

No.20299/16.03.2021

Submitted for analysis and approval in the OGMS from 22/23 April 2021

Report on the appointment of four members of the Board of Administration of SNTGN Transgaz SA

SUMMARY

This report includes the request to appoint four members of the Board of Administration of SNTGN Transgaz SA beginning with 30.04.2021, considering the request of the Public Guardian Authority to convene the General Meeting of the Shareholders of SNTGN Transgaz SA in order to start the selection procedure of the members of the Board of Administration (address no. 27217/THG/25.02.2021, registered with SNTGN Transgaz SA under no. 14654/26.02.2021) and the request of the members in office of the Board of Directors of SNTGN Transgaz SA to renew the mandates of four administrators, formulated by report no.20298/16.03.2021.

PROPOSAL

Pursuant to the provisions of art. 29, para. (1) of GEO 109/2011 on the corporate governance of public companies, with subsequent amendments and completions, we submit for the approval of the Ordinary General Meeting of Shareholders the appointment of four members of the Board of Administration of SNTGN Transgaz SA.

DETAILED CONTENT OF THE REPORT

The Public Guardian Authority requested, by address no. 27217/THG/25.02.2021, registered with SNTGN Transgaz SA under no. 14654/26.02.2021, the convening of the Ordinary General Meeting of Shareholders of SNTGN Transgaz SA in order to start the selection procedure of the members the Board of Administration of SNTGN Transgaz SA, with the application of the provisions of art. 29, para. (3) of GEO 109/2011 on corporate governance of public companies, as subsequently amended and supplemented.

At the same time, by report no.20298/16.03.2021, four members in office of the Board of Administration of SNTGN Transgaz SA request, pursuant to art. 29, para. (14) of GEO 109/2011 on corporate governance of public companies, with subsequent

amendments and completions, the renewal of their mandates for a period of four years, starting with 30 April 2021.

Considering the provisions of art. 19, thesis 1.2 of the Articles of Incorporation of SNTGN Transgaz SA, updated, according to which "The Board of Administration of TRANSGAZ S.A. is composed of 5 members" and the fact that, starting with 30 April 2021, the mandate of the current Board of Administration ends, the Nomination and Remuneration Advisory Committee considers it imperative that new members of the Board of Administration be appointed by the General Meeting of Shareholders, this being the attribute granted by art. 29, para. (1) of GEO 109/2011 on the corporate governance of public companies, with subsequent amendments and completions and also by art. 15, thesis 3, para. (b) of the Articles of Incorporation of SNTGN Transgaz SA, updated.

Consequently, it is requested the approval of the appointment by the Ordinary General Meeting of Shareholders, of four members of the Board of Administration of SNTGN Transgaz SA, starting with 30 April 2021.

We attach hereto the following documents:

1. The address of the Public Guardian Authority - General Secretariat of the Government - no. 27217/THG/25.02.2021, registered by SNTGN Transgaz SA with no. 14654/26.02.2021 and
2. Report no.20298/16.03.2021 on the applications for the renewal of the mandates of four members of the Board of Administration (the report without annexes).

Nomination and Remuneration Advisory Committee

Văduva Petru Ion

Iliescu Bogdan George

Minea Nicolae

Translation from Romanian



GENERAL SECRETARIAT OF THE GOVERNMENT

To,

THE NATIONAL GAS TRANSMISSION COMPANY "TRANSGAZ" S.A. MEDIAS

Attn.:

Mr. Lapusan Remus Gabriel, Chairman of the Board of Administration

Mr. Sterian Ion, Director General

Dear Sirs,

Considering the Decision of the OGMS of SNTGN TRANSGAZ S.A. no. 1/27.04.2017 and the Decision of the OGMS of SNTGN TRANSGAZ S.A. no. 13/28.12.2017;

Considering the fact that on 29.04.2021 the mandate of the members of the Board of Administration of SNTGN TRANSGAZ S.A. expires and considering art. 29 para. (14) and art. 28 para. (7) of GEO no. 109/2011 regarding the corporate governance of public companies, with the subsequent modifications and completions, corroborated with the provisions of art. 45 of the Methodological Norms for the application of certain provisions of GEO no. 109/2011 regarding the corporate governance of public companies, approved by GD no. 722/2016;

In applying the provisions of art. 60 and of art. 64⁴ of GEO no. 109/2011 regarding the corporate governance of public companies, with the subsequent modifications and completions, corroborated with the provisions of art. 3 of the Methodological norms for the application of some provisions of GEO no. 109/2011 regarding the corporate governance of public companies, approved by GD no. 722/2016,

In addition to the address of the General Secretariat of the Government no. 20/27217/THG/09.02.2021, we request you to take the necessary steps to convene the ordinary general meeting of the shareholders of SNTGN TRANSGAZ S.A. with the following agenda:

Initiation of the selection procedure of the members of the Board of Administration of SNTGN TRANSGAZ S.A., with the application of the provisions of art. 29 para. (3) of GEO no. 109/2011 on the corporate governance of public companies, with subsequent amendments and completions.

GENERAL SECRETARIAT OF THE GOVERNMENT

Draft decision:

“ With _____ votes For representing _____ % of the total number of votes cast, with _____ of votes Against representing _____% of the total number of votes cast and with _____ votes Abstentions, representing _____% of the total number of votes cast, approve the initiation of the procedure for selecting the members of the Board of Administration of *SNTGN TRANSGAZ S.A.* with the application of the provisions of art. 29 paragraph (3) of *GEO no. 109/2011 on the corporate governance of public companies, with subsequent amendments and completions.* ”

Yours sincerely,


Secretar General al Guvernului
Horatiu Tiberiu GORUN

No.20298/16.03.2021

Submitted for analysis and approval in the OGMS of 22/23 April 2021

Report on the requests for renewal of the mandates of four members of the Board of Administration of SNTGN Transgaz SA

SUMMARY

This report includes the requests for renewal of the mandates of four members of the Board of Administration of SNTGN Transgaz SA, beginning with 30.04.2021 and the fundamental information regarding the process of renewal of the term of office of four administrators in office of SNTGN Transgaz SA specifying the stages concerning the process in question.

PROPOSAL

Pursuant to the provisions of art. 29, para. (14) of GEO 109/2011 on the corporate governance of public companies, with subsequent amendments and completions, we submit for approval to the Ordinary General Meeting of Shareholders of SNTGN Transgaz SA the requests to renew the mandates of four administrators in office of SNTGN Transgaz SA starting with 30 April 2021 for a period of four years, until 29 April 2025.

DETAILED CONTENT OF THE REPORT

In accordance with the provisions contained in the mandate contracts signed by the four members of the Board of Administration of SNTGN Transgaz SA in office who request the renewal of the mandates, their mandates expire as follows:

1. **Sterian Ion** – Administrator CEO of SNTGN Transgaz SA – **on 29 April 2021** (appointed by the Decision of the Ordinary General Meeting of Shareholders of SNTGN Transgaz SA no. 1 of 27 April 2017),

2. **Minea Nicolae** – Non-executive Administrator of SNTGN Transgaz SA – **on 29 April 2021** (appointed by the Decision of the Ordinary General Meeting of Shareholders of SNTGN Transgaz SA no. 13 of 28 December 2017)
3. **Văduva Petru Ion** – Non-executive Administrator of SNTGN Transgaz SA – **on 29 April 2021** (appointed by the Decision of the Ordinary General Meeting of Shareholders of SNTGN Transgaz SA no. 1 of 27 April 2017),
4. **Iliescu Bogdan George** – Non-executive Administrator of SNTGN Transgaz SA – **on 29 April 2021** (appointed by the Decision of the Ordinary General Meeting of Shareholders of SNTGN Transgaz SA no. 1 of 27 April 2017).

In view of the terms specified above and in accordance with the provisions of GEO 109/2011 on corporate governance of public companies, with subsequent amendments and completions, the four members in office of the Board of Administration of SNTGN Transgaz SA decided to submit to the Ordinary General Meeting of Shareholders SNTGN Transgaz SA the request for renewal of their mandates beginning with 30 April 2021.

For this purpose, the four members in office of the Board of Administration of SNTGN Transgaz SA notified the Public Guardian Authority on their intention by address no. 68623/03.12.2020, registered at the General Secretariat of the Government under no. 20/27217/RC/09.12.2020.

In order to meet the conditions stipulated in art. 28, para. (7) of GEO 109/2011 on the corporate governance of public companies, with subsequent amendments and completions, namely those related to the evaluation stage, the four members of the Board of Administration of SNTGN Transgaz SA will submit to the Public Guardian Authority, activity reports and the requests for the renewal of their mandates.

In view of the above, the four administrators in office of SNTGN Transgaz SA request, through the Nomination and Remuneration Advisory Committee, that the requests for renewal of their mandates, beginning with 30 April 2021, for a period of four years, until of 29 April 2025 be approved.

We attach hereto the following documents:

1. Requests for renewal of the mandates of the four members in office of the Board of Administration of SNTGN Transgaz SA who request the renewal of their mandates;
2. Activity reports of the four members in office of the Board of Administration of SNTGN Transgaz SA who request the renewal of their mandates.

Nomination and Remuneration Advisory Committee

Văduva Petru Ion

Iliescu Bogdan George

Minea Nicolae