, the undersigned, to the claimant in exchange for exercising the right of legal easement.

Clarifications: By the **Conclusion of 06.08.2021**, the Bucharest District 1 Courthouse rejects the exception of the belatedly of the request for impleader and of the request for showing the right holder, invoked by the National Agency for Mineral Resources, as unfounded. It rejects the exception of the lack of representative capacity of the National Agency for Mineral Resources, invoked ex officio, as unfounded. It rejects the request for an impleader from the Romanian State,

through the Ministry of Finance and the National Agency for Mineral Resources, as inadmissible in principle. It rejects the request to show the right holder of the Romanian State, through the Ministry of Finance and the National Agency for Mineral Resources, as inadmissible in principle. The conclusion can be appealed with the merits.

Procedural status of the case: Merits

Deadline: 19.04.2022

HEAD OF LEGAL SERVICE

Legal Adviser Cornel BĂNICĂ

"I certify the reality and accuracy of the information"

HEAD OF LITIGATION OFFICE

Legal Adviser Valentin MARCU

Activity Coordinator Irinel GEANTĂ

Activity Coordinator Ana PÎRVU

Legal Adviser Octavian TACHE

Legal Adviser Cătălina DĂU

FINANCIAL STATEMENTS

at the date and for the financial year ended

December 31, 2021

prepared in accordance with the accounting regulations in accordance with the International Financial Reporting Standards approved by the Ministry of Finance Order no. 2844/2016

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			- RON-
Name	**Note:**	**December 31, 2021**	**December, 31 2020**
ASSETS			
Intangible assets			
Tangible assets	5	512,823,088	504,534,005
Intangible assets	6	6,941,740	4,313,253
Financial Assets	7	411,171	1,111,921
Receivables related to the deferred corporate tax	14	4,637,485	4,955,676
Total Non-current assets		**524,813,484**	**514,914,855**
Current assets			
Inventories	8	5,312,087	5,912,006
Trade receivables and other receivables	9	48,922,158	40,260,134
Cash and cash equivalents	10	191,751,271	198,257,333
Prepaid expenses		623,444	602,808
Total current assets		**246,608,960**	**245,032,281**
TOTAL ASSETS		**771,422,444**	**759,947,136**
SHAREHOLDER'S EQUITY AND LIABILITIES			
Equities			
Subscribed and paid-up share capital	11	28,569,842	28,569,842
Legal reserves	11	5,713,968	5,713,968
Revaluation reserves	11	18,360,121	20,931,765
Other reserves	11	517,047,601	500,269,257
Retained earnings	11	46,288,764	40,678,977
Year's Result	11	51,928,770	60,846,759
Total shareholders' equities		**667,909,066**	**657,010,568**
Long-term liabilities			
Long-term liabilities	13	1,287,802	-
Long-term liabilities to employees	13	16,628,683	19,864,043
Other long-term liabilities	12	3,458,842	3,470,722
Total long-term liabilities		**21,375,327**	**23,334,765**
Current liabilities			
Trade liabilities	12	32,147,560	23,583,540
Current Corporate Tax	12	2,049,325	738,139

Other liabilities	12	27,106,187	29,892,967
Short-term liabilities to employees	13	12,065,900	14,127,500
Short-term provisions	13	8,769,079	11,259,657
Total current liabilities		**82,138,051**	**79,601,803**
Total liabilities		**103,513,378**	**102,936,568**
TOTAL EQUITIES AND LIABILITIES		**771,422,444**	**759,947,136**

I. FINANCIAL STANDING on DECEMBER 31st, 2021

These financial statements, from page 2 to page 57, have been authorized for issue and signed by the company management on March 21st, 2022. **Director General,**

Economic Director,

Eng.Dorin Tudora **Econ. Sanda Toader**

The attached notes, from 1 to 57, have been authorized for issue and signed by the company's management on March 21, 2022.

II. STATEMENT OF PRODIT OR LOSS and other ELEMENTS of the GLOBAL RESULT for the FINANCIAL YEAR ended DECEMBER 31st, 2021

- RON-

Name	**Note:**	**December 31, 2021**	**December, 31 2020**
Revenues from contracts		412,786,582	406,928,337
Other revenues		40,684,781	40,707,357
Earnings from disposal of assets		4,914,629	-
Total operating revenues	16	**458,385,992**	**447,635,694**
Stocks Expenses		5,448,472	6,106,005
Expenses with energy and water		16,552,710	12,465,234
Personnel expenses		168,219,096	162,558,904
Impairments of fixed assets, less adjustments related to rights of use resulted from leasing contracts		51,939,320	47,384,780
Impairments for the rights of use resulted from leasing contracts		1,672,808	1,925,587

Impairments of current assets		277,838	(346,944)
Expenses with external services		109,775,835	107,481,861
Loss from disposal of assets		-	41,323
Provision adjustments		(4,143,683)	(2,802,153)
Other expenses		50,906,821	47,804,980
Total Operating Expenses	17	**400,649,217**	**382,619,577**
Operating Profit		**57,736,775**	**65,016,117**
Financial Revenues		**3,428,282**	**6,122,271**
Interest expenses related to leasing contracts		202,065	532,077
Other financial revenues		127,759	153,711
Financial Expenses		**329,824**	**685,788**
Financial profit	18	**3,098,458**	**5,436,483**
Profit before income tax		**60,835,233**	**70,452,600**
Expenses with current corporate tax	14	9,155,006	9,176,821
Expenses with (revenues coming from) deferred corporate tax		(248,543)	429,020
Profit of the period		**51,928,770**	**60,846,759**
Actuarial loss from discounted benefits granted upon retirement		2,975,347	(2,160,408)
Revaluation surplus (Loss from impairment) of tangible assets)		-	2,376,682
Other elements of the equities - retained earnings		408,156	-
Total other global result elements that will not be subsequently reclassified as profit or loss		***3,383,503***	***216,274***
Net increase of the modernization quota reserve		9,810,724	3,192,763
Total other global result elements that will not be subsequently reclassified as profit or loss		***9,810,724***	***3,192,763***
TOTAL OTHER GLOBAL RESULTS		**13,194,227**	**3,409,037**
TOTAL GLOBAL RESULT		**65,122,997**	**64,255,796**
Earnings per share		**6.00**	**7.03**

These financial statements from page 2 to page 57 have been authorized for issue and signed by the company management on March 21st, 2022.

Director General,

Economic Director,

Eng. Dorin Tudora **Econ. Sanda Toader**

The attached notes, from 1 to 24, are integral part of these financial statements.

III. STATEMENT OF THE CHANGES IN EQUITIES ON DECEMBER 31st, 2021

- RON-

Name	Share capital	Legal reserves	Revaluation reserves	Other reserves	Retained earnings	Year's profit or loss	Total shareholders' equities
Balance on January 1, 2021	**28,569,842**	**5,713,968**	**20,931,765**	**500,269,257**	**40,678,977**	**60,846,759**	**657,010,568**
Net result of the year	-	-	-	-	-	**51,928,770**	**51,928,770**
Actuarial gains of the period	-	-	-	-	2,975,347	-	2,975,347
Surplus from revaluation	-	-	(2,571,644)	-	2,571,644	-	-
Other elements of the equities - retained earnings	-	-	-	-	408,156	-	408,156
Retained earnings coming from the adoption, for the first time, of IAS 19 - paper profit	-	-	-	-	(1,175,672)	-	(1,175,672)
Retained earnings coming from the adoption for the first time of IAS 29 - achieved earnings	-	-	-	-	1,175,672	-	1,175,672
Allocation of profit provided by law - exemption of reinvested profits	-	-	-	1,484,680	47,138	(1,531,818)	-
Net increase of the modernization quota reserve	-	-	-	9,810,724	-	-	9,810,724
Total other global result elements	-	-	**(2,571,644)**	**11,295,404**	**6,002,285**	**(1,531,818)**	**13,194,227**
Total global revenues related to the period	-	-	***(2,571,644)***	***11,295,404***	***6,002,285***	***50,396,952***	***65,122,997***
Dividends due to shareholders	-	-	-	-	(392,498)	(59,314,941)	(59,707,439)
Prescribed distributions	-	-	-	5,482,940	-	-	5,482,940
Total transactions with the owners directly recognized in equities	**-**	**-**	**-**	***5,482,940***	***(392,498)***	***(59,314,941)***	***(54,224,499)***
Balance on December 31, 2021	**28,569,842**	**5,713,968**	**18,360,121**	**517,047,601**	**46,288,764**	**51,928,770**	**667,909,066**

							- RON-
Name	**Share capital**	**Legal reserves**	**Revaluation reserves**	**Other reserves**	**Retained earnings**	**Year's profit or loss**	**Total shareholders' equities**
Balance on January 1, 2020	**28,569,842**	**5,713,968**	**21,111,893**	**495,540,772**	**43,997,162**	**58,876,719**	**653,810,356**
Net result of the year	**-**	**-**	**-**	**-**	**-**	**60,846,759**	**60,846,759**
Actuarial loss of the period	-	-	-	-	(2,160,408)	-	(2,160,408)
Surplus out of reevaluation of tangible assets	-	-	2,372,778	3,904	-	-	2,376,682
Surplus from revaluation	-	-	(2,552,906)	-	2,552,906	-	-
Allocation of profit provided by law - exemption of reinvested profits	-	-	-	1,531,818	(412,543)	(1,119,275)	-
Net increase of the modernization quota reserve	-	-	-	3,192,763	-	-	3,192,763
Total other global result elements	-	-	**(180,128)**	**4,728,485**	**(20,045)**	**(1,119,275)**	**3,409,037**
Total global revenues related to the period	-	-	***(180,128)***	***4,728,485***	***(20,045)***	***59,727,484***	***64,255,796***
Dividends due to shareholders	-	-	-	-	(3,298,140)	(57,757,444)	(61,055,584)
Total transactions with the owners directly recognized in equities	**-**	**-**	**-**	**-**	***(3,298,140)***	***(57,757,444)***	***(61,055,584)***
Balance on December 31, 2020	**28,569,842**	**5,713,968**	**20,931,765**	**500,269,257**	**40,678,977**	**60,846,759**	**657,010,568**

STATEMENT OF THE CHANGES IN EQUITIES ON DECEMBER 31st, 2020

Note: The position „Other reserves" includes also the reserve representing the modernization quota in amount of 470,931,860 RON at 31.12.2021, namely 461,121,136 RON at 01.01.2021. This reserve has a special regime, provided in GD no.168/1998, this being destined exclusively to the financing of the modernization works and development works related to the goods belonging to the public domain. The modernization quota is being collected at the extent of capitalization and proceeds of the production and is being reflected in reserves accounts, on account of the expenses. On a monthly basis is being written back to the revenues the modernization quota at the level of depreciation of the fix assets financed out of this source.

These financial statements from page 2 to page 57 have been authorized for issue and signed by the company's management on March 21st, 2022.

Director General, **Economic Director**

Eng. Dorin Tudora **Econ. Sanda Toader**

The attached notes, from 1 to 24, are integral part of these financial statements.

IV. CASH-FLOW STATEMENT FOR THE YEAR ENEDED December 31, 2021
(DIRECT METHOD)

			- RON-
	Name of the Item	**12 months, 2021**	**12 months 2020**
	Cash flows from operating activities:		
+	Proceeds from services supply	447,653,380	451,156,972
+	Proceeds from interests related to banking placements	3,320,322	6,572,110
+	Other proceeds	9,830,470	4,902,357
-	Payments to the suppliers of goods and services	121,740,032	117,925,202
-	Payments to and on behalf of the employees	166,734,770	160,129,565
-	VAT Payments	51,157,829	43,942,659
-	Expenses with corporate tax and specific tax	7,868,902	11,515,138
-	Other payments regarding operating activities	43,857,072	41,803,337
A	***Net cash from operating activity***	***69,445,567***	***87,315,538***
	Cash flows from investment activities:		
+	Proceeds from sale of tangible assets	302,162	63,378
+	Proceeds from modernization quota	47,490,268	36,980,848
-	Payments for purchase of tangible assets	63,416,908	102,602,530
B	***Net cash from investing activity***	(15,624,478)	***(65,558,304)***
	Cash-flows from financing activities		
-	Paid Dividends	57,690,483	59,117,819
-	Payments on the debt related to the leasing	2,430,264	2,764,889
-	Interest payments	206,404	194,144
C	***Net cash from financing activities***	***(60,327,151)***	***(62,076,852)***
	Net increase of the cash and cash equivalents=A+B+C=D2-D1	***(6,506,062)***	***(40,319,618)***
D1	***Cash and cash equivalents at the beginning of the period***	***198,257,333***	***238,576,951***
D2	***Cash and cash equivalents at the end of the period***	***191,751,271***	***198,257,333***

Cash and cash equivalents at 31.12.2021 have decreased by 3.3% compared to December 31, 2020 (191,751,271 RON compared to 198,257,333 RON), fact due to the decrease of the cash out of the operating activity.
Of the total of 191,751,271 million RON in the balance as of 31.12.2021, the share of the modernization quota is of 124,109,878 RON.

The effects of the three activity areas (operation, investment and financing) over the cash in the 12 months period of 2021 reveal the followings:

- the operating activity triggered a cash-flow in amount of 69,445,567 RON;

- the investments activity ended with a negative cash-flow in amount of 15,624,478 RON;

- the financing activity has lowered the total cash flow by 60,327,151 RON, due to the cash outputs mainly for the payment of dividends in amount of 57,690,483 RON.

The value of the net cash flow from the operating activity registers a decrease of 17,869,971 RON due to the increase of payments to the suppliers, following the augmentation of the electric power prices and natural gas, of payments to employees and to the state budget.

The net cash from the investment activity register a negative value, higher with 49,933,826 RON compared to the level registered in 2020, due to the decrease of the cash outputs for the payment of investment suppliers.

The net cash from the financing activity registers in both compared periods negative amounts determined by the payment of dividends to the shareholders and the amounts related to leasing.

These financial statements from page 2 to page 57 have been authorized for issue and signed by the company's management on March 21st, 2022.

Director General,	**Economic Director,**
Eng. Dorin Tudora	**Econ. Sanda Toader**

The attached notes, from 1 to 24, are integral part of these financial statements.

V. EXPLANATORY NOTES TO THE FINANCIAL STATEMENT ON DECEMBER 31, 2021

1. Business Description and General Information

The company "CONPET" S.A. ("The Company") is a joint-stock company, with a unitary system administration, as per Law no. 31/1990 on the companies, republished, subsequent amendments, is registered at the Prahova Trade Registry under no. J29/6/1991, and the Financial Supervisory Authority by the registration certificate no. 7227/1997.

Address of the registered offices is Ploiesti City, No. 1-3, Anul 1848 Street, Prahova County.

CONPET S.A. is the concessionaire of the crude oil, rich gas, condensate and ethane National Transport System, capacity acquired, in 2002, following the conclusion with the National Agency of Mineral Resources (NAMR), the competent authority representing the State's interests in the oil resources sector, of an Oil Concession Agreement, approved by GD no.793/25.07.2002.

The company's shares are being traded at the Bucharest Stock Exchange (BSE) starting September 5, 2013, under the "COTE" symbol.

Currently, the company CONPET S.A. is included in 7 indexes of the total 9, namely **BET, BET-TR, BET-XT, BET-XT-TR, BET-BK, BET-NG and BET Plus.**

On 31.12.2021, CONPET S.A. had a market capitalization of 683.9 million RON (138,2 million Euro), ranking 26 in Top 30 issuers according to capitalization".

Company's Establishment

CONPET is set up based on GD no.1213/20.11.1990 regarding the set-up of the joint stock commercial companies in the industry, pursuant to Law no.15/1990 regarding the reorganization of the public economic units as autonomous administrations and joint stock companies, by taking over all assets and liabilities of the former Crude Oil Pipeline Transport Enterprise (Rom.I.T.T.C.).

The shareholder structure and number of voting rights at 31.12.2021 are:

a) The Romanian State by the Ministry of Energy, holding 5,083,372 shares representing 58.72% of the share capital,
b) The Romanian State by the Ministry of Energy, holding 2,292,221 shares representing 26.47% the share capital,
c) natural persons, with 1,281,935 shares representing 14.81% of the share capital.

Company's Mission

CONPET mission is the operation of the National Transport System via Pipelines under safe and secure conditions, free access to the system's available capacity to all the inquirers, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

Other Information on the Company's Business

As per the Articles of Incorporation, the company's core business is the transport of crude oil, rich gas, ethane and condensate via pipelines aiming at supplying the refineries with crude oil and derivatives out of domestic production, as well as with imported crude oil (NACE code 4950-"transports via pipelines").

CONPET supplies transport services for its clients both via the National Transport System concessioned based on the Oil Concession Agreement of the National Transport System of Crude Oil, Rich Gas, Condensate and Ethane via pipelines, as well as by rail, from the loading ramps to the refineries, for the oil areas not connected to the major transport pipelines.

The crude oil National Transport System represents the ensemble of the major interconnected pipelines ensuring the collection of the oil extracted from the exploitation areas or of the imported, from the delivery sites to the processing units.

CONPET, as Concessionaire of the crude oil National Transport System entitles as common carrier and the obligation to provide, as per the legal provisions, free access to the system's available capacity to all the inquirers, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

The crude oil National Transport System belongs to the Romanian State public domain and is being administered by NAMR (as per the Oil Law provisions). This comprises a pipeline system of approx. 3,800 km and a transport throughput of 18.5 million tons/year.

The Legal Environment

The activity in the oil sector is being regulated by the Oil Law no. 238/2004.

The National Agency for Mineral Resources (NAMR) represents the interests of the State in oil resources domain and is the competent authority authorized to apply the dispositions of Law 238/2004. As per the Oil Law, the National Agency for Mineral Resources entitles as Concession Provider of the goods belonging to the public domain, concessioned to the operators acting in the oil industry.

The main responsibilities of NAMR are the followings:

- negotiates and concludes, on behalf of the State, oil agreements;

- grants mining concession licenses and exploitation permits;

- issues regulatory acts, norms, instructions, orders and regulations;

- controls the compliance, by the holders of the concession agreements with the concession licenses and exploitation permits conditions;

- manages the crude oil National Transport Systems via pipelines and regulates the exploitation activities thereof by system's concession agreements concluded;

- annuls the concession/administration acts;

- approves the tariffs and the frame-contract for the transport of crude oil, rich gas, condensate and ethane.

The tariff for the supply of the transport service via the National Transport System of crude oil, rich gas, condensate and ethane.

The transport tariff stands for the exchange value of the transport service supplied by the holder of the oil concession, as common carrier for the transport, via the crude oil National Transport System, of an oil ton along the oil take-over sites from the domestic producers or import and the delivery sites to the refineries.

The company practices different transport tariffs for the two subsystems belonging to the National Transport System, namely the subsystem for the transport of the crude oil, rich gas, condensate and ethane from the domestic production and the subsystem for the transport of the imported crude oil. For the transport on the import subsystem are being settled tariffs per refineries and per transported quantity installments, being applied the bracket tariff model.

The transport tariffs are being established in accordance with NAMR Order no.53/2008 for the approval of the guidelines regarding the criteria, methodology and settlement procedure of the regulated for the transport via the National Transport System and are being approved by NAMR as competent authority.

The transport tariffs are determined by the value of transmission allocation of the amount of oil transported to the beneficiaries, the appropriate distances, using a methodology based on the determination of the cost of service, defined as all the revenue required to cover the transportation system operations, including:

- the operating cost, including: material expenses, personnel expenses, pipeline maintenance expenses, expenses with energy, gas and water, costs related to the amortization of the fixed assets, the royalty and other taxes applicable to the transporter, expenses related to the provision of pipeline guard, decontamination expenses, other expenses;

- modernization and development quota;

- a reasonable profit margin.

2. Preparation Grounds

(a) Statement of Compliance

These financial statements of the Company have been drafted under the accounting regulations compliant with the International Financial Reporting Standards (“IFRS”) approved by Order of the Ministry of Public Finances no.2844/2016

The IFRS standards represent the standards adopted according to the procedure provided by the Regulation (EC) no.1.606/2002 of the European Parliament and the Council from July 19, 2002 on the application of the International Financial Reporting Standards and include standards and interpretations approved by the Committee for Accounting International Standards (“IASB”), Accounting International Standards (“IAS”) and interpretations issued by the Committee for the Interpretation of the International Financial Reporting Standards (“IFRIC”).

The financial statements prepared at the date and for the financial year ended December 31, 2021, have been audited.

(b) Overview of the Financial Statements

The financial statements are being presented in compliance with IAS,1 the *Overview of the Financial Statements.* The company has adopted an overview based on liquidity within the financial standing and an overview of the revenues and expenses according to the nature thereof within the statement of profit and loss and other elements of the global result, considering that these methods of presentation offer credible information and more relevant than the information presented based on other methods permitted by IAS 1.

(c) Functional and Presentation Currency

The financial statements are being presented in Romanian Lei (RON), as per the applicable accounting regulations, all amounts being rounded at the closest RON. The Romanian Leu (RON) is also the functional currency of the Company, as it is being defined by IAS,21, T*he effects of the variation of the currency.*

(d) Evaluation Grounds

The financial statements are being prepared at historical cost, except for the tangible assets, other than the tangible assets in progress, which are being assessed at the reevaluated value, while the stocks are being assessed at the smallest value between the cost and the net achievable value.
The accounting policies defined here-below have been consistently applied for all periods presented in these financial statements.

(e) Business Continuity
The financial statements have been prepared considering the ongoing concern.

(f) Accounting Estimates and Professional Reasoning

The preparation of the financial statements pursuant to the International Financial Reporting Standards („IFRS") implies the use, by the Company, of estimates, professional reasoning and hypotheses affecting the reported value related to assets, liabilities, revenues and expenses. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including predictions of future events that are believed to be reasonable under certain circumstances. The results of these estimates set the grounds for the professional reasonings regarding the accounting value of the assets and liabilities that cannot be obtained from other information sources. The actual results may be different from the estimates values.
The significant reasonings used by the management for the application of the Company's accounting policies and the main sources of uncertainty regarding the estimates have been the same with those applied to the financial statements related to 2020.

(g) The Use of Estimates and Reasonings
CONPET concluded, in 2002, a concession contract with NAMR according to which the Company is entitled to use public patrimony assets including the goods part of the crude oil National Transport System.

The company CONPET operates as a joint stock company, as per the Law no.31/1990 on the companies, republished, with subsequent amendments, where most of shares are being held by the State, being a public enterprise as per GDO. 109/2011 on corporate governance of public enterprises. The services supplied by the company are not public services, as they are being supplied in the benefit of the clients legal persons, therefore do not fall under the provisions of *IFRIC 12, Services Concession Agreements.*

3. Accounting Policies

Hereinafter, there are being described the significant accounting policies applied consistently by the company on preparation of its financial statements.

(a) Transactions in Foreign Currency

The transactions in foreign currency are being expressed in RON by application of the currency from the date of transaction. The monetary assets and the debts expressed in foreign currency at the end of the period are being transformed in RON at the currency valid at that date.
The earnings and losses generated by the differences of currency, realized or not realized, are being registered in the profit and loss statement and other elements of the global result of the respective financial year.

The foreign exchange of the main foreign currencies were:

(b)

	December 31, 2021	December 31, 2020
RON/EURO	4.9481	4.8694
RON/EURO	4.3707	3.9660
RON/GBP	5.8994	5.4201

Accounting for the Effect of Hyperinflation

In accordance with IAS 29 Financial reporting in hyperinflationary economies, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy shall be presented in the current unit balance-sheet date, i.e. non-monetary items are restated using a general price index from date of acquisition or contribution.

Therefore, the values reported in terms of purchasing power on December 31, 2003 are treated as the basis for the carrying amounts of these financial statements.

As the characteristics of the economic environment in Romania indicate the cessation of hyperinflation, starting January 1,2004, the company no longer applies IAS 29.

(c) Financial Instruments

(i) Non-derivative financial assets

The company initially recognizes the financial assets (receivables and deposits) the date they have been initiated.

All other financial assets, here included the assets designated at fair value through profit or loss, are recognized initially on the trade date, when the Company becomes party of the contractual terms of the instrument.

Any interest in the financial assets transferred that is created or retained by the Company is recognized separately, as asset or liability.

The financial assets and debts are offset and in the statement of the financial position is being presented the net value exclusively when the Company has the legal right to offset the amounts and intends either to settle

them on a net basis, or to realize the asset and settle the obligation simultaneously. At 31.12.2021, the company holds the following non-derivative financial assets: cash, cash equivalents and receivables.

Short-term investments

The treasury accounting, as per item 92 of Order 2844/2016, provides for the records related to existence and movement of short-term investments, cash in bank accounts/pay offices, the short-term bank credits and other treasury values.

In the category of short-term investments are comprised Government securities: Government bonds, as well as treasury bills, which have been purchased in view of achieving a short-term profit.

On entering the Company, the short-term investments are being assessed based on the purchase cost, by which we understand the purchase price, or the value established under the contracts.

During 2021, the company has not had transactions representing short-term investment and does not have short-term investments in balance at the end of the year.

Receivables

Receivables are financial assets with fix payments or determinable that are not listed on an active market. Receivables contain trade receivables and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise the amounts recorded in cash accounts, current accounts, deposits redeemable at maturity and other cash equivalents. The cash availability in foreign currency are revalued at the exchange rate at the end of the period.

(ii) Non-derivative financial liabilities

The Company recognizes in the book-keeping the non-derivative financial liabilities on the trade date when the Company becomes party to the contractual terms of the instrument. The Company has the following non-derivative financial liabilities: guarantees retained within contractual transactions, trade payables and other liabilities.

Trade liabilities

Liabilities to the suppliers and other liabilities include the exchange value of the products suppliers' deliveries, works executed and the services supplied.

Leasing liabilities

As per IFRS 16, a contract is or contains a leasing contract in case that contract confers the right to control the use of an asset identified for a certain period in exchange of a countervalue.

For such contracts, at the date of initiation of performance thereof, a lessee must recognize an asset related to the right of use and a debt deriving from the leasing contract, debt generating interest.

The company includes in the item “Other debts” also the debts deriving from the leasing contracts at the present value of the payments of leasing that are not paid at that date.

(iii) Share capital - Common stocks

The share capital consisting of common stocks (ordinary) is recorded at the value established based on the articles of association and addenda.

The company recognizes the amendments to the share capital only after the accomplishment of the legal procedures provided by Law no.31/1990.

(d)Tangible assets

(i) Recognition and Assessment

The tangible assets in the company’s patrimony are being classified in the following category of assets of same kind and similar use.

- lands;
- constructions;
- operating oil product;
- technological equipment, measuring installations and devices, control and adjustment and means of transport;
- other tangible assets;
- tangible assets in progress.

The tangible assets are initially evaluated at cost by the Company. After initial recognition the tangible assets are being revealed in the statement of the financial standing at reevaluated value, established based on an assessment report drafted by an authorized independent expert.

The reevaluations are made with fair regularity to make sure that the accounting value does not significantly differ from what would have been determined by using the fair value at the date of the reporting period.

The tangible assets are being presented in the statement of the financial standing at the re-evaluated value, diminished by the cumulated depreciation and the loss from cumulated depreciation, except for advance payments and ongoing tangible assets appear at cost.

The cost of an element of tangible assets is made up of the procurement price, here included the import fees or non-recoverable procurement fees, the transport expenses, manipulation, commissions, notary fees, expenses with permits acquirement and other non-recoverable expenses directly related to tangible assets and any other direct costs attributable to bringing the assets to the place and in operating conditions.

The tangible assets in progress stand for unfinished investments performed in-house or under contract. They are being evaluated at the production or procurement cost, as the case may be. Tangible assets in progress pass to the category of tangible assets completed after the reception, putting into operation or commissioning thereof, as the case may be.

The cost of a tangible asset built in-house is being determined by using the same principles as for a purchased asset.

The Company does not recognize in the carrying amount of a tangible asset item the current repairs and usual maintenance, these costs are recognized as an expense when incurred.

The costs of current maintenance are mainly the workmanship and expandable costs and may include the cost of small components. The purpose of these expenses is often described as being meant for the “repairs and maintenance “of the tangible assets element.

(ii) Ulterior costs

Replacements of several components of tangible assets

The components of several elements of tangible assets may need the replacements at time regulated intervals. The company recognizes in the carrying amount of a tangible assets element the cost of the replaced part of such an element, when that cost is borne by the company, if the validation criteria are being met, for tangible assets.

General Regular Inspections

One condition for the continuation of the exploitation of an element of tangible asset is the performance of a general major regular inspection for detecting defects, notwithstanding they are being replaced or not component parts of the respective assets. When a general regular inspection is being performed, the related cost is recognized in the accounting value of the tangible asset as a replacement, if the recognition criteria are satisfied.

An element of tangible assets and any significant part initially recognized are derecognized in the moment of disposal or when are not being expected future economic benefits from its use or sale.

If an element of tangible asset is re-assessed, all the other assets it is part of are re-evaluated, except for the situation when there is no active market for that asset. A class of intangible assets contains assets of the same nature and similar use, being operated by the entity. If the fair value of a tangible asset cannot be determined by reference to an active market, the asset value presented in the balance sheet is its reassessed value at the date of the last reassessment, wherefrom are being decreased the cumulated value impairments.

When certain components of a tangible asset have a different useful life, they are being counted as distinct elements (major components) of tangible assets.

The statement related to the evolution of tangible assets of the Company during 2021 and 2020 is being detailed in note 5.

Operating Oil Product

The company recognizes in tangible assets the operating oil product evaluated in the balance sheet at determined cost from the revaluation performed as per GD no.26 from January 22,1992 updated with inflation rate up to 31.12.2003, when Romanian economy was inflationary. Since the oil operating product of the Company physically renews at every pumping and that the component elements of this product do not bear,

therefore, moral or qualitative depreciation, the operation oil product has not useful life, thus is not being depreciated. The company presents the operating oil product at the cost value, here included the effects of restatements registered in the previous years as per application of “IAS29”, Financial reporting in the hyperinflationary economies”.

The Goods belonging to State Public Domain

The company administers goods belonging to the State public domain, as grantor of the oil concession Agreement concluded with the National Agency for Mineral Resources, approved by GD no.793/2002 for a period of 30 years.

Pursuant to the concession agreement, the objectives assumed by CONPET S.A. in relation to its activity are: to ensure the operation of the national transport system via pipelines under maximum safety and economic efficiency conditions, to continuously improve the quality of services and to protect the environment.

The goods resulting following the investments provided by the rehabilitation, modernization and development programs performed out of own company’s financing sources are being capitalized and depreciate on the minimum duration related to the remaining lifespan of the respective asset or the remaining term of the concession agreement. The goods are to be included in the State’s public domain at the date of amortization of the investment by the company, namely on the expiry of the normal operation term or cease of the oil agreement, if applicable, as per the legal provisions.

(iii) Reclassification as Investment Property

When an asset is being held more for obtaining revenues out of rentals or for the increase of the capital value or both, rather than for being used in the production or supply of goods and services, for administrative purposes or to be sold during the normal carry out of the activity, the asset is being transferred in investment property. Our company transfers an asset in the category of investment property if the latter generates cash flows that are, to a large extent, independent of other assets held.

The company does not hold investment property in balance at the date of preparation of these financial statements.

(iv) Intangible Assets held in view of Sale

When there is an amendment brought to the use of an intangible asset, meaning that its accounting value is to be recovered mainly by a sale transaction and not by its continuous use, the company records the asset transfer from the tangible assets category to non-current assets held in view of sale.

The non-current assets are classified as assets held for sale when:

- They are available for immediate sale;
- The company’s management is engaged in a sales plan;
- There are minimum chances that the sales plan incur significant changes or be withdrawn;
- It is being initiated an active program to find buyers;
- The assets group is being traded at a reasonable price as compared to the fair value;
- It is expected that the sale be concluded within 12 months as of the date of assets classification as held for sale.

Certain events or circumstances may extend the period for the completion of sale by more than one year. An extension of the period does not prevent an asset (or an asset group to be disposed) to be classified as being

held in view of sale in case the delay is caused by events or circumstances outside the management control and there are enough proofs that the company remains committed to the plan regarding the asset's sale (or the group destined to disposal).

The intangible assets (or asset group to be disposed) classified as being held in view of sale are being assessed by the company at the minimum between the accounting value and the fair value, less the sale costs.

The intangible assets are not being depreciated whilst they are being classified in view of sale.

(v) Assets related to the right of use of the assets taken by leasing

On initiation of a contract, the company evaluates if that contract is or includes a leasing. A contract is or contains a leasing contract in case that contract confers the right to control the use of an asset identified for a certain period in exchange of a countervalue.

As per IFRS 16, Leasing Contracts, at the date of starting the performance, the company, as lessee, recognizes an asset related to the right of use. The cost of the asset related to the right of use includes the value of the initial value of the debt deriving from the leasing contract, any leasing payment being performed at the date of initiation of performance or prior to third date, minus any in leasing stimulants received or any direct initial cost borne by the company as lessee.

The company reevaluates if a contract is or includes a leasing only provided that the terms and conditions of the contract are amended. The company determines the duration of a leasing contract as being the irrevocable period of a leasing contract, along with:

(a) the periods covered by an option of extension of a leasing contract if the lessee has the reasonable confidence that it will exercise that option; and

b) the periods covered by an option of termination of the leasing contract if the lessee has the reasonable confidence that it will exercise that option.

In terms of financial standing, the assets related to the right of use are being included in the same element-item as the one where are being presented the assets-support of the company.

(vi) Amortization

Depreciation is being calculated by using the straight-line method.

The useful life of the tangible assets fit with those provided in the Catalog regarding the classification and normal operating durations of the fixed assets approved by Decision 2.139/2004.

The goods resulting following the investments related to the national transport system via pipelines pays off along the minimum duration between the remaining lifespan of the respective asset or the remaining duration from the concession agreement.

The assets related to the rights of use of the assets taken in leasing are linearly depreciated, all along contract duration.

The lifespans of the tangible assets are being periodically revised and, if applicable, at the date of value increase thereof, due to some expenses subsequently performed.

(vii) Sale/ cessation of Intangible Assets

Tangible assets that are scrapped or sold are being derecognized from the balance sheet together with the corresponding accumulated depreciation. Any profit or loss resulting from such an operation are included in current profit or loss.

The gain or loss resulting from the non-acknowledgment of an element from tangible assets, determined as difference between net proceeds from sale included in the operating revenues and the net accounting value of the asset included in other operating expenses are being revealed as separate position in the Statement of profit and loss and other elements of the global result.

(e) Intangible Assets

(i) Recognition and Assessment

Intangible assets are initially recognized at cost. The cost of intangible assets include expenses that are not directly attributable to the purchase of the respective elements. The expenditure related to the acquisition of software licenses is capitalized based on the costs of purchase and commissioning of the respective programs. The costs associated to the maintenance of the software programs are recognized as expenses upon occurrence.

(ii) Subsequent Expenditure

The subsequent expenses are capitalized only when they increase the future economic benefits embodied in the value of the asset to which they are intended. All other expenditure, including expenditure on the goodwill and the internally generated brands are recognized in profit or loss when incurred.

(iii) Depreciation

Depreciation is recognized in profit or loss using the linear method for the useful life estimated for intangible assets other than goodwill, from the date they are available for use.

(f) Depreciation of Assets

The Non-Financial Assets

The carrying value of the Company's assets that are not of a financial nature, other than deferred tax assets, are reviewed at each reporting date to identify the existence of depreciation indices. If such indices exist, it is being estimated the recoverable amount of the said assets.

The recoverable amount of an asset or of a cash-generating unit is the maximum between its use value and its fair value, less the costs to sell that asset or units. A cash-generating unit is the smallest identifiable group that generates cash and that independently of the other assets and other groups of assets could generate cash flows. To determine the use value, the expected future cash flows are discounted using a discount rate before taxation, which reflects the current market conditions and the risks specific to the said asset.

A depreciation loss is recognized when the carrying amount of the asset or cash-generating unit exceeds its estimated recoverable amount of the asset or the cash-generating unit.

The depreciation losses recognized during the previous periods are being assessed at each reporting date to determine whether they have diminished or no longer exist. The depreciation loss is reversed if there has been a change in the estimates used to determine the recoverable amount.
Given some internal and external factors, the Company assessed the net book value registered at the balance sheet date for depreciable tangible assets, in order to evaluate the possibility of existence of a depreciation thereof, which could attract the record of an adjustment for depreciation.

The Financial Assets
The short-term receivables are not discounted. The recoverable amount of other assets is deemed the highest value between the fair value (less sale costs) and the use value. Estimating the use value of an asset involves updating the estimated future cash flows using a pre-tax discount rate that reflects current market assessments regarding the time value of money and the risks specific to the asset.
Depreciation losses on financial assets or a receivable recorded at the amortized cost is reversed if there has been a change in the estimates used to determine the recoverable amount.

(g) Stocks
The main categories of stocks are: consumables, spare parts, ongoing services and materials like inventory objects.

The stocks are valued at the lower of cost and net achievable value.

The cost of stocks is based on the first in - first out (FIFO) principle and includes costs incurred for the purchase of inventories, production or processing costs and other costs incurred for bringing the inventories in the form and present location.

The net achievable value is the estimated selling price to be obtained in the ordinary course of business, less estimated costs of completion, when appropriate, and the estimated costs necessary to the sale.

If applicable there will be applied impairments for the obsolete stocks, slow movement or damaged.

(h) Dividends

The dividends are recognized as liability in the period in which their distribution is approved. The distribution of dividends is being performed subsequently to the approval of the annual financial statements.

(i) Revaluation reserves

The revaluations are performed with sufficient regularity so that the carrying amount does not differ substantially from that which would be determined using the fair value at the balance sheet date.

The difference between the value resulting after revaluation and the net accounting value of tangible assets is presented either according to its nature (appreciation/depreciation), either at the revaluation reserve as a distinct sub-element in “Equities” or in the "Profit and Loss" account.

If the revaluation result is an increase over the net accounting value, then, it is treated as follows: as an increase of the revaluation reserve presented within the total equity, if there was no previous decrease recognized as an expense related to that asset or as an income to compensate the expense with the decrease previously recognized at that asset.

If the revaluation result is a decrease of the net accounting value, it is treated as an expense with the entire value of the depreciation when in the revaluation reserve is not recorded an amount on the asset (revaluation

surplus) or as a decrease of the reserve from the revaluation by the minimum between the value of that reserve and the amount of the decrease and the possible difference remaining uncovered is recorded as an expense.

The revaluation surplus included in the revaluation reserve is transferred to the retained result when this surplus represents an achieved gain. The gain is deemed realized as monthly amortization is being registered and when deleting from the records of the asset for which was established the revaluation reserve. No part of the revaluation reserve can be distributed, directly or indirectly, except for the case when it represents achieved earnings.

A particularity occurs in case of the assets financed out of the modernization quota.

Thus, in case the revaluation result shows an increase compared to the net accounting value, then it is being treated as follows:

- as an increase of the r*evaluation* reserve, if there was no previous decrease written-back as an expense related to that asset,
- as an increase of the *reserve established out of the modernization quota*, up to the set-off of the decrease previously recognized and for which, simultaneously with the depreciation expense was also diminished the quota reserve by writing-back to revenues.

In case the result of revaluation is a decrease of the net accounting value, the latter will be treated as an expense when in the revaluation reserve is not registered an amount related to that asset (revaluation surplus) and the reserve formed out of the modernization quota is diminished simultaneously by writing-back as income.

Starting May 1, 2009, the statutory reserves from the revaluation of fixed assets, including the lands, performed after January 1, 2004, which are deducted from calculation of taxable profit through tax depreciation or from expenditure regarding the assets assigned and / or squashed, shall be taxed concurrently with the deduction of the fiscal depreciation, respectively when deducting from the administration of these fixed assets, as appropriate.

The achieved reserves are taxable in the future, in case of change of reserve destination, reserve distribution towards the participants in any form, liquidation, division, merger of the taxpayer or of any other reason except for transfer, after May 1, 2009, of the reserves mentioned in the previous paragraph.

(j) Legal Reserves

The legal reserves are constituted in a rate of 5% of gross statutory profit, as of the end of the year until the total legal reserves reach 20% of the nominal share capital (statutory) paid-up in compliance with the legal provisions. These reserves are deductible at the calculation of the corporate tax and are distributable exclusively upon liquidation of the Company.

(k) Other reserves

The company constitutes profit reserves also at the expense of the modernization quota, based on the GD no.168/1998 on setting the quota for the expenses necessary for the development and modernization of crude oil and natural gas production, refining, transport and petroleum distribution, subsequent amendments, presented in GD's no.768 of 7 September 2000 and 1116 of 10th of October 2002 and according to the provisions of Law no.227/2015 on the Fiscal Code. The modernization quota is approved by the National Agency for Mineral Resources (NAMR) once with the approval of the transport tariffs.

In other reserves - the modernization quota, as sub-element of the accounts of equities are being included the amounts representing the plus resulting from the revaluation of the tangible assets financed out of this source, until the clearing of the decrease previously acknowledged.

(l) Related Parties

The Parties are deemed related in case they are subject to control (or joint control) by the same entity or when an entity can directly or indirectly control or significantly influence the other party, either through ownership, contractual rights, family relationship or otherwise, as defined in IAS 24 *Presentation of Affiliated Party Disclosures.*

(m) The Benefits of the Employees

(i) Benefits granted upon Retirement

In the normal course of business, the Company makes payments to the Romanian State in the account of his employees, at the statutory rates.

All employees of the company are included in the Romanian State pension plan. These costs are being recognized in the statement of global result once with salaries recognition.

The Company recognizes a provision for retirement benefits. The discounted value of the liabilities related to the benefits granted on retirement is annually determined by an independent actuary. The Company operates no other pensions or post-retirement benefits plan and, consequently, has no sort of other pensions-related liabilities.

(ii) Short-term Employees Benefits

The short-term employees' benefits are the ones to be settled in no more than 12 months as of the end of the reporting period when the employees have supplied the said services. These benefits are mainly represented by salaries and contributions of the employer to the social insurance, rest and medical leaves, the employees' share of profit. The liabilities related to these benefits are recognized as expense while the services are supplied and are assessed on a non-discounted basis.

The company establishes a fund for the employees' share of profit, as per the provisions of the Government Ordinance no.64/August 30, 2001.

(n) Provisions

Provisions are recognized when the Company has a current obligation (legal or implicit) generated by a past event, when it is probable that an outflow of resources be required to settle the obligation and duty can be estimated reliably.

The amount recognized as a provision is the best estimate at the balance sheet date, of the costs required to settle this obligation.

The best estimate of the costs required to settle current debt is the amount that the Company would pay, reasonably, to settle the obligation at the balance sheet date, or transfer it to a third party at that time.

Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate used reflects current market assessments of the time-value of money and the risks specific to the liability.

Gains from the expected disposal of assets should not be considered in measuring a provision.

If estimated that one or all expenses related to a provision will be reimbursed by a third party, the reimbursement is recognized only when it is certain that it will be received. The reimbursement is considered as a separate asset.

Provisions are reviewed at each balance sheet date and adjusted as to reflect the current best estimate. In case that, for settling an obligation is no longer possible an outflow of resources, then the provision must be canceled by write-back as income.

(o) Subsidies

Subsidies for assets, including non-monetary subsidies at fair value, are recorded in the accounting as investment subsidies and are recognized in the balance sheet as deferred income. The deferred income is recorded in the profit and loss account statement upon registration of the depreciation expenses or upon the scrapping or disposal of assets.

The subsidies that compensate the Company for the expenses incurred are recognized systematically in the profit or loss account, in the same periods when the expenses are recognized.

(p) Revenues

Revenues related to Services Supply

The revenues from the services supply are recognized in the period in which they were provided in correspondence with the stage of execution.

As per IFRS 15 Revenues from clients' contracts, the value of the trade price allocated to an obligation of execution is recognized in revenues when (or gradually) an execution measure in being fulfilled.

In order to determine the trade price there are being considered the terms of the contract and the usual business practices. The price of the transaction represents the value of the consideration to which the company expects to have the right in exchange of the transfer of goods or services promised to a client, not including the collected amounts on behalf of some third parties.

Revenues from royalties, rentals and interests

Recognition rules:

- interests are recognized periodically, proportionally, upon generation of the said income, on an accrual-based accounting, as per the contract;
- royalties and rentals are recognized on an accrual accounting basis, under the contract.

(q) Financial Revenues and Expenses

The financial revenues comprise interest revenues related to the funds invested and other financial revenues. The interest revenues are recognized in profit or loss of the period, on the accrual-based accounting, using the effective interest method.
The financial expenses mainly contain expenses with interests related to leasing contracts and the expense related to currency differences.

The interest expenses generated by the debts coming from the leasing contracts are being registered in the loss and profit account along the leasing contract, being calculated at the outstanding balance of the debt related to the leasing, for each stage. This thing will determine higher expenses at the beginning of the leasing contract.

(r) Tax

The corporate tax expenses comprise the current tax and the deferred tax.
The corporate tax is recognized either in the profit and loss of the period, or outside the profit and loss, in other elements of the global result or straight in the equities.

(i) Current Tax
The current tax is the tax payable on the profit realized in the current period, determined using tax rates enacted at the reporting date and any adjustment for prior periods.
For the financial year ended December 31, 2021, the corporate tax rate, under the Fiscal Code, was of 16%.

(ii) Deferred Tax
The deferred tax is determined by the Company using the balance sheet method for those temporary differences arising between the tax calculation base on assets and liabilities and their book value, used for the individual financial statements reporting.
The deferred tax is calculated using the tax rates that are expected to apply to the temporary differences upon the write-back thereof, under the legislation in force at the reporting date.
The receivables and debts related to Deferred tax are offset only if there is a legally enforceable right to offset current tax liabilities and receivables and whether they are related to the tax collected by the same tax authority on the same entity subject to taxation, or different tax authorities but willing to achieve settlement of current receivables and payables by the tax, using a net basis or the related assets and liabilities will be realized simultaneously.
The receivable related receivable is recognized by the Company only to the extent where the achievement of future profits is likely to happen, which can be used to cover the tax loss. The deferred tax related receivable is recognized by the Company only to the extent where the achievement of future profits is likely to happen, which can be used to cover the tax loss. The additional taxes that arise from the distribution of dividends are recognized, at the same time, with the liability of dividends' payment.

(iii) Tax Exposures
For the determination of current and deferred tax, the Company considers the impact of uncertain fiscal positions and the possibility of occurrence of additional taxes and interests. This assessment is based on estimates and assumptions and may involve a series of judgments about the future events. New information may become available, thus determining the Company to change its judgment regarding the accuracy in

estimating the existing fiscal liabilities; such changes in fiscal obligations affect the tax expense in the period in which such determination is made.

(s) Earnings per share

The earnings per share is determined by dividing the profit or loss attributable to the Company's ordinary shareholders to the weighted average number of ordinary shares for the period under review.

(t) Business Segments Reporting

A segment is a distinct component of the Company that provides certain products or services (business segment) or provides products and services in a particular geographical environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.
The company CONPET has a single reportable segment, namely transport services supply for its clients both via the National Transport System and by railway.

(u) Contingent Assets and Liabilities

The contingent liabilities are not recognized in the statement of the financial standing and in the profit and loss account. They are disclosed in the notes to the financial statements, except for the possibility of an outflow of resources representing economic benefits is being removed.

A contingent asset is not recognized in the financial statements and in the profit and loss account but disclosed when an inflow of economic benefits is likely to happen.

(v) Ulterior Events

The financial statements reflect subsequent events after the year-end, events that provide additional information on the Company's position at the reporting date or those that indicate a possible violation of the going concern principle (events that cause adjustments).
Events following the end of the year that are not adjusting events are disclosed in notes when they are considered significant.

(w) Comparative Figures

The statement of the financial standing for the year ended December 31, 2021 shows comparability with the statement of the financial standing for the financial year ended December 31, 2020.

x) New Standards and Interpretations

The following new standards and amendments of the existing standards issued by the International Accounting Standards Committee (IASB) and adopted by the European Union (EU) *have not yet entered into force* along the annual financial reporting period ended December 31, 2021, but not bearing a significant impact on the financial statements have not been presented in detail: [IAS 8.30 (a)]:

Norm/Interpretation *[IAS 8.31 (a)]:*	**Nature of imminent amendment of the accounting policy [**IAS 8.31 (b)]	**The impact over the financial statements** [JAS 8.21(e)]

The amendments to IAS 16 "Tangible assets", IAS 37 "Provisions, contingent debts and active debts", IAS 41, "Agriculture", IFRS 1 "The adoption, for the first time, of the International Financial Reporting Standard", IFRS 3 " "Business Combination" and IFRS 9 "Financial Instruments" (in force for the annual periods starting January 1, 2022 or ulterior to this date).	The amendments to IAS 16, IAS 37 and IFRS 3 offer additional clarifications for a more consistent application of the standards or updates the references. The amendments to IAS 41, IFRS 1 and IFRS 9 have been adopted within the annual improvements issued by IASB and target the rationalization and clarification of the existing standards.	The adoption of these amendments shall not have impact on the individual financial statement.
Amendments to IFRS 17" Insurance Contracts" (in force for the annual periods starting Sunday, January 1, 2023, or ulterior to this date)	The amendments target the possibility to apply the exemption of the intergenerationally mutualized contracts and the contracts correlated with cash flows from the requirement regarding the annual cohort, as well as the presentation of information related thereto.	The adoption of the amendments to IFRS 17 had no impact on the individual financial statements, as this standard is not applicable at the date of preparation of these financial statements.

The following amendments of the existing standards issued by the Committee for International Accounting Standards (IASB) and adopted by the European Union (EU) *entered into force as of January 1, 2021;*

[IAS 8.31 (a)]:	**Nature of imminent amendment of the accounting policy [**IAS 8.31 (b)]	**The impact over the financial statements** [JAS 8.21(e)]
Amendments to IFRS 4 "Insurance Contracts" (in force for the annual periods starting January 1, 2021 or ulterior to this date).	Amendments to IFRS 4 extend the expiry term of the temporary change of a rule from the application of IFRS 9, up to 2023, in order to align the enforcement date of IFRS 9 to the new IFRS 17.	The adoption of the amendments to IFRS 4 had no impact on the individual financial statements, as this standard is not applicable at the date of preparation of these financial statements.
The amendments to IAS 39 "financial Instruments: recognition and evaluation", IFRS 4 "Insurance Contracts", IFRS 7, "Financial Instruments: information to be supplied", IFRS 9 "Financial Instruments" and IFRS 16 "Leasing contracts" (in force for the annual periods starting January, 2021 or ulterior to this date).	The amendments provide a specific accounting treatment for timely scheduling the value of the financial instruments or the lease contracts occurring due to the replacement of the reference index of the interest rate, which impedes a sudden impact on the profit or loss and impedes the useless interruptions of the coverage relations against risks, due to the replacement of the reference index of the interest rate.	The adoption of the amendments had no impact on the financial statements.
Amendments to IFRS 16. The "Leasing contracts" (in force for the periods starting April 1,2021 for the financial years starting January 1, 2021 at the latest or ulterior to this date).	The amendment brought to the International Financial Reporting Standard (IFRS), 16, Leasing contracts extends the operational support of temporary nature and optional granted to the lessees in relation to COVID - 19 pandemic, in case of leasing contracts with exemptions from payment and payments initially due on June 30, 2021 or before this date, to the leasing contracts with exemptions from payment and payments initially due at June 30, 2022 or before this date.	The adoption of the amendments had no impact on the financial statements.

4. Determination of Fair Value

Certain Company's accounting policies and requests of information supply require the determination of the fair value for financial and non-financial assets and liabilities.

Fair Value Hierarchy

Fair values are multi-level classified in the fair value hierarchy based on the input data used in the assessment techniques, as follows:

Level 1: Prices quoted on active markets for identical assets and liabilities.

Level 2: Input data, other than the prices included at Level 1 containing observable values for assets or liabilities, directly or indirectly.

Level 3: Inputs for assets or liabilities that are not grounded on the data observable on the market.

The fair values of the tangible assets have been determined in view of assessment and/or presentation of the information based on the methods described below.

The reevaluated value of the lands, buildings and equipment was established beginning with the fair value based on the market method and on the cost using quoted market prices for similar items, when they are available, or the replacement cost when appropriate. The depreciated replacement cost reflects adjustments for physical deterioration, wear and tear, functional and economical obsolescence. The reevaluated value of lands, buildings and equipment was determined by authorized appraisers.

Where applicable, additional information regarding the hypothesis used in the determination of fair value are presented in the notes specific to the named asset or liability.

In the following chart are being presented the fair values classified on the 3 level in the hierarchy of fair values, structured on group of tangible assets:

				- RON-
	Level 1:	Level 2:	Level 3:	Fair value on December 31, 2021
Lands	-	25,585,843	-	25,585,843
Constructions;	-	-	316,226,461	316,226,461
Machinery and equipment	-	-	60,305,390	60,305,390
Measuring and control devices	-	-	26,102,426	26,102,426
Means of transport	-	-	18,279,099	18,279,099
Other assets	-	-	3,009,737	3,009,737

				- RON-
	Level 1:	Level 2:	Level 3:	Fair value on December 31, 2020
Lands	-	24,853,886	-	24,853,886
Constructions;	-	-	299,314,897	299,314,897

Machinery and equipment	-	-	61,967,609	61,967,609
Measuring and control devices	-	-	26,748,981	26,748,981
Means of transport	-	-	13,539,039	13,539,039
Other assets	-	-	3,171,604	3,171,604

5. Tangible assets

In 2021, compared to 2020, the intangible assets evolved as follows:

Name	Lands	Buildings and special installations	Operating oil products	Machinery and equipment	Measuring and control devices	Means of transport	Other tangible assets	Tangible assets in progress	Total tangible assets
Gross accounting value on January 1, 2021	***26,456,788***	***257,455,571***	***42,072,846***	***124,057,805***	***95,122,213***	***40,004,324***	***8,721,520***	***75,166,282***	***669,057,349***
Cumulated depreciation on January 1, 2021	(1,602,902)	(213,520)	-	(62,090,196)	(68,373,232)	(26,465,285)	(5,549,916)	-	(164,295,052)
Adjustments for impairment of assets	-	-	-	-	-	-	-	(228,292)	(228,292)
Net accounting value on January 1, 2021	***24,853,886***	***257,242,051***	***42,072,846***	***61,967,609***	***26,748,981***	***13,539,039***	***3,171,604***	***74,937,990***	***504,534,005***
Tangible assets inputs	1,850,205	46,166,494	-	7,841,477	7,117,578	8,975,150	986,862	(11,576,878)	**61,360,888**
Outputs of tangible assets to the gross value	(342,274)	(71,691)	(1,183,292)	(201,655)	(998,274)	(1,576,118)	(406,494)	-	(4,779,798)
Cumulated depreciation related to outputs	339,873	41,644	-	190,318	984,908	1,574,673	405,584	-	3,537,000
Amortization registered during the year	(1,115,847)	(28,041,591)	-	(9,492,359)	(7,750,767)	(4,233,645)	(1,147,819)	-	**(51,782,028)**
Established adjustments for impairment	-	-	-	-	-	-	-	(46,980)	**(46,980)**
Gross accounting value on December 31, 2021	***27,964,719***	***303,550,374***	***40,889,554***	***131,697,627***	***101,241,517***	***47,403,356***	***9,301,888***	***63,589,404***	***725,638,439***
Cumulated depreciation on December 31, 2021	(2,378,876)	(28,213,467)	-	(71,392,237)	(75,139,091)	(29,124,257)	(6,292,151)	-	(212,540,079)
Adjustments for impairment of assets on December 31, 2021	-	-	-	-	-	-	-	(275,272)	(275,272)
Net accounting value on December 31, 2021	***25,585,843***	***275,336,907***	***40,889,554***	***60,305,390***	***26,102,426***	***18,279,099***	***3,009,737***	***63,314,132***	***512,823,088***

Name	Lands	Buildings and special installations	Operating oil products	Machinery and equipment	Measuring and control devices	Means of transport	Other tangible assets	Tangible assets in progress	Total tangible assets
Gross accounting value on January 1, 2020	***26,105,543***	***299,539,960***	***42,072,846***	***105,048,289***	***80,836,708***	***34,739,813***	***6,916,492***	***58,153,146***	***653,412,797***
Cumulated depreciation on January 1, 2020	(1,174,254)	(44,448,098)	-	(52,066,352)	(61,498,222)	(22,390,345)	(4,555,901)	-	(186,133,172)
Adjustments for impairment of assets	-	-	-	-	-	-	-	(302,026)	(302,026)
Net accounting value on January 1, 2020	***24,931,289***	***255,091,862***	***42,072,846***	***52,981,937***	***19,338,486***	***12,349,467***	***2,360,591***	***57,851,120***	***466,977,598***
Tangible assets inputs	866,277	24,313,059	-	19,094,938	14,713,412	5,453,855	1,824,934	17,126,053	**83,392,529**
Outputs of tangible assets at gross value	(789,833)	(1,174,482)	-	(85,422)	(427,907)	(189,344)	(19,906)	(112,917)	(2,799,811)
Cumulated depreciation related to outputs	467,567	973,410	-	85,422	427,907	181,256	19,906	-	2,155,467
Decrease of the tangible assets up to the net value, for the registration of assets' reappraisal	-	(68,463,107)	-	-	-	-	-	-	**(68,463,107)**
Annulled depreciation from the accounting value as effect of the application of the net value method for registration of the assets' reappraisal	-	68,463,107	-	-	-	-	-	-	**68,463,107**
Amortization registered during the year	(896,214)	(25,201,939)	-	(10,109,266)	(7,302,917)	(4,256,195)	(1,013,921)	-	**(48,780,453)**
Appreciations from reappraisal	392,722	3,243,925	-	-	-	-	-	-	**3,636,647**
Depreciations from reappraisal	(117,921)	(3,784)	-	-	-	-	-	-	**(121,705)**
Impairment for depreciation written - back to revenues	-	-	-	-	-	-	-	73,734	**73,734**
Gross accounting value on December 31, 2020	***26,456,788***	***257,455,571***	***42,072,846***	***124,057,805***	***95,122,213***	***40,004,324***	***8,721,520***	***75,166,282***	***669,057,349***
Cumulated depreciation on December 31, 2020	(1,602,902)	(213,520)	-	(62,090,196)	(68,373,232)	(26,465,285)	(5,549,916)	-	(164,295,052)
Adjustments for impairment of assets on December 31, 2020	-	-	-	-	-	-	-	(228,292)	(228,292)
Net accounting value on December 31, 2020	***24,853,886***	***257,242,051***	***42,072,846***	***61,967,609***	***26,748,981***	***13,539,039***	***3,171,604***	***74,937,990***	***504,534,005***

The net value of the tangible assets at 31.12.2021 has increased as compared to the end of 2020, by the amount of 8,289,082.

During 2021 there were registered tangible assets inputs in amount of 61,360,888 RON, outputs to the remaining value of 1,242,798 RON, containing mainly sold oil product, non-depreciable assets (1,183.292 RON) and impairments for depreciation of various tangible assets in progress, in amount of 46,980 RON.

Depreciation of tangible assets in 2021 amounts to 51,782,028 RON.

The tangible assets put into operation in 2021 amounted to 70,692,330 RON

During 2021 there have been registered also increases to the assets related to the rights of use resulting from leasing contracts, in amount of 2,236,570 RON.

Within the tangible assets are being recognized, as per IFRS 16, the assets related to the rights of use resulting from the leasing contracts as such:

- At element-row “Lands” is included the value of the rights of use resulting from the lease and concession contracts concluded with various land owners.

On the rented lands are located telecommunication equipment and cathodic protection stations in various locations in the country. At 31.12.2021 the gross value of these assets is of 5,105,819 RON, the cumulated depreciation of 2,378,876 RON, resulting a net value the rights of use related to the lands of 2,726,943 RON.

- At the element-row “Special buildings and installations” is included the value of the rights of use resulting from the lease and concession contracts concluded with various owners for buildings rented in order to be made available to the gendarmes, as per GD no.1486/2005 on securing the guard and protection of the objectives, goods and values with gendarmes’ teams and for the carry out of the administrative activity. At the date of 31.12.2021 the gross value of these assets is of 958,512 RON, the cumulated depreciation of 650,246 RON, resulting a net value of the rights of use related to the buildings of 308,266 RON.

- The line item “Means of transport” includes the value of the rights to use the assets acquired in December 2019 in a leasing system, consisting of 30 cars necessary to carry out the company's specific activities. At 31.12.2021, the gross value of these assets is of 2,228,610 RON, the cumulated deprecation of 1,114,305 RON, resulting a net value of the rights of use related to the means of transport of 1,114,305 RON.

At 31.12.2021, CONPET registers in the company’s patrimony lands with a surface of 733,601 Sq.m. with an accounting value of 22,858,900 RON, made of:

- 554,337 Sq.m lands with an accounting value of 12,562,749 RON, held under 48 Certificates of ownership right obtained during 2001-2005, appraised on the date of acquiring the certificates, in accordance with GD 834/1991 on the establishment and appraisal of some lands owned by the state-owned companies, at the value of 26,708,233 RON. These lands have been obtained in the company patrimony on the expense of other equity reserves, without augmenting the share capital by the value thereof.

- 155,433 Sq.m represent lands with an accounting value of 3,215,951 RON held based on 14 Land Ownership Certificates obtained until 2001. The share capital of the company was augmented by the amount of these lands;

- 23,831 Sq.m represent lands with an accounting value of 7,080,200 RON, acquired by the Company based several sale-purchase contracts. A part of the purchased lands is related to the administrative buildings and on the other purchased lands are being placed telecommunications towers in different locations over the country.

The lands held by the Company are located in Ploiesti, at the company's administrative offices, and in the 24 counties covered by the transport pipelines or where the crude oil tanks loading ramps are being located.

The tangible assets also include the oil operating product, evaluated in the statement of the financial standing at the cost determined from revaluation, retreated by the application of IAS 29" The financial reporting in Hyper inflationary Economies".

In 2021 there was sold oil product consisting of crude oil and condensate, in amount of 1,183,292 RON, for the client OMV PETROM SA.

At 31.12.2021, the fair value of these lands amounts to 40,889,554 RON.

- RON-

Name	**December 31, 2021**	**December 31, 2020**
Operating Oil Product	40,889,554	42,072,846
Balance of the Operating Oil Product	**40,889,554**	**42,072,846**

Tangible assets in progress

At December 31, 2021 the value of the assets in progress is of 63,314,132 RON and includes investment projects provided in "2021 Investment Program", which are mainly composed of: replacement of pipeline portions on various lengths and routes, tanks modernizations, loading ramps and pumping stations modernizations, SCADA works, telecommunication works, cathodic protection modernization systems, modernization of locomotives etc.

Reevaluation of tangible assets

After initial recognition, the tangible assets are being reappraised.

The tangible assets for which the company has adopted the alternative treatment allowed, namely those that have been reappraised, are being presented in the financial statements at the re-assessed value (the fair value at the re-assessment value), less the ulterior depreciation cumulated and the ulterior losses from depreciation. The re-assessments have been performed with sufficient regularity, at least once at 3 years, the most recent being at 31.12.2020. At December 31st, 2020 there have been appraised, by the authorized appraiser ANEVAR, the lands and goods from Group I representing "special buildings and constructions."

The tangible assets reassessed at the fair value less the depreciation, at 31.12.2021, compared to 31.12.2020, reveal the followings:

- RON-

Crt.No.	Class	Value at 30.12.2020	Value at 30.12.2021	Amendment during the year 2021
1	Lands	22,858,900	22,858,900	-
2	Constructions;	256,851,592	231,818,471	(25,033,121)

TOTAL	279,710,492	254,677,371	(25,033,121)

6. Intangible assets

In 2021, compared to 2020, the intangible assets evolved as follows:

- RON-

Name	Licenses and software	Other intangible assets	Total intangible assets
Gross accounting value on January 1, 2021	**6,361,295**	**2,454,804**	**8,816,099**
Aggregate depreciation on January 1, 2021	(3,591,863)	(910,983)	(4,502,846)
Net accounting value on January 1, 2021	**2,769,432**	**1,543,821**	**4,313,253**
Inputs of intangible assets	3,870,272	549,895	4,420,167
Depreciation registered during the period	(1,227,761)	(563,919)	(1,791,680)
Gross accounting value on December 31, 2021	**10,231,567**	**3,004,699**	**13,236,266**
Aggregate depreciation on December 31, 2021	(4,819,624)	(1,474,902)	(6,294,526)
Net accounting value on December 31, 2021	**5,411,943**	**1,529,797**	**6,941,740**

- RON-

Name	Licenses and software	Other intangible assets	Total intangible assets
Gross accounting value at on January 1, 2020	**5,645,183**	**910,983**	**6,556,166**
Aggregate depreciation on January 1, 2020	(2,646,915)	(910,983)	(3,557,898)
Net accounting value on January 1, 2020	**2,998,268**	**-**	**2,998,268**
Inputs of intangible assets	769,317	1,543,821	2,313,138
Outputs of intangible assets to gross value	(53,205)	-	(53,205)
Cumulated depreciation of the outputs of intangible assets	53,205	-	53,205
Depreciation registered during the period	(998,153)	-	(998,153)
Gross accounting value on December 31, 2020	**6,361,295**	**2,454,804**	**8,816,099**
Aggregate depreciation on December 31, 2020	(3,591,863)	(910,983)	(4,502,846)
Net accounting value on December 31, 2020	**2,769,432**	**1,543,821**	**4,313,253**

At 31.12.2021 the net value of intangible assets has increased as compared to the end of 2020 by the amount of 2,628,487 RON.

In the of 2021 there have been registered inputs of intangible assets in amount of 4,420,167 RON and depreciation in amount of 1,791,680 RON.

The depreciation method used is the linear one.

The intangible assets comprise: IT programs, soft licenses, soft, vectorial map of Romania , the numeric attitudinal model of the land,, the expenses borne by the company related to the connection to the electric power network and the water network recognized in intangible assets as rights of use.

Research and development-related expenses are not being capitalized.

7. Financial Assets

Comparative statement of the financial assets for the two reporting periods reveals the followings:

- RON-

Name	Other long-term investments	Long-term receivables	Total intangible assets
Gross accounting value on January 1, 2021	**5,100**	**1,427,010**	**1,432,110**
Impairments for depreciation on January 1, 2021	-	(320,189)	(320,189)
Net accounting value at 12/31/2021	**5,100**	**1,106,821**	**1,111,921**
Inputs	**-**	37,190	37,190
Outputs	-	(737,940)	(737,940)
Gross accounting value on December 31, 2021	**5,100**	**726,260**	**731,360**
Impairments for depreciation	-	(320,189)	(320,189)
Net accounting value on December 31, 2021	**5,100**	**406,071**	**411,171**

- RON-

Name	Other long-term investments	Long-term receivables	Total intangible assets
Net accounting value on January 1, 2020	**5,100**	**805,498**	**810,598**
Inputs	**-**	650,963	650,963
Outputs	-	(29,451)	(29,451)
Impairments for depreciation	-	(320,189)	(320,189)
Net accounting value on December 31, 2020	**5,100**	**1,106,821**	**1,111,921**

At 31.12.2021 the value of the financial assets has decreased as compared to January 1,2021, by 700,750 RON, at the expense of the decrease of the non-current receivables during the year.

The company holds contributions at the share capital of Independent Register Monitor in amount of 5,000 RON and is associate member, along with other companies, in the Romanian National Committee for the Oil International Council (CNR-CMP), participating at the establishment of the patrimony, CNR-CMP, with contribution in amount of 100 RON.

The non-current receivables, in net amount of 406,071 RON are made up, mainly, of refundable guarantees paid by the Company to the Ministry of Agriculture and Rural Development and the Ministry of Environment, Waters, Forests in view of temporary removal of the lands from agricultural use and forest fund for the fulfillment of various investment objectives, as well as from guarantees related to the lease contracts of lands and spaces in view of carry out of the production and administrative activities in different locations in the country, guarantees for telecommunication equipment, electric power guarantees related to certain cathodic protection stations.

8. Inventories

- RON-

Name	Consumables	Services in progress	Waste products	Total stocks
Gross accounting value on January 1, 2021	**6,135,908**	**769,477**	**11,163**	**6,916,548**
Impairments for depreciation of inventories	(1,004,542)	-	-	(1,004,542)
Net accounting value on January 1, 2021	**5,131,366**	**769,477**	**11,163**	**5,912,006**
Stocks inputs during the period	5,365,065	658,743	192,850	6,216,658
Consumption/outputs of stocks during the period	(5,486,269)	(769,477)	(196,840)	(6,452,586)
Income from (Expense with) impairment for depreciation of stocks	(363,991)	-	-	(363,991)
Gross accounting value on December 31, 2021	**6,014,704**	**658,743**	**7,173**	**6,680,620**
Impairments for depreciation of inventories	(1,368,533)	-	-	(1,368,533)
Net accounting value on December 31, 2021	**4,646,171**	**658,743**	**7,173**	**5,312,087**

- RON-

Name	Consumables	Services in progress	Waste products	Total stocks
Gross accounting value on January 1, 2020	**5,666,292**	**1,193,309**	**2,192,895**	**9,052,496**
Impairments for depreciation of inventories	(845,289)	-	(37,345)	(882,634)
Net accounting value on January 1, 2020	**4,821,003**	**1,193,309**	**2,155,550**	**8,169,862**
Stocks inputs during the period	6,577,611	769,477	(652,189)	6,694,899
Consumption/outputs of stocks during the period	(6,107,996)	(1,193,309)	(1,529,543)	(8,830,848)
Income from (Expense with) impairment for depreciation of stocks	(159,253)	-	37,345	(121,908)
Gross accounting value at December 31, 2020	**6,135,908**	**769,477**	**11,163**	**6,916,548**
Impairments for depreciation of inventories	(1,004,542)	-	-	(1,004,542)
Net accounting value on December 31, 2020	**5,131,366**	**769,477**	**11,163**	**5,912,006**

The stocks are made up of materials, spare parts and other materials that are to be used when performing the company's business, including the ones comprising security and intervention stocks meant for the potential provoked and technical breakdowns. At 31.12.2021, the materials and spare parts stocks have been registered at the smallest value between cost and net achievable value, based on the appraisal report drafted by an expert appraiser certified by ANEVAR.

The company recognizes in revenues from ongoing services the cost of supplied services but unreceived by the beneficiaries until the end of the period.

9. Trade receivables and other receivables

On December 31, 2021 and December 31, 2020, the trade receivables and other receivables reveal the followings:

- RON-

Name	December 31, 2021	December 31, 2020
Clients	44,266,382	35,115,718
Impairments for depreciation of receivables	(120,337)	(339,307)
Other trade receivables	285,169	284,042
Impairments for the loss of value of other short-term intangible receivables	(282,466)	(282,466)
Subtotal trade receivables (net value)	**44,148,748**	**34,777,987**

Other receivables	7,231,675	7,807,594
Impairments for the depreciation of other receivables	(2,458,264)	(2,325,447)
Subtotal other receivables (net value)	**4,773,411**	**5,482,147**
Total receivables	**48,922,158**	**40,260,134**

Clients' structure per activities, is as follows:

- RON-

	December 31, 2021	**December 31, 2020**
Clients- transport activity	36,782,001	34,562,999
Other clients - auxiliary activities	7,484,381	552,718
Total	**44,266,382**	**35,115,718**

Trade receivables are no interest bearer and have an average day collection of 28 days.

The main trade receivables in balance at Friday, December 31, 2021 are to be received from: OMV PETROM S.A.– 36,636,619 RON (December 31, 2020: 29,623,308 RON), Petrotel Lukoil S.A.– 5,538,060 RON (Thursday, December 31, 2020: 4,904,580 RON), Rompetrol Rafinare S.A.– 1,559,525 RON (Thursday, December 31, 2020: 25,747 RON).

The revenues from transport services supplies performed to the clients hold a significant share (over 99%) in the Company's turnover.

The Company's client, OMV PETROM SA, holds approximately 75% of the total short-term receivables registered on December 31, 2021.

Other receivables, in amount of 7,231,675 RON include mainly: amounts to be recovered from various natural and legal persons, the majority thereof pending before law courts as litigations (2,842,228 RON, namely 39.3%), non-exigible VAT related to the unarrived invoices until 31.12.2021 (2,531,570 RON, namely 35.0%), and amounts to be recovered from the budget representing sick leave allowances (1,079,342 RON, namely 14.9%).

Impairments for the depreciation of trade receivables are recorded for the doubtful clients, involved in litigation or insolvency, presenting default of collection thereof. On December 31, 2021 the value of these impairments amounts to 120,337 RON.

Impairments for the depreciation of other receivables are recorded for debits related to the legal files pending before the Law, paid fines and facing dispute. At December 31, 2021 the value of the impairments amounts to 2,458,264 RON, increasing by 132,817 RON as compared to December 31, 2020.

The Company's registers impairments for loss of value of 100% from the value of the receivable, for the clients facing dispute, insolvency and for other debits related to the established legal files or the fines facing appeal proceedings.

Statement of receivables according to age

Trade receivables

- RON-

Name	December 31, 2021	December 31, 2020
Clients, o/w:	**44,266,382**	**35,115,718**
Depreciated receivables	*120,337*	*339,307*
Non-depreciated receivables, o/w:	*44,146,045*	*34,776,411*
- seniority less than 30 days	44,049,307	34,766,616
- seniority between 30 days and 60 days	75,712	3,439
- seniority between 60 days and 90 days	14,736	530
- seniority between 90 days and 270 days	6,090	5,154
- seniority between 270 days and 1 year	200	672
Other trade receivables, out of which:	**285,169**	**284,042**
Depreciated receivables	*282,466*	*282,466*
Non-depreciated receivables	*2,703*	*1,576*

Other receivables

- RON-

Name	December 31, 2021	December 31, 2020
Depreciated receivables	*2,458,264*	*2,325,447*
Non-depreciated receivables, o/w:	*4,773,411*	*5,482,147*
- seniority less than 30 days	4,388,713	5,344,437
- seniority between 30 days and 60 days	129,570	137,710
- seniority between 60 days and 90 days	112,384	-
- seniority between 90 days and 270 days	142,744	-
Total Equities	**7,231,675**	**7,807,594**

10. Cash and cash equivalents

On December 31, 2021 and December 31, 2020 the cash and cash equivalents look as follows:

- RON-

Name	December 31, 2021	December 31, 2020

Current bank accounts	4,821,361	5,796,960
Bank deposits with maturity ≤ 3 months	186,926,898	192,447,249
Cash on hand	3,012	11,974
Other cash equivalents	-	1,150
Total	**191,751,271**	**198,257,333**

On December 31, 2021, the cash from bank accounts and cash office decreased by 3.3% compared to December 31, 2020 (191,751,271 RON compared to 198, 257, 333 RON).
The cash accounts at 31.12.2021 also include the cash representing the modernization quota, with special use regime, provided by GD no.168/1998, in amount of 124,109,878 RON. This is intended exclusively for funding the modernization and development works of public property.
The company has not restricted number.

11. Equities

The Share capital

During the reporting period, the share capital of the company has not changed, remaining at the value of 28,569,842 RON, divided into 8,657,528 ordinary shares with a nominal value of 3.3 RON/share and corresponding to the one registered at the Trade Register Office.

The structure of CONPET S.A. share capital and shareholding on December 31, 2021 is exposed as follows:

Shareholders	December 31, 2021			Thursday, December 31, 2020		
	Number of shares	Amount (RON)	(%)	Number of shares	Amount (RON)	(%)
Romanian State by the Ministry of Energy	5,083,372	16,775,128	58.7162	5,083,372	16,775,128	58.7162
Legal persons	2,292,221	7,564,329	26.4766	2,368,002	7,814,406	27.3519
Natural Persons	1,281,935	4,230,385	14.8072	1,206,154	3,980,308	13.9319
Total	**8,657,528**	**28,569,842**	**100%**	**8,657,528**	**28,569,842**	**100%**

Legal reserves

On December 31, 2021 the value of the legal reserve is 5,713,968 RON (December 31, 2020: 5,713,968 RON). The reserve is established at the level of 20% of the share capital, according to Law no. 31/1990 and the Articles of Incorporation.

Other reserves

On December 31, 2021 “Other reserves” are in amount of 517,047,601 RON.
Other reserves have increased by the amount of 16,778,344 RON in 2021, made up of: 9,810, 724 RON, growth of reserves representing the modernization quota, 5,482,940 RON representing prescribed dividends, recognized in equities and 1,484,680 RON reserves constituted for the reinvested profit.
The reserve related to the modernization quota is in amount of 470,931,860 RON and holds the highest share

in total other reserves (91.1%).

Revaluation reserves

At December 31, 2021, in the financial standing the revaluation reserves are being presented at the net value of 18,360,121 RON, resulting after the diminution of the gross value by the related deferred tax recognized directly in the equities, as per IAS 12.

Retained earnings

At, December 31, 2021 "Other reserves" are in amount of 46,288,764 RON:

- The retained earnings representing actuarial loss from discount of benefits granted upon retirement: 2,975,347 RON
- The retained earnings representing surplus achieved out of revaluation reserves: 2,571,644 RON
- The retained earnings derived from the first adoption of IAS 29 related to fixed assets representing oil operating product recognized in tangible assets, in amount of 41,818,297 RON, of which 1,175,672 RON representing achieved earnings.
- Other elements of the equities - retained earnings: 408,156 RON

The retained earnings is diminished by the amount of the reinvested profit in 2021, in amount of 1,484,680 RON, for which we have benefited from an exemption form the corporate tax, as per the provisions of Art.22 of Law no.227/2015 on the Fiscal Code, the amount being registered as profit distributed to other reserves.

Profit of the period

The profit of the financial year of the year 2021 is of 51,928,770 RON.

The distribution proposal of the remaining accounting profit after deduction of the corporate tax on December 21, 2021.

Along 2021, there have not been distributed dividends based on the interim financial statements.
The remaining accounting profit after the deduction of the corporate tax, on December 31, 2021 is in amount of 51, 928, 770 RON.

The distribution proposal on the legal destinations of the remaining accounting profit after deduction of the corporate tax to be distributed, reinstated with the provisions for the employees share of profit, in total amount of 57,447,153 RON, is the following:

- RON-

Crt.No.	Element	Provisions of GD no. 64/2001	Amount
1	**The net profit of the financial year 2021, reported based on the audited annual financial statements**	**-**	**51,928,770**
2	The employees share of profit within the limit of 10% of the net profit but not more than the monthly average base salary achieved at the level of the economic operator reported in the corresponding year	-	5,518,383
3	**Total distributions (1+2), of which distributed at:**	**-**	**57,447,153**

a	Other distributions stipulated by law - payment exemption of the reinvested profit tax (account 1068), Art.22 of Law no.227/2015 on the fiscal code	Art. 1, Para (1), Letter b)	1,484,680
b.	The employees share of profit within the limit of 10% of the net profit but not more than the monthly average base salary achieved at the level of the economic operator reported in the corresponding year	Art. 1, Para (1), Letter e)	5,518,383
c	Dividends due to shareholders	Art. 1 , Para (1), Letter f)	50,444,090

The retained earnings that can be distributed, in amount of 7,130,819 RON, is proposed to be allocated for the distribution as dividends due to shareholders. It is made up of:

- RON-

Crt.No.	Destination	Amount
1.1	The retained earnings representing surplus achieved out of revaluation reserves	2,571,643
1.2.	The retained earnings representing actuarial loss from discount of benefits granted upon retirement	2,975,348
1.3.	Other elements of the equities - retained earnings	408,156
1.4.	Retained earnings coming from the adoption for the first time of IAS 29 - earning achieved	1,175,672
1	**Total retained earnings, distributed for:**	**7,130,819**
a	Dividends due to shareholders	7,130,819

Other reserves in amount of 5,482,940 RON, representing prescribed dividends, unclaimed in three years from the maturity date (prescribed dividends), are proposed to be allocated for the distribution as dividends due to shareholders:

- RON-

Crt.No.	Destination	Amount
1	Other reserves representing distributions to owners, unclaimed within three years from the maturity date(prescribed dividends)	5,482,940
1	**Total retained earnings, distributed for:**	**5,482,940**
a	Dividends due to shareholders	5,482,940

12. Trade Liabilities and Other Liabilities

At December 31, 2021 and December 31, 2020 the trade liabilities and other liabilities are the followings:

- RON-

Liabilities	December 31, 2020	Friday, December 31, 2021	Maturity term for the balance at December 31, 2021		
			Under 1 year	1-5 years	Over 5 years
Trade liabilities	23,583,540	33,435,362	32,147,560	1,287,802	-
Liabilities to the employees	33,991,543	28,694,583	12,065,900	3,286,020	13,342,663
Other liabilities, here-included fiscal debts and social insurances related debts	34,101,828	32,614,354	29,155,512	2,523,589	935,253
Total	**91,676,911**	**94,744,299**	**73,368,972**	**7,097,411**	**14,277,916**

The goods and services suppliers for the operating activity are mainly represented by: SNTFM CFR Marfa SA, CEZ Vanzare, Edenred Romania SRL, OMV Petrom SA, Envirotech SRL, Tinmar Energy SA, Signal Iduna Asigurare Reasigurare SA, OMV Petrom Marketing, Prodial Tour SRL, Premier Energy SRL, Service Implementare Productie SA, Orange Romania, Octavsiv Tour, CON Metal CF SRL, WMC Guard Security SRL Buzau, Coral 33 ALL PROD SRL Ploiesti, Director Special TROOPS-DST SRL, Autogas Impex SRL, MOL Romania Petroleum Products SRL, Oil Depol Service SRL Constanta, Afer Bucuresti, Quality Business Solutions SRL, Multimodal Service SRL, Romflex Sistem SRL.

The value of procurement from the suppliers destined to the operating activity, in 2021 holds a share of 55% in total procurement and the assets procurement holds a share of 45%.

At debts to employees, in balance at the date of 31.12.2021, are also included the future debts for the benefits granted to employees on retirement and the debt for the employees share of profit and for the untaken leaves of the employees, debts that are not recognized as provisions.

The statement of the personnel -related debts, fiscal debts and other maturity date debts look as follows:

- RON-

Liabilities	December 31, 2020	December 31, 2021	Maturity term for the balance on December 31, 2021		
			Under 1 year	Over 1 year	Over 5 years
Salaries contributions	5,427,408	5,280,452	5,280,452	-	-
Current corporate tax	738,139	2,049,325	2,049,325	-	-
Royalty due to the State Budget	7,864,678	7,561,083	7,561,083	-	-
VAT payable	3,022,250	4,503,551	4,503,551	-	-
Other interests and debts - State Budget	1,014,565	966,308	966,308	-	-
Dividends Payable	10,277,535	6,812,350	6,812,350	-	-

Leasing liabilities	4,277,338	4,398,574	1,713,911	2,114,987	569,676
Accrued revenues	963,552	859,308	88,455	405,276	365,577
Other liabilities	516,363	183,403	180,077	3,326	-
Total	**34,101,828**	**32,614,354**	**29,155,512**	**2,523,589**	**935,253**

At 31.12.2021 the leasing-related liabilities include future payment obligations related to the leasing concluded for 30 vehicles necessary for the performance of the company's specific activity and debts related to the rights of use recognized for the contracts of lease and concession of various lands and buildings (note 5).

The liabilities related to the rights of use recognized for the lease and concession contracts of some lands and buildings have been assessed at the value of rent fees/royalties along the remaining contractual period, discounted with the borrowing rate for real estate loans.

The statement of debts to employees on maturity terms reveals the followings:

- RON-

Liabilities	**December 31, 2020**	**Friday, December 31, 2021**	**Maturity term for the balance on December 31, 2021**		
			Under 1 year	**Over 1 year**	**Over 5 years**
Salaries and assimilated debts	5,975,076	5,873,302	5,873,302	-	-
Liabilities for benefits granted on retirement	20,351,577	16,834,462	205,779	3,286,020	13,342,663
Debts for employees share of profit	6,806,162	5,642,547	5,642,547	-	-
Debts for untaken leaves	858,728	344,272	344,272	-	-
Total	**33,991,543**	**28,694,583**	**12,065,900**	**3,286,020**	**13,342,663**

On December 31, 2021 the Company comprises at this chapter salaries and assimilated debts, as well as future debts for benefits granted on retirement, for employees share of profit and for untaken annual leaves recognized as provisions.

The highest share in the debts to employees' benefits is being held by the debt for the benefits granted upon retirement, in amount of 16,834,462 RON, of which 16,628,683 RON stands for long-term liabilities and 205,779 RON stands for short-term liabilities.

This debt was registered based on the Actuarial Report drafted by the Company GELID ACTUARIAL COMPANY S.R.L. Bucuresti based on the services supply contract concluded with CONPET S.A.

As per the Labor Contract in force, the company must pay the employees, upon retirement, a benefit equals with a certain number of salaries, according to the seniority and company job history.

The updated value of the provision was determined using the Projected Unit Credit Method (IAS 19). The benefits upon retirement received by an employee have been, first of all, augmented by the value of the employer's contributions and thereafter, every benefit was updated considering the employees' rotation, lay-

offs and life expectancy until retirement. The number of years until retirement was calculated as difference between the date of retirement and the date of the reporting. The foreseen average of the work period left was calculated based on the number of years until retirement, given the rate of lay-offs, the rate of personnel turnover and the life expectancy.

The main actuarial hypotheses used for the calculation at December 31, 2021 have been the followings:

- The discount rate. There have been used the following values: the estimated rate of inflation on the long run 2% per year, the estimated real yield on the long run of the government bonds 1.6% per year, the liquidity premium for Romania 0%, the balance forward rate 3.6% per year.
- The estimated rate of inflation based on the statistics issued by INSSE and of the forecast of the National Bank of Romania is 7.5% in 2021, 5.9% in 2022, 3.2% in 2023, 3.0% in 2024, 2.8% in 2025, 2.5% within 2026-2031 and following a decreasing trend in the following years.
- The rate of increase of the monthly gross average earnings per company. For 2022 and the following years, has been estimated an indexation of the monthly gross average earnings per company by the annual inflation rate. The average weighted rate of the salary increases is of 2.96% p/e.
- The mortality rate among the employees is based on the Life Table of the Romanian population 2018 (men and women) issued by The National Institute of Statistics (Ro INSSE).

During 2021, the movement in the provision for the benefits upon retirement granted to the employees is exposed in the table below:

	- RON-
January 1, 2021, of which:	**20,351,577**
short-term	487,534
long-term	19,864,043
Cost of the interest	630,900
Cost of the current service	928,350
Payments from provisions during the year	(1,534,284)
Actuarial loss related to the period	(3,542,081)
Cost of the past service	-
December 31, 2021, of which:	**16,834,462**
short-term	205,779
long-term	16,628,683

The analysis of the sensitivity of the debts for the benefits on retirement due to the shareholders at the date of 31.12.2021 is presented in the following table:

- RON-

Hypotheses	**Benefits granted upon Retirement**
December 31, 2021	**16,834,462**
Discount rate +1%	15,339,907
Discount rate -1%	18,536,320
Salaries increase rate +1%	18,582,503
Salaries increase rate -1%	15,276,233
Longevity increase with 1 year	17,082,123

The debt for the employees share of profit is constituted in compliance with the Ordinance no.64/2001 and Order of the Ministry of Public Finances no.144/2005. The Ordinance no.64 from August 30, 2001 sets out that the accounting profit remaining after the deduction of the corporate tax to the majority or entirely state-owned companies be distributed within the limit of 10% of the net profit, but no more than the level of a monthly basic salary at the level of the economic agent, in the reference financial year. The debt constituted for employees share of profit for the year 2021 amounts to 5,518,383 RON, to which is being added the amount of 124,164 RON related to the labor preservation contribution.

The debt to the employees also included the debt for the untaken annual leaves, which, at 31.12.2021 is in amount of 344,272 RON.

13. Provisions

- RON-

Name	December 31, 2021	December 31, 2020
Provisions for litigations	6,021,541	6,962,547
Provisions related to mandate contracts	2,503,645	2,506,709
Other provisions for risks and expenses	243,893	1,790,401
Total provisions	**8,769,079**	**11,259,657**

Provisions for litigations

In detail, the provisions for litigations are:

- RON-

Name	December 31, 2021	December 31, 2020
Litigations for civil compensations	3,172,718	3,843,938
Litigations for third parties' failure to respect certain contractual clauses	97,286	185,943
Other litigations	2,751,537	2,932,666
Total	**6,021,541**	**6,962,547**

The company is involved in several litigations for damages required by several owners, natural and legal persons. Besides indemnifications, they request the payment of an annuity due to the exercising, by the company, of the legal easement right on the plaintiff's lands, or the decommission of the pipelines and installations located on their fields.

Following the restitution of their property rights, they are bringing proceedings in Court against the Company, invoking the lack of land use since they are being crossed by the crude oil transport pipelines belonging to the public domain.

At 31.12.2021 there are registered provisions related to litigations for civil compensations in amount of 3,172,718 RON, with 671,220 RON, less the value from the date of 31.12.2020.

At 31.12.2021 the position “Litigation for third parties’ failure to respect certain contractual clauses” is in amount of 97,286 RON, decreasing by 88,657 RON compared to 31.12.2020, and the positions “Other litigations” is in amount of 2,751,537 RPN, decreasing with 181,129 RON compared to 31.12.2020.

In the position “Other litigations” is included also the provision constituted for the litigation opened during 2008 by Fondul Proprietatea, by which is being requested the payment of the net value of the dividends for the financial year 2006, related to a 6% quota held by the plaintiff in CONPET S.A share capital, as well as the legal interest calculated for the requested amount, starting with the maturity date thereof. The fair value of these lands at 31.12.2021 is of 1,485,224 RON.

Provisions related to the Contract of Mandate

There have been settled debts for the allowances given to members of the Board of Directors and directors, in accordance with the contracts of mandate and GEO 109/2011 on corporate governance, including the related contribution, as follows:

- 64,513 RON represents provision for rest leave not performed by the directors with mandate contract, corresponding to the year 2021;
- 2,439,132 RON represents provisions for the variable component related to 2021, of which 1,117,172 RON provision for the indemnities granted to the members of the Board of Directors and 1,321,960 RON debt for the allowances granted to the directors.

Other provisions

On December 31, 2021 the balance of the position “Other provisions” in amount of 243,893 RON is composed of:

- 104,000 RON, provision for environment-related expenses;
- 139,893 RON representing other provisions.

During 2021 the value registered at position “Other provisions” has decreased with the amount of 1,546,508 RON, mainly due to the provision reversal settled at the level of penalties related to the amounts due to the State budget for the period 2017-2020 and paid in the month of December 2020, representing the earnings resulted from pipelines capitalization recovered after the replacement works (repairs/modernizations) performed on the National Transport System, value established following an audit performed by the Court of Auditors.

14. Current and Deferred Corporate Tax

The expense with the current and deferred corporate tax of the company in 2021 and 2020 is being determined by a statutory rate of 16%.

- RON-

Name	December 31, 2021	Thursday, December 31, 2020
Expenses with Specific tax corporate tax	9,155,006	9,176,821
The expense with /(revenues from) deferred corporate	(248,543)	429,020
Total	**8,906,463**	**9,605,841**

Reconciliation of the effective rate of taxation:

- RON-

Name	December 31, 2021	December 31, 2020
Profit before tax	**60,835,233**	**70,452,600**
- Corporate tax at a statutory rate of 16%	9,733,637	11,272,416
Effect on the corporate tax of:		
- Non-deductible expenses	3,098,947	3,159,118
- Non-taxable revenues	(3,332,690)	(3,987,927)
- Elements similar to the revenues	1,625,299	487,283
- Elements similar to the expenses	(270,277)	(1,190)
- Spared corporate tax	(255,061)	(245,091)
Amounts representing sponsorship falling under the limits provided by law	(673,050)	(798,584)
- Specific tax	22,345	25,123
Corporate tax bonus , according to GEO no. 33/2020	-	(734,327)
Corporate tax reduction as per GEO 153/2020	(794,144)	-
Expenses with current corporate tax and specific tax	**9,155,006**	**9,176,821**

The deferred corporate tax

The deferred payable and recoverable taxes were calculated based on the temporary taxable and/or deductible differences determined for assets and debts as differences between the accounting value of the asset and/or the debt and the amount attributable in fiscal purposes. The company recognizes the deferred taxes on the account of an expense or an income except for the tax generated by an event directly accounted in the equities.

The statement of the movements related to the receivable/debt with the deferred income during the year 2021 reveals the followings:

- RON-

2021	Net value at 1st of January	Deferred corporate tax recognized in the profit and loss account	Deferred corporate tax recognized at the expense equity	Net value at December 31, 2021	
				Receivable related to the deferred corporate tax	Liability related to the deferred corporate tax

Revaluation of tangible assets	(427,532)	488,620	**-**	**3,352,734**	**(3,291,646)**
Provisions	4,924,028	(1,422,133)	566,733	**4,068,628**	**-**
Adjustments of current assets	459,179	48,590	-	**507,769**	**-**
Deferred corporate tax before offsetting	4,955,675	(884,923)	566,733	7,929,131	(3,291,646)
Receivable/debt offsetting				(3,291,646)	3,291,646
Deferred corporate tax - recoverable					**4,637,485**

The deferred tax payable at 31.12.2021 is in amount of 3,291,646 RON and is recognized on the account of the equity elements and the deferred tax recoverable recognized at 31.12.2021 in the statement of the global result is of 7,929,131 RON.

The net amount of the deferred corporate tax represents deferred corporate tax to be recovered, in amount of 4,637, 485 RON.

15. Result per Share

The result per share within the last two months is:

- RON-

Name	December 31, 2021	Thursday, December 31, 2020
Profit of the Financial Year	51,928,770	60,846,759
Number of ordinary shares at the beginning and the end of the period	8,657,528	8,657,528
Basic and diluted earnings per share (RON/share)	**6.00**	**7.03**

16. Operating Revenues

a) Revenues from contracts

- RON-

Name	Friday, December 31, 2021	December 31, 2020
Revenues from transport service, of which:	410,477,244	402,785,394
Revenues from transport services domestic subsystem	*296,280,521*	*299,928,340*

Revenues from transport services import subsystem	*114,196,723*	*102,857,054*
Revenues from rents	1,633,259	1,633,474
Other operating revenues	676,079	2,509,469
Total transport revenues	**412,786,582**	**406,928,337**

Transport revenues are achieved out of the services supplied to clients for the transport of the crude oil, rich gas and condensate volumes, at the tariffs approved by Order of the President of The National Agency for Mineral Resources (NAMR).

OMV Petrom is the client with the highest share in the transport revenues of the company (82.7%).

In 2021, the quantities transported on subsystems, as compared to the same period of the previous year are the followings:

Name	December 31, 2021	December 31, 2020
Domestic Subsystem	3,241,259	3,400,777
Import Subsystem	3,409,530	3,284,120
Total quantities (tons)	**6,650,789**	**6,684,897**

The total quantity of transported quantities has decreased by 0.5% in of the year 2021, compared the previous 2020, given the 4.7% decrease of the quantity transported on the domestic transport subsystem and 3.8% of the quantity transported on the import transport subsystem.

The tariffs for the supply of crude oil, rich gas, condensate and ethane are regulated and approved by the NAMR and are distinguished for each transport subsystem.

The tariffs applied for the import transport subsystem vary according to the installment of transported quantity, being practiced the bracketing tariff model and the refinery- the hand-over site.

Between 2020 and 2021, the following tariffs were applied:

Tariffs from transport services on domestic subsystem:

Period	Transport tariff (RON/ton)	Approved by NAMR Order no.
December 30, 2019 - February 7, 2021	87.53	427/2019
Starting February 8, 2021	91.03	19/2021

Tariffs for transport services on import subsystem:

Period	Batches	Arpechim Refinery	Ploiesti Basin (Petrobrazi and Petrotel Lukoil refineries)	Petromidia Refinery	Approved by NAMR Order no.
	Thousand tons/month	RON/ton	RON/ton	RON/ton	
December 30, 2019 - February 7, 2021	<120	40.40	39.50	15.00	427/2019
	> 120	17.25	17.00	12.85	
Starting February 8, 2021	<120	42.00	40.90	16.50	19/2021

b) Other Operating Revenues

- RON-

Name	December 31, 2021	Thursday, December 31, 2020
Revenues out of modernization quota consumption	37,679,545	33,788,084
Other revenues	3,005,236	6,919,273
Earnings from disposal of assets	4,914,629	-
Total Operating Expenses	**45,599,410**	**40,707,357**

The revenues from reserves representing the modernization quota hold 82.6% of other operating revenues, recording an increase by 11.5% as compared to 2020.

On a monthly basis is being written back to the revenues the modernization quota at the level of depreciation of the fix assets financed out of this source.

17. Operating Expenses

a) Stocks and Utilities Expenses

- RON-

Name	December 31, 2021	December 31, 2020
Expenses with consumables	4,550,522	4,670,529
Other material expenses	897,950	1,409,621
Other Expenses with Energy and Water	16,552,710	12,465,234
Merchandise expenses	-	25,855
Total Stocks and Utilities related Expenses	**22,001,182**	**18,571,239**

b) Personnel expenses

Personnel expenses include expenses for salaries, bonuses for employees, other personnel expenses, allowances related to the contracts of mandate of the members of the Board of Directors and Directors with mandate and expenses related to contributions due by the employer.

- RON-

Name	December 31, 2021	December 31, 2020
Salary expenses	133,956,205	130,062,145
Liabilities regarding employees' bonuses	20,494,636	19,241,943
Other personnel expenses	1,798,440	964,870
Expenses with Remuneration of directors with mandate contract and of the administrators	4,891,630	4,759,157
Expenses with contributions due by the employer	7,078,185	7,530,789
Total personnel expenses	**168,219,096**	**162,558,904**

The personnel expenses are detailed as follows:

Salary expenses

- RON-

Name	December 31, 2021	December 31, 2020
Salary and related contributions expenses	131,351,541	127,010,975
Quarterly bonuses	1,000,000	2,297,970
Retirement support	1,534,284	712,850
Marriage support	70,380	40,350
Salary related expenses	**133,956,205**	**130,062,145**

The expenses with the basis salaries and the bonuses related have increased in 2021, compared to 2020, mainly, due to the indexation of the average salaries by 5% tarting the date of 01.10.2020 and by 7 % from 15.12.2021.

In accordance with the Collective Labor Agreement in force, the Company has also provided employees the following benefits: quarterly bonuses, retirement support, marriage support.

Liabilities regarding the employees' bonuses

- RON-

Name	December 31, 2021	December 31, 2020
Employees share of profit	6,655,473	6,439,906
Meal vouchers	6,665,960	5,129,940
Social expenditures under art. 25 of Law no. 227/2015 on the Fiscal Code, further amendments and completions	5,358,057	6,154,469

Other expenses as per the Collective Labor Agreement	1,815,146	1,517,628
Total	**20,494,636**	**19,241,943**

The value of the bonuses granted to the employees meets an increase of 1,252,693 RON in of 2021, compared to the 2020, mainly due to granting meal vouchers at nominal value of 20 RON/day, starting December 2020

In accordance with the Collective Labor Agreement in force, the Company paid to the employees bonuses as social expenses under art. 25 of Law no. 227/2015 regarding the Fiscal Code consisting of tickets for rest and treatment, including travel, gifts to employees, aid for birth, funeral, serious illness, humanitarian and other social expenses as per CLA.

Other personnel expenses

- RON-

Name	December 31, 2021	December 31, 2020
Expenditure on compensatory payments relating to staff redundancies	1,798,440	962,850
Expenses with the right of the personnel due under court order	-	2,020
Total	**1,798,440**	**964,870**

The position “Other personnel expenses" includes costs of severance pay, provided under CLA, related to staff layoffs conducted in March and April 2021, respectively in October and November 2020.

Expenses on Remuneration of Directors and Administrators

- RON-

Name	December 31, 2021	December 31, 2020
Allowance of the directors with mandate	2,705,194	2,571,461
Allowances of the members of the Board of Directors	2,186,436	2,187,696
Total	**4,891,630**	**4,759,157**

The expenses with the allowances related to the mandate contracts of the directors and administrators register an increase of 132,473 RON in the year 2021, compared to 2020 due to the increase of the allowance level of the director general calculated based on the average on 12 months of the national average wage reported by NIS, prior to the appointment of the new director general.

Expenses with contributions due by the employer

- RON-

Name	December 31, 2021	December 31, 2020

The company's contribution to voluntary pension funds	2,258,525	2,895,553
Company’s contribution to voluntary health insurance	1,496,785	1,426,889
Labor Insurance contribution and other contributions	3,322,875	3,208,347
Total	**7,078,185**	**7,530,789**

The company's contribution to voluntary pension funds in 2021 shows a decrease yoy since the amount provided in the budget was of 300 EUR/employee compared to 400 EUR/employee in 2020.

In 2021, following the salary increases from October 2020 and December 2021, the labor collateral has proportionally increased.

Employees

During 2021, the average number of employees has evolved as follows:

Name	December 31, 2021	December 31, 2020
Employees with leading positions	80	95
Employees with execution positions	1431	1,445
Total	**1,511**	**1,540**

c) Expenses related to External Services

- RON-

Name	December 31, 2021	December 31, 2020
Rail transport expenses	63,201,693	63,566,626
Expenses with royalties and rentals	32,023,330	30,974,740
Third-party pumping expenses	4,482,564	4,636,669
Maintenance and repair expenses	2,317,429	1,985,408
Expenses with the decontamination, monitoring of the environmental factors	1,473,919	804,966
Travel, secondment and transfer expenses	620,561	632,631
Expenses related to the transport of goods and personnel	36,000	38,298
Postal and telecommunication expenses	604,279	526,584
Other expenses with services performed by third parties	5,016,060	4,315,939
Total expenses related to external services	**109,775,835**	**107,481,861**

The expenses with royalties and rents contain mainly the oil royalty due by the company to the State budget, as holder of the oil agreement, under the law, for the use of the goods public property of the State within the oil operations.

It is being calculated according to the Oil Law no. 238/2004, by application of a quota of 10% of the value of gross income achieved out of oil transport operations through the oil national transport systems, as well as related to the oil operations performed by oil terminals State public property.

d) Other expenses

- RON-

Name	December 31, 2021	December 31, 2020
Taxes, fees and similar levies related expenses	2,269,019	2,242,560
Compensations, fines and penalties expenses	157,092	293,871
Donations granted (sponsorships)	673,050	798,584
Environmental protection expenses	33,725	32,196
Expenses with the establishment of the modernization quota	47,490,268	36,980,848
Other operating expenses	283,667	7,456,921
Other expenses	**50,906,821**	**47,804,980**

In 2021, the expenses recorded with other taxes, fees and similar levies include, mainly the expenses with the local taxes and expenses with the contribution to the special fund, due under the Law no. 448/2006 regarding the protection and promotion of the disabled persons.

The company constitutes reserves regarding the modernization quota through other operating expenses, in compliance with the provisions of GD no. 168/1998 further amendments and with the provisions of the Fiscal Code approved pursuant to Law no. 227/2015, with amendments and further completions.

18. Net Financial Result

- RON-

Name	December 31, 2021	December 31, 2020
Revenues from interests	3,402,658	6,096,612
Other financial revenues	25,624	25,659
Total financial revenues	**3,428,282**	**6,122,271**
Interest expenses on leasing contracts	202,065	532,077
Other financial revenues	127,759	153,711
Total financial expenses	**329,824**	**685,788**
Net Financial Result	**3,098,458**	**5,436,483**

The financial revenues decreased by 44% in 2021 compared to 2020 and the financial expenses decreased by 51.9% in the current year, compared to the previous year. Based on this evolution the financial result has decreased by 43% in 2021, as compared to 2020.

19. Fiscal Legislative Framework

The tax declarations are subject to revisions and corrections of fiscal authorities, generally for a period of five years after completion thereof.

The fiscal legislation in Romania is very complex and permanently reforms according to the internal and international economic-financial context, being regulated by a multitude of normative acts: laws, government decisions of approval of the application norms, simple ordinances and emergency ordinances, orders, instructions, circulars, clarifications etc.

We cannot talk about a facile approach thereof by the taxpayer, especially that it is generally maintained an abusive practice from the fiscal bodies in what concerns the construction of the legal provisions enshrined by the law itself.

The modernization of the fiscal legislation in Romania does not yet provides clarity and accessibility in the application of the provisions of the fiscal Code, by restructuring, on systematic bases, of the fiscal norms, as well as those on fiscal procedure and there still exists the risk that the fiscal authorities adopt different positions in connection with the interpretation of these aspects with consequence in the calculation of additional obligations and interests/penalties payment, augmentations and delay fines.

By Law no.207/2015 on the new fiscal procedure Code there have been amended several principles with regard to the interpretation of law, meaning that in the interpretation of the fiscal legislation is being applied the principle “in dubio contra fiscum, therefore in case of doubt related to the fiscal norm it is being applied the interpretation in favor of the taxpayer.

However, before this interpretation has been given, each public servant must clarify the respective text, by appealing to the good will of the legislator and the meaning of law, verify the points of view expressed in the substantiation notes, in reasons exposures (...). Thus, it should be noticed the spirit of the law as a whole and the purpose for which this law has been created. Only if by these norms the meaning of the norm has not been clarified, will the rule of interpretation in favor of the taxpayer apply, which envisages the protection of the taxpayer against an abusive application of the law by the fiscal body, as well as for the improvement of the relation between the fiscal administration and the taxpayer, for avoiding some potential conflicts.

The management considers having adequately registered the fiscal obligations in the financial statements.

20. Commitments and Contingencies

Capital commitments

The company does not have granted capital commitments.

Guarantees granted to third-parties

The guarantees granted to third parties are presented in the table below:

- RON-

Name	December 31, 2021	December 31, 2020
Non-current Receivables (Note 7)	726,259	1,427,010
Other receivables (Note 9)	282,466	282,466
Total	**1,008,725**	**1,709,476**

Guarantees granted to third parties are separately presented at:

- financial assets line (Note 7)

- other receivables line, those to be recovered within less than 12 months (Note 9)

At the end of 2021, the Company has no record of other commitments granted to third parties.

Received Guarantees

The guarantees granted to third parties are presented in the table below:

- RON-

Name	December 31, 2021	December 31, 2020
Performance guarantees transferred on the company's accounts	53,979	44,173
Performance guarantee received from the clients	34,217,242	33,749,255
Performance guarantee received from suppliers	27,744,885	15,940,237
Performance guarantees constituted by the beneficiaries in separate accounts at CONPET disposal.	5,765,659	5,362,768
Total	**67,781,765**	**55,096,433**

Contingencies

Taxation

Our company considers that all amounts due for fees and taxes have been paid and registered at the balance date.

21. Related Parties

In 2021, the Company has carried out the following procurement from related parties, of which significant is the purchase from SNTM CFR Marfa (over 95%).

Procurement from related parties

- RON-

Partner	Unsettled amounts at December 31, 2020	Period 01.01-31.12/2021	Settlements Period 01.01-31.12/2021	Unsettled amount at December 31, 2021
SNTFM CFR Marfă SA	6,709,061	75,544,240	76,460,702	5,792,599

**The amounts are VAT inclusive*

22. The Audit Committee

The Company's audit for the year 2021 has been provided by the firm BDO AUDIT SRL

By OGMS Decision no.6/30.09.2019 it was approved the appointment of the firm BDO AUDIT SRL. as financial auditor of the Company for a period of 3 years (2019,2020,2021).

The fees are established based on the contract concluded between the two parties. All paid fees refer to the audit services on the individual financial statements drafted in compliance with the Financial Reporting International Standards ("IFRS") and with the requirements the Order of the Ministry of Finance no.2844/2016, services of revision of the interim financial statements drafted on June 30, in compliance with IAS 34.

23. Risk Management

Within CONPET SA the Internal Control Management System has been implemented and developed, containing the 16 standards included in the Internal control management code of the public entities. The implementation of Standard 8 requirements "Risk Management" was a priority in the organization by documentation and application of provisions of PS-MI-18 "Risk management" system procedure (sheet process, flow diagram and system procedure). In 2021 have been identified, assessed and centralized risks that may affect the achievement of objectives. At CONPET level, a Significant risk register was elaborated and an annual plan containing measures to control significant risks, responsible and time-frames for the measures were developed.

Complex processes and activities carried out within CONPET SA may generate risks coming from various areas such as:

(a) Exchange Rate Risk

The company may be exposed to fluctuations of the exchange rate of the currencies by means of cash and cash equivalents, short-term investments, long term loans or trade liabilities expressed in foreign currencies. The functional currency of the Company is the Romanian Leu (RON). At present the Company is exposed to the exchange rate risk through cash and cash equivalents, as well as through the procurements made in a currency different from the functional currency. The currencies exposing the Company to such a risk are mainly EUR, USD and GBP. The debts in foreign currency are subsequently expressed in RON, at the exchange rate of the date of the balance sheet, communicated by the Romanian National Bank. The resulting differences are

included in the profit and loss account, but do not affect the cash flow up to the moment of the liquidation of the liability.

The Company's exposure to the currency risk expressed in RON was insignificant, as revealed in the statements below:

- RON-

December 31, 2021	Value	(In RON)	EUR	USD	GBP
Monetary Assets					
Cash and cash equivalents	191,751,271	191,282,244	454,814	12,702	1,511
Trade receivables and other receivables on short and long term	49,328,228	49,304,153	24,075	-	**-**
Monetary debts					
Various suppliers/creditors	(38,016,085)	(31,247,046)	(5,851,195)	(917,844)	-
Net exposure in the financial standing	**203,063,414**	**209,339,351**	**(5,372,306)**	**(905,142)**	**1,511**

- RON-

December 31, 2020	Value	(In RON)	EUR	USD	GBP
Monetary Assets					
Cash and cash equivalents	198,257,333	198,202,153	49,711	4,081	1,388
Trade receivables and other receivables on short and long term	41,366,956	41,366,956	-	-	**-**
Monetary debts					
Various suppliers/creditors	(28,374,914)	(24,366,919)	(3,881,489)	(126,506)	-
Net exposure in the financial standing	**211,249,375**	**215,202,190**	**(3,831,778)**	**(122,425)**	**1,388**

The currencies applied for the evaluation of the elements above in RON were:

	December 31, 2021	December 31, 2020
RON/EURO	4.9481	4.8694
RON/EURO	4.3707	3.9660
RON/GBP	5.8994	5.4201

(b) Credit risk

Credit risk is the risk that the company bears the financial loss due to the failure of contractual obligations by a customer or counterpart to a financial instrument, and this risk results mainly from trade receivables, cash and cash equivalents and short-term investments of the company.
Maximum exposure to the collection risk at the reporting date was:

- RON-

Name	December 31, 2021	December 31, 2020
Trade receivables and other receivables on short and long term (net value)	49,648,417	41,366,956
Total	**49,648,417**	**41,366,956**

The company carries out trade relations only on contractual basis with recognized third parties, that warrants credit financing. The company is closely monitoring the exposure to commercial credit risk.
Financial assets which may subject the Company to risk, are mainly trade receivables collection.
The company has implemented a series of policies that ensure that the sale of services is made to customers with a rapid collection. The value of net claims (without adjustments for depreciation) represents the maximum amount at risk of collection.

On December 31, 2021 the Company holds cash and cash equivalents in amount of 191,751,271 RON) on December 31, 2020; 198,257,333 RON). The availabilities are held by the banks, of which we enumerate Banca Transilvania, BCR, Raiffeisen Bank, BRD Groupe Societe Generale, CEC Bank, Unicredit Bank, OTP Bank, Exim Bank, Garanti Bank, First Bank, Credit Europe Bank, etc.)

Credit risk related to trade receivables is low because of the regularly collection of transport services. Even though there are significant concentrations, the customer base is extremely low, the management considers that the commercial credit risk is low.
The statement of the seniority of ***clients'*** receivables at the date of preparation of the statements of financial statement is the following:

- RON-

Name	Gross value at December 31, 2021	Impairment December 31, 2021	Net value December 31, 2021
Unarrived to maturity	44,049,307	-	44,049,307
Exceeded maturity 1-30 days	75,712	-	75,712
Exceeded maturity 30-60 days	14,736	-	14,736
Exceeded maturity 60-90 days	6,090	-	6,090
Maturity exceeded between 90 days - 1 year	200	-	200
More than one year	120,337	120,337	-
Total	**44,266,382**	**120,337**	**44,146,045**

- RON-

Name	Gross value on December 31, 2020	Impairment on December 31, 2020	Net value December 31, 2020
Unarrived to maturity	34,766,616	-	34,766,616

Exceeded maturity 1-30 days	3,439	-	3,439
Exceeded maturity 30-60 days	530	-	530
Exceeded maturity 60-90 days	5,154	-	5,154
Maturity exceeded between 90 days - 1 year	672	-	672
More than one year	339,307	339,307	-
Total	**35,115,718**	**339,307**	**34,776,411**

The statement of the seniority of Long-term at the date of preparation of the statements of financial statement is the:

- RON-

Name	Gross value on December 31, 2021	Impairment on December 31, 2021	Gross value on December 31, 2020	Impairment December 31, 2020
Maturity unarrived debts	7,231,675	2,458,264	7,807,594	2,325,447
Total	**7,231,675**	**2,458,264**	**7,807,594**	**2,325,447**

The statement of the seniority Long-term receivables-term at the date of preparation of the statements of financial statement is the:

- RON-

Name	Gross value on December 31, 2021	Impairment December 31, 2021	Gross value on December 31, 2020	Impairment on December 31, 2020
Non-current receivables <1 year unarrived to maturity	282,466	282,466	282,466	282,466
Non-current receivables >1 year unarrived to maturity	726,259	320,189	1,427,011	320,189
Total	**1,008,725**	**602,655**	**1,709,476**	**602,655**

We hereby mention that, for the **advances for services** in amount of 2,703 RON (note 9) there have not been executed impairments of depreciation as the respective receivables have not met maturity.

The movements in the impairments for depreciation of ***clients'*** receivables were the followings:

- RON-

Name	2021	2020
Balance at January 1	339,307	341,524
Growths during the year	(204,661)	-
Write-backs during the year	(14,309)	(2,217)
Balance at December, 31	**120,337**	**339,307**

The movements in the impairments for depreciation of ***other receivables*** were the followings:

- RON-

Name	2021	2020
Balance on January 1	2,325,447	3,394,735
Growths during the year	208,685	18,941
Write-backs during the year	(75,868)	(1,088,229)
Balance at December, 31	**2,458,264**	**2,325,447**

The movements in the impairments for depreciation of ***long-term receivables*** were the followings:

- RON-

Name	2021	2020
Balance on January 1	602,655	-
Growths during the year	-	602,655
Write-backs during the year	-	-
Balance at December, 31	**602,655**	**602,655**

(c) LIQUIDITY RISK

The liquidity risk is the Company's risk to face difficulties in the achievement of the liabilities associated with the financial debts that are being settled in cash or by the transfer of another financial asset. The Company's approach in the liquidity management consists in providing, as much as possible, that it will always dispose of enough liquidities to pay the maturity liabilities, both under normal and stress conditions, without bearing unacceptable losses or endanger the Company's reputation.

The liquidity risk is managed by the Company's management by the application of a permanent insurance policy of liquidities meant to cover the settlement of the due financial liabilities.

- RON-

2021	Contractual cash flows	<1	Over 1 year	Over 5 years
Trade liabilities	33,435,361	32,147,560	1,287,802	-
Liabilities to the employees	28,694,583	12,065,900	3,286,020	13,342,663
Other liabilities	32,614,355	29,155,512	2,523,589	935,253
Total	**94,744,299**	**73,368,972**	**7,097,411**	**14,277,916**

- RON-

2020	Contractual cash flows	<1	Over 1 year	Over 5 years
Trade liabilities	23,583,540	23,583,540	-	-
Liabilities to the employees	33,991,543	14,127,500	3,475,134	16,388,909

Other liabilities	34,101,828	30,631,106	2,850,363	620,359
Total	**91,676,911**	**68,342,146**	**6,325,497**	**17,009,268**

(d) The Personnel Risk and the Waging System

On December 31st, 2021, the structure according to age is not balanced, the age category with the highest rate ratio in the company is ranging between 51 - 60 years old (51.13%) and between 41-50 years old (28.90%).

The average age of CONPET personnel is high (49.3 years old), and the advantage it brings is the work experience accumulated by employees within the company, which indicates stability and professionalism. The average age of the personnel employed in the last two years is 41 years, with an average work experience of 15.5 years.

However, the risk of personnel in the future is the company to deal with staff shortages due to staff departures experienced natural causes.

The level of this analyzed risk was low; being a high tolerability risk and for the control thereof have been set medium and long-term measures by way of the personnel policy and the monitoring of the personnel fluctuations (personnel input/output). In this regard, the urgent need of vacant posts occupancy is carefully monitored, according to the needs required by organizational entity, the complexity and diversity of activities, skills needed and the responsibility related posts.

(e) The Risk Determined by the Correlation with the Global Market Evolution

The global economy has strongly improved in 2021, sustained by the fiscal and monetary stimulants unprecedentedly in the major economies. The global GDP increase for 2021 was estimated at 5.5% and is forecasted at 4.2% in 2022. Pursuant to IEA (National Energy Agency), the oil consumption will reach 101 million barrels per day in 2023, entirely recovering the loss of nine million barrels registered in 2020. The contract futures on Brent oil have increased with over 10 USD/bbl, exceeding 83 USD/bbl at the level of QIII/2021.

The geopolitical tensions generated by the conflict Russia - Ukraine have determined a material growth of the perspectives on the oil prices in 2022. There is currently analyzed the impact of the energy sanctions applied to Russia by EU and the United States, namely on the Russian imports of oil and gas, being unanimously accepted the perspectives of “enormous ramifications” disproportioned for each country member EU, the risks being extreme.

Considering that the oil markets envisage increasing prices of over 120 USD/bbl of oil, while the stocks and the unused capacities are reduced, any additional interruption of the supply that strikes the second world oil exporter (Russia), could trigger a bigger volatility of the prices, with risks and effects impossible to estimate to date.

(f) Capital Market Risk

The Romanian capital market has registered a positive evolution during 2021, considering that it has acquired the statute of emerging market in September 2020. The daily average liquidity for all types of financial instruments has recorded an upward trend during the analyzed period. Romania's representativity within the indexes of Emerging Markets has materially increased. Also, in February 2021, CONPET S.A. Was included in the composition of index FTSE Global Micro Cap. Therefore, we hope that, down the line, the reduced liquidity influence least the stocks volatility.

(g) Legislative-related Risks

The frequent amendment of the normative acts here included those that bear direct impact on CONPET business may trigger risks for the company.

The effort of the company CONPET to constantly adapt to changing legislative requirements may generate additional costs and possible future changes in the legislative framework could have negative effects on the activity and profitability of CONPET (increased taxes, introduction of new taxes and duties, reduction or suspension of tax concessions, etc.).

Moreover, a possible increase in the level of the royalty paid for the use of the national Transport System may affect the financial statements and financial projections. An increase of the level of the royalty shall reflect into an augmentation of the transport tariff and, subsequently, the consequences may be seen on two lines: in the decrease of the crude transported quantities and over the pump price of the finite products resulted from the crude oil processing.

An important risk is being represented by the loss of the facility regarding the expenses borne by the Romanian State in order to provide the guard and protection of the pipelines by gendarmes, regulated by GD no. 1107 dated November 14, 2012, which amends and complements GD no. 1468/2005.

(h) Risk of disputes

The Risk related to litigation, which comes from the faulty way in which the legal status of under/over crossed land by major pipeline transport has been regulated. CONPET was and currently is engaged in a series of trials where the owners of those lands claim for the transport pipelines be either lifted or moved to other sites and the expense be borne by the company.

One of the major risks the company is currently exposed to, as concessionaire of the Crude oil, rich gas, ethane and condensate national transport system drives its sources in the legal regime of the lands under/over crossed by the transport major pipelines instituted pursuant to the provisions of Petroleum Law no. 238/2004. The number of private properties under/over crossed by pipelines is very high and there is a possibility that more and more owners bring proceedings in Court against the Company to obtain substantiated compensations based on the simple presence of the pipelines on their lands. Due to the defective way in which the legal regime of the lands under/over crossed by the transport major pipelines has been regulated, CONPET was and currently is engaged in a series of trials where the owners of those lands claim for the transport pipelines be either lifted or moved to other sites (and the expense be borne by CONPET) or be granted annual compensations representing consisting amounts of money. Moreover, even some public authorities have laid claim pecuniary about the presence of components belonging to NTS, on the lands owned or managed by them.

Within the last years, the Company prepared various legislative proposals to amend Law no 238/2004 - Petroleum Law, hoping for a coherent and clear regulation of the legal regime of lands under/over crossed by the transport major pipelines. Essentially, these proposals are based on the following assumptions:

- public property (of the major pipelines) must coexist with private ownership of land, which leads to the conclusion that the state must be acknowledged the exercise free of charge to certain categories of rights real (encumbrances etc.) for the presence of the pipes on the ground;

- CONPET must fully compensate the landowner for any action that would require temporary occupation of land for repair or damage suffered by owners due to damage.

(i) Risk related to the regulation and authorization

Risk related to the regulation and authorization, which is significant given that the company shall regularly obtain and renew a number of opinions, permits, certifications (for railway shunting activity). The Company is subject to a large number of regulations in various fields, aspects which sometimes leads to additional costs and delays in the commencement or completion of works, with possible negative effects (such as technical failures followed by loss of product shipped which give rise to sanctions from the authorities).

The core business of CONPET, namely transport via pipelines and railway tanks has a significant environmental impact, which involves obtaining and renewing permits that regulate the activity of the company, obtaining building permits, based on all the necessary permits for work subcontracted from repair and investment programs, permits and certifications (AFER) for railway shunting activity, obtaining the INSEMEX authorization for all sectors etc.

The company's activity is subject to a large number of regulations in various fields, which, if not respected, can lead to sanction or suspend the operations of the company.

(j) The Market Risk

The Market risk arises from reducing the amount of crude oil transported to the refineries. This makes the utilization of the transport system to be very low. The company must identify new opportunities leading to increased use of the system and adopt solutions for streamlining and optimizing transport activities conducive to maintaining the NTS to a high level of operational security.

The Company is dependent on the level of crude oil processing in Romania and the possibility of intervention in this area lays only in the demand of fuels in the market. The company CONPET can only prove at any time that is capable of providing quality services in the transport of crude oil, rich gas and condensate for any client. In order to ensure this, CONPET must be an active player and permanently interested in the market developments in this area of interest.

Following the petrochemical industry restructuring in Romania, the transport of crude oil derived products (rich gas) decreased severely, (transport of ethane is no longer made since 2009), which adversely affects the use of the subsystem related to these products.

Given the conditions, by the support of the Ministry of Energy and the National Authority for Mineral Resources (NAMR), CONPET pays efforts to identify new opportunities that lead to the increase of the degree of use of the system, nevertheless involving into regional projects started in its business area.

(k) Operational risk

Operational risk comes from the Degradation of the National Pipeline Transport System due to the low level of utilization (small quantities, reduced frequency) and Escalation of the criminal acts related to pipeline attacks bearing significant impact on the Pipelines National Transport System and environment.

The analyzed level of operational risk associated to the “degradation of the NTS“ is large; it is an intolerable risk for which have been set urgent measures to control it, such as the redefinition of the transport infrastructure according to demand-side, restoring and optimization of pumping programs for the stations with low production, expanding the modernization of pumping stations and continuous monitoring of process parameters and and identification of new potential beneficiaries of the services delivered by the company.

The results and the company's business may be influenced by specific operational risks, including the following:

- escalation of the criminal behavior of attack to the pipelines with significant impact on the National Transport System via Pipelines and the environment;
- degradation of the National Pipeline Transport System due to the low level of utilization (small quantities, reduced frequency);
- impossibility of railway transport programs exclusively due to the railway operator.

(l) The risk caused by pandemic Corona virus (Covid-19)

Besides the above mentioned risks the company is currently facing risks caused by pandemic corona virus (COVID-19). Under these circumstances the company CONPET SA adopted an Action plan to prevent and combat contamination of employees with the new corona virus (COVID-19), as well as to identify scenarios for ensuring business continuity in the premises of the company, if the occurrence of cases of infection with the new virus (COVID-19).

Ever since the beginning of this situation, CONPET adopted special measures to protect the employees and limit a potential extension of the disease COVID-19. Thus, measures for the prevention and protection in all sites where employees operate have been taken, including: limiting visitor access, which is allowed only in absolutely necessary situations, subject to the rules of disinfection set by CONPET, intensification of actions on prevention and hygiene, limiting internal travel at their workstations, establishing minimum staff for the smooth running of operations and ensure continuity in the transport of crude oil, in the light of the pandemic of Corona virus (Covid-19).

CONPET is a financially stable company that has the ability to quickly and efficiently implement emergency measures to be taken to protect the health of employees as well as to maintain safe administration of the crude oil National Transport System. In the context of the pandemic Corona virus (Covid-19), the company ensures business continuity.

(m) Environment-related Aspect

- ***Identification of environmental aspects and environmental impact assessment***

The environmental impact assessment activity is carried out in the production sectors whenever changes occur in the system involving environmental impact activities, the list of significant impact issues identified at company level being the basis for the development of the Environmental Management Program and the Action Plan for the achievement of environmental objectives.

Due to the occurrence of a new version of the standard ISO 14001, for ensuring the transition from ISO 14001:2004 to ISO 14001:2015, during 2018 has been revised the entire documentation related to the environmental management system, focusing on the, the identification of the environmental aspects, the manner of treating the risks and opportunities related to the environmental aspects in order to prevent and reduce the consequences thereof on health and environment. The following documents have been revised:
- The Environmental Management Program containing: the commitments associated to the environmental policy, general objectives and measurable environmental targets, the performance indicators on environmental protection, as well as the positions responsible for the achievement of the environmental targets;

- The actions plan for the achievement of the environmental objectives that considered the significant environmental aspects identified inside CONPET the measures from the inspection reports/protocols - authorities, regarding the compliance with the legal requirements and other applicable requirements.
During 2021, an external online audit was carried out from the point of view of the environmental management system to verify compliance with the requirements of ISO 14001:2015. No / deviations were found in compliance obligations in this area.

- ***Assessments of compliance with legal requirements and other environmental requirements***

The assessment of the compliance with the legal requirements and other requirements applicable to the environmental aspects, is provided by: inspections by the environmental authorities (representatives of the central and local environment and water management) and by the HSEQ responsible in the sectors and the personnel of the Environmental Protection Department, internal audits performed by the internal auditors within the Management System and Internal Management Control Department. The staff from the sectors, respectively the HSEQ officers conduct scheduled inspections according to the annual inspection chart for compliance with the legal requirements and other applicable requirements, but also not scheduled inspections according to the attributions of the job description.
The environment and water management authorities are, carrying out scheduled audits in CONPET sites, unscheduled and thematic with regards to the observance of the legal requirements and other environmental regulations, not having been found major nonconformities.
To verify compliance with legal requirements, in 2021 there were 50 foreign.

- ***Pollutions bearing significant impact on the environment***

While pumping the crude oil, on the transport pipelines, accidental pollutions may occur, triggering the contamination of the geological environment. Therefore, in 2021 there have been reported accidental pollutions in the areas: Mislea (Prahova County), Cireșu (Brăila)County, Ovidiu, Poarta Albă, Cuza Vodă, Constanța, Castelu, (Constanța County), Poieni (Teleorman County), Crevedia Mare, Videle (Giurgiu)County.

The expenses made in 2021 for the decontamination of the affected areas reached 1.4 million RON.

Ulterior Events and other Mentions

On February 24, 2022 there have been initiated Russian military aggressions against Ukraine. CONPET SA permanently analyses the impact of the geopolitical tensions generated by the conflict between Russia and Ukraine and the sanctions applies to Russia by EU and USA, to rapidly and efficiently implement all the emergency measures required for the reduction of the potential effect that this situation should have on the company's activity. In terms of the Company's financial statements for the year 2021, the activity is not affected and there is no need to the adjustment thereof.

These financial statements and the related notes, from page 1 to page 57, have been authorized for issue and signed by the company's management on March 21, 2022.

Director General, **Economic Director,**

Eng. Dorin Tudora **Econ. Sanda Toader**

CONPET S.A., Romania
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Tel: +40-244-401360; fax: +40-244-516451
TIN: RO 1350020; NACE Code 4950; CRN J29/6/22.01.1991
Subscribed and paid-up share capital 28 569 842.40 RON

STATEMENT OF THE PERSONS IN CHARGE

within CONPET S.A., in compliance with the provisions of Art. 30 of the Accountancy Law no. 82/1991 and Art. 65 of Law no. 24/2017 regarding the issuers of financial instruments and market operations

There were drafted the financial statements at the date and for the year ended at 31.12.2020 for:

Entity	CONPET SA
County	PRAHOVA
Address	Ploiești No.1-3 , Anul 1848
Trade Registry Number	J29/6/1991
Type of ownership	26 - Publicly and privately owned companies with domestic and foreign capital
Main activity (NACE code)	4950 - Transport via pipelines
Tax Registration Number	1350020

The undersigned: Dorin Tudora, in the capacity of Director General and Sanda Toader, in the capacity of Economic Director, undertakes the responsibility for the preparation of the annual financial statements at 31.12.2021 and confirms that:

a) The accounting policies used at the preparation of the annual financial statements are in compliance with the applicable accounting regulations, in force at the reporting date, 31.12.2021;

b) The annual financial statements present fairly the financial position, the financial performance and other information related cu the activity performed;

c) The company operates under conditions of continuity.

d) The administrators report comprises a correct analysis of the development and performance of the company, we well as a description of the main risks and uncertainties particular to the activity performed.

DIRECTOR GENERAL,
Eng. TUDORA DORIN

Economic Director,
Econ. TOADER Sanda

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Subject to endorsement in the BoD meeting dated 21.03.2022 and approval of the O.G.M.S dated 28.04.2022

Reg. no. 10070/21.03.2022

NOTE:

regarding the approval of discharge of administration of CONPET S.A. administrations for the financial year ended 31.12.2021.

Along the year 2021, the Board of Directors has carried out the activity in the following componence:

- **Gheorghe Florin- Cristian,** Chairman of the Board of Directors
- **Popa Claudiu- Aurelian,** BoD member;
- **Iacob Constantin - Ciprian,** BoD member;
- **Gavrilă Florin- Daniel,** BoD member;
- **Albulescu Mihai- Adrian** - BoD member;
- **Buică Nicușor- Marian** - BoD member.
- **Meşca Darius- Dumitru** - BoD member; (period 01.01.2021 – 07.04.2021)
- **Kohalmi - Szabo Luminița - Doina**, BoD member (provisional administrator, between 08.04.2021 - 31.12.2021, except for 04.12.2021 - 06.12.2021).

In consideration to the achievement of the strategic objectives set out in regards to the operational activity, the optimization of the performance and sustainable development of the company, in compliance with the principles of good corporate governance, along the performance of the mandate, the administrators of CONPET S.A. have fulfilled their attributions with responsibility, efficiency, transparency and professionalism against all stakeholders.

The business carried out in 2021, as well as the financial - economic results obtained are being revealed as compared to 2020 in the Annual Report of the Administrators, as they are being contained in the audited annual financial statements related to the financial year 2021.

As per the dispositions of Art.111, Para (2), Letter d) of Law no.31/1990 on companies, republished, subsequent amendments and completions, corroborated with the provisions of Art. (15), Para 3, Letter (i) of the Articles of Incorporation of CONPET S.A., it is necessary that the OGMS decide on the discharge of administration of the administrators of CONPET SA.

Following the approval of the audited financial statements for the year ended 31.12.2021, based on the

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Report of the independent auditor BDO Audit SRL and the Annual Report of Administrators for the 2021

it is being proposed to the OGMS approval of the discharge of administration of the company's administrators in the afore-mentioned componence for the financial ended 31.12.2021.

CHAIRMAN OF THE BOARD OF DIRECTORS

Gheorghe Cristian - Florin

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of CONPET S.A.
1-3 Anul 1848 St., Ploieşti, Prahova County, Postal Code 100559, Romania
Registration: 1350020

Opinion

We have audited the financial statements of CONPET S.A. (the Company), which comprise the statement of financial position as at December 31, 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The financial statements as at and for the year ended 31 December 2020 are identified as follows:

- Net assets/Total equity: 657,010,568 RON
- Net profit for the year: 60,846,759 RON

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the accounting regulations compliant with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), UE Regulation no. 537/2014 of the European Parliament and of the Council („The Regulation") and Law no. 162/2017 („The Law''). Our responsibilities under those standards and regulations are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of our report. We are independent of the Company in accordance with International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants ("IIESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Romania, including the Regulation and the Law, and we have fulfilled out other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

MANAGEMENT SYSTEM CERTIFICATION DNV·GL ISO 9001 = ISO 14001 ISO 45001
ENERGY MANAGEMENT SYSTEM DNV·GL ISO 50001

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www.conpet.ro

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Please see Note 17. a) Turnover Revenue recognition policy is described in Note 3 "Accounting Policies - Revenue Recognition". In accordance with International Standards on Auditing, there is an implicit risk on revenue recognition due to the pressure on management in obtaining the planned results. The Company's main activity is Oil transport, performed by the Company through the National Transport System of crude oil, condensate and ethane as concessionaire, but also transport performed on railway. Revenue is recorded upon acceptance by the customer of the quantities transported and the transport fees are approved by the NAMR (National Agency for Mineral Resources).	Our audit procedures included, among other: - Evaluation of processes and controls on the existence and accuracy of the recorded revenues. - Audit procedures for testing that revenues were recorded in the appropriate period. - Testing a sample of receivables by sending direct confirmation letters.

Other information - Administrators' Report

Administrators are responsible for the preparation and presentation of Other information. The Other information comprise the Administrator's report, including the non-financial representation, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
With respect to the Administrator's report, which includes the non-financial representation, we read and report whether the Administrators' report is prepared, in all material respects, in accordance with the Order of Minister of Public Finance no 2844/2016, articles 15-19, respectively 39-42 of the accounting regulations in accordance with International Financial Reporting Standards.

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Based solely on the work required to be undertaken in the course of the audit of the separate financial statements, in our opinion:

a) The information given in the Administrators' for the financial year for which the financial statements are prepared, is consistent, in all material respects, with the financial statements;

b) The administrators' Report, including the non-financial representation has been prepared, in all material respects, in accordance with OMFP no. 2844/2016, points 15-19, respectively 39-42, of the accounting regulations compliant with the International of Financial Reporting Standards.

In addition, based on our knowledge and understanding of the entity and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Administrators' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Order of the Minister of Public Finance no. 2844/2016. and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

We were appointed by the General Shareholders' Meeting on 30 September 2019 to audit the financial statements of the Company for the year ended 31 December 2019, 2020 and 2021. Our total uninterrupted period of engagement is 5 years, covering periods ending 31 December 2016 to 31 December 2020.

We confirm that:

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ENERGY MANAGEMENT SYSTEM DNV·GL ISO 50001

- Our audit opinion is consistent with the additional report presented to the Audit Committee of the Company, which is issued with the same date as the current report. We also remain independent of the audited entity in conducting the audit.
- We have not provided to the Company the prohibited non-audit services referred to in article 5 (1) of EU Regulation no 537/2014.

Other matters

This report of the Independent Auditor is addressed exclusively to the Company's shareholders, as a body. Our audit was undertaken in order to report to the Company's shareholders all those aspects that we are required to state to them in a financial audit report and for no other purposes whatsoever. To the extent permitted by law, we do not accept or take responsibility to anyone other than the Company and its shareholders, as a body, for our audit work, for the report on the financial statements and the report on the Administrators' Report, or for the opinion we have formed.

For and behalf of BDO Audit SRL

Registered in the Public Electronic Report of financial auditors and audit firms with no. FA18

Partner's name: Vasile Bulata

Registered in the Public Electronic Report of financial auditors and audit firms with no. AF1480

Bucharest, Romania 23 March 2021

Note: This is the English translation of the Romanian version of the auditor's report. In case of any discrepancies the Romanian version will prevail.

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