

ADDENDUM NO. 1

TO THE CONTRACT OF MANDATE No. _____ 18.08.2023

Given the provisions:

- of the Law no.31/1990 on the companies, republished, with subsequent amendments and completions, (“Law 31/1990”);
- of the Government Emergency Ordinance no.109/2011 on the corporate governance of public enterprises, approved with amendments and completions by Law no. 111/2016, with subsequent amendments and additions, by Law no. 187/ 2023 (“GEO no.109/2011”);
- of the Government Decision no. 722/2016 for the approval of the Methodological Norms for the enforcement of certain provisions of the Government Emergency Ordinance no. 109/2011 on the corporate governance of the public enterprises (GD no. 722/2016);
- of the resolution of the Ordinary General Meeting of Shareholders no. _____ from _____ by which there have been approved the financial and non-financial key performance indicators for the non-executive administrators of CONPET S.A;
- . of the resolution of the Ordinary General Meeting of shareholders no. _____ from _____ by which there have been approved the quantum of the variable component of the remuneration of the non-executive administrators of CONPET S.A.;
- Of Art. 34 and 35 of Chapter XIII The Amendments of the Mandate Contract, Art.7 of Chapter VI the Obligations of the administrator, Art.15 of Chapter VII the Rights of the Administrator, from the mandate Contract no. _____ 18.08.2023,

The General Meeting of Shareholders of the company CONPET SA, by the Decision no ____ dated _____ has established the form and content of the addendum to the mandate contract no ____ dated 18.08.2023 and has empowered Mr/Ms _____, to sign, acting as representative of the shareholders

Therefore,

The contracting parties:

A. The **company CONPET SA**, headquartered in Ploiesti, str. No.1-3, Anul 1848 Street,, Prahova county, registered at the Trade Register Office attached to Prahova Court of Law under no. J29/22.01.1991, CIF RO 1350020, IBAN CODE RO38RNCB0205044865700001 opened at BCR Ploiesti, represented by Mr./Mrs. _____, the representative of the Ministry of Energy in the General Meeting of Shareholders, acting as **Principal (“the Company”)**

and

B. **Mr./ Ms** _____, Romanian citizen, domiciled in _____, identified with _____ issued on the date of _____, by _____, with personal identification number _____, acting as **administrator or Agent (“Administrator/Agent)**

agree upon filling -in the Mandate Contract no.....dated 18.08.2023, as follows:

Art. 1. Scope of the Addendum

1.1 The financial and non-financial performance indicators (hereinafter called KPI (Ro.ICP) for the company’s administrators approved by the OGMS Resolution no.....dated.....calculated in correlation with the Revenues and Expenditure Budget for the year 2023 and the Administration Plan for the period 2023 -2027 are provided in Annex 1 to this Addendum and will set the basis of the settlement and granting of the variable component of the administrators’ remuneration for the period of carrying out the mandate contract.

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

1.3 The Agent benefits from a gross annual variable component of the remuneration in amount of 12 monthly gross fixed allowances, awarded under the law, respectively by the observance of the Revenues and Expenditure Budget approved in compliance with the applicable legal provisions in force and by the observance of the methodology established at Item 1.4 of this Addendum.

1.4 The means of calculation and awarding of the variable component of the administrators:

The variable component = the Value of the variable component set pursuant to the addendum to the contract of mandate x Total Degree of achievement of the performance indicators (KPI)

The 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

I_i = individual indicator (Degree of Achievement %)

The degree of fulfillment 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 ($W_{i,ICP}$) related to each KPI.

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

Also, in case that:

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

1.5 The payment of the variable component is made annually, in no more than 15 days as of the approval, within the general meeting of shareholders, of the audited annual financial statements drafted in compliance with IFRS and the presentation of the annual report of the Nomination and Remuneration Consultative Committee regarding the total degree of achievement of the financial and non-financial key performance indicators approved pursuant to the OGMS Resolution no.....dated.....

1.6 The administrator, together with the other members of the Board of Directors and with the Directors with mandate contract, has the obligation to monitor the framing within the limits specified in the Administration plan of the key performance indicators approved by the OGMS and the obligation to monitor the key performance indicators approved by the OGMS in view of achieving the global indicator.

1.7 The administrator, together with the other members of the Board of Directors, has the obligation to prepare and submit to the OGMS an Annual Report regarding the monitoring activity mentioned at item 1.6. above, within the GMS for the approval of the audited annual financial statements.

1.8 The inappropriate fulfillment/non-fulfillment, by fault of the Administrator, of the obligations set at items 1.6 and 1.7 of this Addendum, falls under his liability.

1.9 In case the mandate ceases before the completion of the mandate period, due to reasons independent of the administrators, the variable component is being granted pro-rata, in correlation with the number of days related to the term of office.

Art. 2. Art. 17. from the mandate contract shall be supplemented and bear the following content:

The administrator shall benefit from a "directors & officers' liability" insurance policy.

The Administrators and Directors with a mandate contract benefit from professional liability insurance, through the insurance policy regarding the managerial liability of the members of the Board of Directors and Directors with a mandate contract ("directors & officers' liability"/ D&O type), according to the OGMS Resolution. no. 3/ 09.11.2021, with the minimum insured amount (compensation limit) of 12,000,000 euros, in aggregate, and the maximum limit of the annual insurance premium of 34,000 euros/year. By the OGMS Resolution, the conditions can be amended. The company shall bear and pay the cost of the insurance premiums.

Art. 3. Final provisions

3.1 The other contractual clauses shall remain unamended.

In witness thereof, we have concluded today,2023, in 3 (three) original counterparts, this Addendum to the Contract of Mandate no....., in Romanian, of which two copies for the PRINCIPAL and one copy for the AGENT.

PRINCIPAL

The company CONPET S.A.

AGENT

By: _____.

Empowered by the OGMS Resolution no. _____ dated _____

Financial and Non-financial Key Performance Indicators for the Non-Executive Administrators

Crt. no.	Performance indicator	Performance objective	MU	Target values					KPI weights for the settlement of the remuneration
				2023	2024	2025	2026	2027	
A. KEY FINANCIAL PERFORMANCE INDICATORS									
1	Investment realization	Realization of minimum 75% of the annual Investments Plan financed out of the modernization quota	%	≥75%	≥75%	≥75%	≥75%	≥75%	3%
2	Current liquidity	Ensuring the ability to pay current liabilities from current assets		≥1	≥1	≥1	≥1	≥1	3%
3	Assets turnover	Ensuring the efficiency of assets management		≥0.5	≥0.5	≥0.5	≥0.5	≥0.5	3%
4	Return on equity (ROE)	Maintaining the return on equity higher than 5%	%	>5%	>5%	>5%	>5%	>5%	3%
5	Dividends distribution rate from the net profit of the financial year	Maintaining a sustainable dividend policy	%	≥65%	≥65%	≥65%	≥65%	≥65%	5%
6	Total expenses per each 1000 RON of total revenues	Maintaining the level provided in the annual Budget	%	100% according to the Annual Budget	100% according to the Annual Budget	100% according to the Annual Budget	100% according to the Annual Budget	100% according to the Annual Budget	3%
B. NON-FINANCIAL KEY PERFORMANCE INDICATORS:									
B.1. KEY OPERATIONAL PERFORMANCE INDICATORS									
7	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 3.2 Kwh/to	Kwh/to	Max 3.2 Kwh/to	Max 3.2 Kwh/to	Max 3.2 Kwh/to	Max 3.2 Kwh/to	Max 3.2 Kwh/to	10%
8	Ensuring the maintenance of the NTS	Realization of minimum 90% of the annual Program of planned technical revisions	%	≥90%	≥90%	≥90%	≥90%	≥90%	10%
B.2. CORPORATE GOVERNANCE KEY PERFORMANCE INDICATORS									
9	The number of meetings of the Board of Directors held along the year	Minimum one BoD meeting per month (in correlation with the mandate period)	Number of Meetings	min.one meeting/month	min.one meeting/month	min.one meeting/month	min.one meeting/month	min.one meeting/month	15%
10	Duly reporting of the degree of achievement of the performance indicators of the company	Framing within the legal reporting terms	%	100%	100%	100%	100%	100%	20%
11	Performance of the actions set out in the Program for the development of the internal control management system	Development of the internal control management system in compliance with the legal requirements in force	%	≥90%	≥90%	≥90%	≥95%	≥95%	15%

Crt. no.	Performance indicator	Performance objective	MU	Target values				KPI weights for the settlement of the remuneration
				2023	2024	2025	2026	2027
12	Settlement of the risks management policy	Efficient and effective risk management that could affect the achievement of the company's objectives	Confirmation (YES/NO)	-	YES	-	-	-
B.3. KEY PERFORMANCE INDICATORS ORIENTED TOWARDS PUBLIC SERVICES								
13	Clients' satisfaction score related to the crude oil and oil derivatives activity (number of responses, 4 and 5 in total number of responses minimum 90%)	Clients' satisfaction related to the crude oil and derivatives transport activity (the number of responses, 4 and 5 in total number of clients responses minimum 90%)	%	≥90%	≥90%	≥90%	≥90%	≥90%
								10% in the years 2023, 2025, 2026, 2027 AND 5% in 2024

PRINCIPAL,

The Company CONPET S.A

By:

Empowered by OGMS Resolution no. dated

AGENT