

Subject to endorsement in the BoD meeting dated 03.11.2023 and approval in the OGMS dated 19.12.2023

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**THE COMPANY CONPET S.A.****The Nomination and Remuneration Committee****No. 39479/ 03.11.2023**

**The Report of the Nomination and Remuneration Committee  
regarding the establishment of remuneration limits for the directors with a mandate contract  
of the company CONPET S.A.**

Considering the appointment of the mandate contract directors (Director General, Deputy Director General and Economic Director), as per the provisions of GEO no. 109/2011, by the Board of Directors' decision no. 31/ 19.10.2023, for a period of 4 years, starting 20.10.2023 until 19.10.2027 (inclusive of), as well as the Board of Directors' decision no. 33/01.11.2023, by which the recruitment and selection procedure for the Deputy Director General 3 was triggered, with a mandate contract until 19.10.2027 (inclusive of).

Based on the provisions of:

**- GEO no. 109/2011**

**Art. 37 para. 3** The remuneration of the executive members of the Board of Directors or of the Supervisory Board consists of a fixed allowance and a variable allowance. The fixed allowance cannot exceed 6 times the average for the last 12 months of the monthly gross average salary for the activity conducted in accordance with the core business registered by the company, at class level, as per the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment. The variable component will be based on financial and non-financial performance indicators, negotiated, and approved by the tutelary public authority, different from those approved for non-executive administrators, determined in compliance with the methodology approved by joint order by the Ministry of Finance and the General Secretariat of the Government.

**Art. 37 para. 4** The variable component of the remuneration of the members of the Board of Directors or Supervisory Board shall be revised annually, according to the level of achievement of

the objectives contained in the administration plan and the achievement degree of the financial and non-financial key performance indicators approved by the general meeting of shareholders, annex to the mandate contract.

**Art. 38 para. 2** The remuneration of the directors consists of a monthly fixed allowance and a variable allowance. The fixed allowance cannot exceed 6 times the average for the last 12 months of the monthly gross average salary for the activity conducted in accordance with the core business registered by the company, at class level, as per the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment. The variable component will be based on the financial and non-financial performance indicators, negotiated, and approved by the tutelary public authority, different from those approved for the non-executive administrators, determined in compliance with the methodology approved by joint order by the Ministry of Finance and the General Secretariat of the Government.

**Art. 38 para. 3.** The approved key performance indicators constitute elements in relation to which the variable component of the remuneration for the directors of the company is determined.

- **Law no. 31/1990**

**Art. 153<sup>18</sup>. (2)** The additional remuneration of the members of the Board of Directors or of the Supervisory Board charged with specific capacities within the respective body, as well as **the remuneration of the directors, in the unitary system**, or of the managing board members, in the dualist system, **are established by the board of directors**, namely by the Supervisory Board. The Articles of Incorporation or **the General Meeting of Shareholders sets the general limits of all remunerations granted in this respect.**

- **The Articles of Incorporation of the Company**

Art. 20 para. (1) letter l) The Board of Directors appoints and revokes the company's directors with a mandate contract and sets the remuneration thereof, whose general limits are set by the ordinary general meeting of shareholders via the Remuneration policy. Establishes the performance objectives and criteria of the mandate contract directors and recurrently notes the progress of the fulfillment thereof; approves the global degree of achievement of the performance objectives and criteria of the

mandate contract directors, for the previous year, correlated with the financial statements of that financial year;

**The Nomination and Remuneration Committee proposes to the Board of Directors the endorsement and submission for approval to the Ordinary General Meeting of Shareholders of the remuneration limits for the directors with a mandate contract, namely:**

- 1. Establishing the limits of the monthly gross fixed allowance for the company's directors with mandate contracts, between 5 and 6 times the average over the last 12 months of the monthly gross average salary for the activity carried out according to the core business registered by the company (NACE Code 4950), at class level, as per the classification of activities in the national economy, communicated by the National Institute of Statistics.**
- 2. Establishing the limits of the gross annual variable component for directors with mandate contracts, between 6 and 12 monthly gross fixed allowances for each year of mandate.**

The approved financial and non-financial performance indicators constitute elements against which the variable component of remuneration for the Company's directors is determined.

The directors' remuneration and benefits provided under the mandate contract will be recorded in the annual financial statements, in the Annual Report of the Nomination and Remuneration Committee/ Remuneration Report and in the Report of the Board of Directors.

The payment of professional liability insurance is not part of the remuneration, according to Art. 6 A. letter 1). The directors will benefit from professional liability insurance, the cost of which will be borne by the Company.

By Resolution no. 3/09.11.2021 the OGMS approved the conclusion of a single insurance policy for company administrators and directors with a mandate contract, with the minimum insured amount (indemnity limit) of 12,000,000 euros, in the aggregate, and the maximum limit of the annual insurance premium of 34,000 euros/year.

For the year 2023, CONPET S.A. concluded with the insurer ASIROM Vienna Insurance Group S.A. a managerial liability insurance policy for the members of the Board of Directors and the directors with a mandate contract (D&O), for the period 01.01.2023 – 31.12.2023. Currently, a new procurement procedure for managerial insurance services is underway, as per the conditions and limits approved by the OGMS Resolution no. 3/09.11.2021, for company administrators and directors with a mandate contract (appointed/ subject for approval).

*President:* *Mr. Zaman Andrei - Mihai*

*Members:* *Mr. Gheorghe Cristian - Florin*

*Mr. Dănilă Alin - Mihael*

*Ms. Tănăsică Oana - Cristina*

*Ms. Kohalmi - Szabo Luminița - Doina*