

Translation from Romanian

**RULES OF ORGANIZATION AND PROCEDURE OF
SOCIETATEA NAȚIONALĂ DE TRANSPORT
GAZE NATURALE "TRANSGAZ" S.A.
(NATIONAL GAS TRANSMISSION COMPANY "TRANSGAZ" S.A.)**

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PART I**ESTABLISHMENT AND OPERATION OF THE NATIONAL GAS TRANSMISSION COMPANY
"TRANSGAZ" S.A.****CHAPTER I****Name, legal form, headquarters, duration and emblem****ARTICLE 1. Name**

The name of the company is Societatea Națională de Transport Gaze Naturale "TRANSGAZ" S.A. (National Gas Transmission Company "Transgaz" S.A.) hereinafter referred to as TRANSGAZ S.A.

In all documents, invoices, announcements, publications or other documents generated by TRANSGAZ S.A., the name of the national company will be preceded or followed by the words "joint stock company" or the initials "S.A.", the registered office, the registration number in the Trade Register, the sole registration number and the subscribed and paid-up capital.

ARTICLE 2. Legal form

TRANSGAZ S.A. is a Romanian legal person having the legal form of a joint-stock company and carries out its activity in accordance with Romanian laws and the company's Articles of Incorporation.

ARTICLE 3. Headquarters

TRANSGAZ S.A. Headquarters is in Romania, Mediaș municipality, Piața Constantin I. Moțaș nr. 1, Sibiu county.

TRANSGAZ S.A. Headquarters can be changed to any other locality in Romania, based on the decision adopted by the Extraordinary General Meeting of Shareholders or the decision of the Board of Administration, according to the law and the Articles of Incorporation.

TRANSGAZ S.A. may establish secondary headquarters, without legal personality, located also in other localities in the country or abroad, which will be organized as branches, representative offices or agencies, with the approval of the Extraordinary General Meeting of Shareholders under the conditions stipulated in the Company's Articles of Incorporation.

ARTICLE 4. Duration

TRANSGAZ S.A. will operate for an unlimited period of time starting from the date of registration in the Trade Register.

ARTICLE 5. Emblem of SNTGN "TRANSGAZ" S.A.

The emblem consists of the representation of the groups of letters: "TRANSGAZ", in blue characters, with a special graphics, and below, in small black characters, the group of letters: "MAGISTRALA ENERGIEI";

and on the left it is placed a blue circle inside which it is the representation of pipes; the circle is framed by 2 grey circular arcs.

The TRANSGAZ emblem may be used on advertising panels wherever it is placed, on invoices, letters, order notes, tariffs, prospectuses, posters, publications and in any other way, only if it is visibly accompanied by the company's name.



CHAPTER II

Purpose and object of activity

ARTICLE 6. Purpose

TRANSGAZ S.A. aims to fulfil the national strategy established for transmission, international transit, cross-border transmission, natural gas dispatching and research-design in the field of natural gas transmission by carrying out, in compliance with Romanian legislation, commercial acts corresponding to the object of activity approved by the Articles of Incorporation of the Company.

ARTICLE 7. Object of activity

The object of activity of TRANSGAZ S.A. is NACE Code 495 Transmission via pipeline.

TRANSGAZ S.A. has as its main object of activity: NACE code 4950 - Transmission via pipeline.

The field and main object of activity of TRANSGAZ S.A. can be modified only following a decision of the Extraordinary General Meeting of Shareholders.

The secondary object of activity of TRANSGAZ S.A. can be modified by the decision of the Board of Administration.

CHAPTER III

Equity capital, shares

ARTICLE 8. Equity capital

The equity capital of TRANSGAZ S.A. is of 1,883,815,040.00 RON, fully subscribed and paid by the company's shareholders.

The equity capital is divided into 188,381,504 registered shares, issued in dematerialized form. The equity capital is held as follows:

- The Romanian State, represented by the General Secretariat of the Government, a number of 110,221,440 shares, with a total value of 1,102,214,400.00 RON, representing 58.5097% of the equity capital;
- Other shareholders (free-float), natural and legal persons, Romanian and foreign, a number of 78,160,064 shares, with a total value of 781,600,640.00 RON, representing 41.4903% of the equity capital.

The equity capital does not include assets of the nature provided for in art. 136(3) of the Romanian Constitution, republished.

ARTICLE 9. Increase and reduction of the equity capital

1. Increasing the equity capital

- 1.1. The increase of the equity capital is done according to the law.
- 1.2. Any increase in the equity capital must be decided by the Extraordinary General Meeting of Shareholders.
- 1.3. The Extraordinary General Meeting of Shareholders will be able to authorize the increase of the equity capital by the Board of administration of TRANSGAZ S.A. within the limit of a maximum threshold set by the Meeting, which will not be able to exceed half of the subscribed capital, existing at the time of the authorization. The validity period of the delegation given by the Extraordinary General Meeting of Shareholders based on this article cannot exceed one year, and it may be renewed for periods that will not exceed, for each renewal, one year. The equity capital may be increased by:
 - the issue of new shares or by increasing the nominal value of existing shares in exchange for contributions in cash and/or in kind;
 - the incorporation of reserves, with the exception of legal reserves, as well as benefits or issue premiums or by offsetting liquid and exigible receivables on TRANSGAZ S.A., with its shares. The favorable differences from the re-assessment of the patrimony will be included in the reserves, without increasing the equity capital.

2. Reduction of the equity capital

- 2.1. The reduction of the equity capital is done according to the law.
- 2.2. If the administrators establish that, as a result of losses, the net asset, determined as the difference between the company's total assets and debts, represents less than half of the value of the subscribed capital, they will immediately convene the Extraordinary General Meeting of Shareholders to decide on the re-unification of the capital, reducing it to the remaining value or dissolving the company.
- 2.3. When the capital reduction is due to losses, the equity capital can only be reduced by reducing the number of shares or reducing the nominal value of all shares, without returning to the shareholders a part of the contribution and without exempting the shareholders from paying the amounts owed on the account of the shares.

2.4. The reduction of the equity capital will be possible only after two months from the date of publication in the Official Gazette of Romania, Part IV, of the Decision of the Extraordinary General Meeting of Shareholders.

ARTICLE 10. Shares

The shares of TRANSGAZ S.A. are nominative and issued in dematerialized form by registering them in the company's shareholder register and will include all the elements provided by law.

Record of shares and other securities issued by TRANSGAZ S.A. will be held according to the regulations issued by the National Securities Commission.

Changes can be made in the shareholders' register only in compliance with the legal provisions in force. The shares issued by TRANSGAZ S.A. can be encumbered by a right of usufruct or they can be pledged, according to the law.

Natural or legal persons, Romanian and foreign, will be able to hold shares of TRANSGAZ S.A. according to the regulations in force. The rights and obligations related to shares held by the state are exercised by the General Secretariat of the Government or its successors.

ARTICLE 11. Bonds

TRANSGAZ S.A. is authorized to issue bonds under the law.

ARTICLE 12. Rights and obligations arising from shares

TRANSGAZ S.A. shares, subscribed and fully paid, confer to the legal holder the rights provided by the legislation in force for the respective type of shares and by this Articles of Incorporation.

Holding the share certifies legal adherence to the Articles of Incorporation.

The rights and obligations related to the shares follow the shares in the event of their transfer to the ownership of other persons.

When a nominative share becomes the property of several persons, the transmission will not be registered unless they designate a sole representative, for the exercise of the rights resulting from the share.

The obligations of TRANSGAZ S.A. are guaranteed with the company's patrimony, and the shareholders are liable within the limits of the shares they hold.

The patrimony of TRANSGAZ S.A. cannot be encumbered by debts or other personal obligations of the shareholders.

ARTICLE 13. Transfer and encumbrance of TRANSGAZ S.A. shares.

Shares are indivisible. When a share becomes the property of several persons, the company is not obliged to register the transfer as long as those persons do not appoint a sole representative to exercise the rights arising from the share. As long as a share is the undivided or joint property of several persons, they are jointly and severally liable for making payments.

The assignment of shares between shareholders or to third parties is carried out under the conditions and with the procedure provided by law.

The transfer of ownership or the creation of other real rights over the shares admitted to trading on a regulated market will be done in accordance with the legislation applicable to publicly owned companies.

CHAPTER IV

Financial audit

ARTICLE 14. Financial audit

The financial statements of TRANSGAZ S.A. will be audited by a financial auditor under the conditions provided by law.

CHAPTER V

The activity of Societatea Națională de Transport Gaze Naturale "TRANSGAZ" S.A. (National Natural Gas Transmission Company "Transgaz" S.A.)

ARTICLE 15. Financing of own activity

To fulfill the object of activity and in compliance with the established attributions, TRANSGAZ S.A. uses the financing sources established according to the law, bank credits and other financial sources.

ARTICLE 16. Financial year

The financial year starts on January 1st and ends on December 31 of each year.

The first financial year begins on the date of TRANSGAZ S.A. registration at the Trade Register.

ARTICLE 17. Personnel

The personnel of TRANSGAZ S.A. is appointed, employed and dismissed by the Director General.

Hiring and firing the personnel from TRANSGAZ S.A. subsidiaries is done by the manager of each subsidiary.

The payment of salaries and related taxes, social security contributions, as well as other obligations towards the state budget will be made according to the law.

The rights and obligations of TRANSGAZ S.A. personnel are established by the Organization and Operation Regulation, by the Collective Labor Agreement and by the Individual Labour Agreements.

Salary rights and other personnel rights are established by the Collective Labor Agreement and by the Board of administration for the Director General.

ARTICLE 18. Depreciation of fixed assets

Depreciation of tangible and intangible assets from TRANSGAZ S.A.'s patrimony will be calculated according to the depreciation method established by the Board of administration in accordance with the legal provisions.

ARTICLE 19. Accounting records and balance sheet

TRANSGAZ S.A. will keep accounting records in RON, will prepare annual financial statements in compliance with the legal provisions in force.

The balance sheet and the profit and loss account will be published in the Official Gazette of Romania, Part IV, according to the legal provisions.

ARTICLE 20. Calculation and distribution of profit

The profit of TRANSGAZ S.A. is established on the basis of the accounting balance sheet approved by the General Meeting of Shareholders. The taxable profit is determined according to the law.

The profit of TRANSGAZ S.A. remaining after the payment of the tax on profit, will be distributed according to the legal provisions in force and the Decision of the General Meeting of Shareholders, for the establishment of funds intended for development, investments, modernization, research or other such funds, as well as for the fund due to shareholders for the payment of dividends.

TRANSGAZ S.A. establishes a reserve fund and other funds in accordance with the law.

The payment of dividends due to shareholders is made by TRANSGAZ S.A. in accordance with the law, after the approval of the annual financial statements related to the completed financial year by the General Meeting of Shareholders.

In case of recording losses, the General Meeting of Shareholders will analyze the causes and decide accordingly, in compliance to the law.

ARTICLE 21. Records

TRANSGAZ S.A. will keep, based on the responsibility of the members of the Board of Administration, all the records provided for by law, with the exception of the provisions of art. 10.2 of the Articles of Incorporation.

**CHAPTER VI
ASSOCIATION****ARTICLE 22.**

TRANSGAZ S.A. can constitute, alone or together with other legal or natural persons, Romanian or foreign, other trading companies or other legal persons, under the conditions provided by the law and the Articles of Incorporation.

ARTICLE 23.

TRANSGAZ S.A. may enter into association contracts with other legal or natural persons, without establishing new legal persons, if the association is intended to achieve its purpose and object of activity.

ARTICLE 24.

The participation conditions of TRANSGAZ S.A. when establishing new legal entities or in association contracts, will be established by the articles of incorporation or by the association contract, which will be approved by the Extraordinary General Meeting of Shareholders.

ARTICLE 25. Change of legal form

The change in the legal form of TRANSGAZ S.A. can only be done on the basis of the Decision of the Extraordinary General Meeting of Shareholders and with the fulfillment of all the formalities provided by law.

ARTICLE 26. Dissolution of TRANSGAZ S.A.

Dissolution of TRANSGAZ S.A. will take place in the following situations:

- a) the impossibility of achieving its object of activity;
- b) stating the nullity of TRANSGAZ S.A.;
- c) the decision of the General Meeting of Shareholders;
- d) reduction of the equity capital below the minimum prescribed by law;
- e) the bankruptcy of TRANSGAZ S.A.;
- f) when the number of shareholders falls below the legal minimum, after admission to trading on a regulated market;
- g) other causes provided by law.

Dissolution of TRANSGAZ S.A. must be registered at the Trade Registry Office and published in the Official Gazette of Romania, Part IV.

ARTICLE 27. Liquidation of TRANSGAZ S.A.

The dissolution of TRANSGAZ S.A. has the effect of opening the liquidation procedure.

The liquidation of TRANSGAZ S.A. and the distribution of the assets are done in accordance with the law and in compliance with the procedure provided for by the law.

PART II**MANAGEMENT OF SOCIETATEA NAȚIONALĂ DE TRANSPORT GAZE NATURALE "TRANSGAZ"
S.A. (NATIONAL NATURAL GAS TRANSMISSION COMPANY "TRANSGAZ" S.A.)****CHAPTER VII****General Meeting of Shareholders****ARTICLE 28. Representation**

State interests in the General Meeting of Shareholders of TRANSGAZ S.A. are represented by the Secretary General of the Government or by his/her successors.

The representative of the state in the General Meeting of Shareholders is appointed and revoked by order of the Secretary General of the Government. The right to vote of the state representative in the General Meeting of Shareholders of TRANSGAZ S.A. will be exercised based on a special mandate granted by Order of the Secretary General of the Government.

Following the admission to trading of TRANSGAZ S.A. shares on a regulated market, the representation of shareholders, other than the state, in the General Meeting of Shareholders may also be done by persons other than the shareholders, directors and employees of TRANSGAZ S.A., based on a special or general power of attorney, according to the regulations of the capital market legislation.

The special power of attorney may be granted to any person for representation at a single general Meeting and contains specific instructions from the issuing shareholder.

The shareholder can grant a power of attorney valid for a period that will not exceed 3 years, allowing his representative to vote in all aspects under discussion at the general meetings of shareholders of one or more companies identified in the power of attorney, including in terms of acts of disposition. The general power of attorney can be granted by the shareholder only to a lawyer or an intermediary, as defined in the capital market legislation, subject to the prohibitions provided for in the capital market legislation.

Powers of attorney, before their first use, are submitted to the company 24 hours before the general Meeting, in a copy, including the statement of compliance with the original under the representative's signature. Certified copies of the powers of attorney are retained by the company, mentioning this in the minutes of the general Meeting.

The proxy cannot be substituted by another person. In the conditions in which the authorized person is a legal person, it can exercise the mandate received through any person who is part of the administrative or management body or among his employees.

The shareholders of TRANSGAZ S.A. and the persons who are part of the management bodies of the company have the obligation to fulfill the requirements provided for in art. 128 of the Electricity and Natural Gas Law no. 123/2012.

ARTICLE 29. Duties

The General Meeting of Shareholders of TRANSGAZ S.A. it is the governing body that decides on its activity and on its economic policy.

General meetings of shareholders are ordinary and extraordinary.

The Extraordinary General Meeting of Shareholders meets to decide as follows:

- a) change in the legal form of TRANSGAZ S.A.;
- b) moving the headquarters of TRANSGAZ S.A.;
- c) change of field and/or main object of activity of TRANSGAZ S.A.;
- d) increase of the share capital, as well as reducing or reintegrating it by issuing new shares in accordance with the law;
- e) the merger with other trading companies or the division of TRANSGAZ S.A.;
- f) the early dissolution of TRANSGAZ S.A.;
- g) issue of bonds;
- h) changing the number of shares or their nominal value;
- i) decides on the establishment of new legal entities, their merger, division or dissolution or their association with other legal or natural entities, from the country or abroad;
- j) extension of the duration of the company;
- k) conversion of shares from one category to another;
- l) approves the acts of acquisition, alienation, exchange or setting up as a guarantee of certain assets from the company's immovable assets category, the value of which exceeds, individually or cumulatively, during a financial year, 20% of the total immovable assets, less receivables, concluded by the administrators or the director of the company;
- m) conversion of one category of bonds into another category or into shares;
- n) approves in advance the lease of tangible assets, for a period longer than one year, which individual or cumulative value with respect to the same co-contractor or persons involved or who act in a concerted manner exceeds 20% of the value of the total immovable assets, less receivables at the date of conclusion of the legal act, as well as associations for a period longer than one year;
- o) approves the currency in which the securities admitted or to be admitted to trading on a regulated market will be issued;
- p) any other amendment to the Articles of Incorporation or any other decision for which the approval of the Extraordinary General Meeting of Shareholders is required.

The Extraordinary General Meeting of shareholders will be able to delegate to the Board of Administration, under the conditions provided by law or the Articles of Incorporation, the exercise of the following powers:

- a) moving the company headquarters;
- b) modification of the secondary object of activity;
- c) increasing the equity capital.

ARTICLE 30. Convening of the General Meeting of Shareholders**1. General Information**

The General Meeting of Shareholders is convened by the decision of the Board of administration whenever necessary.

The Ordinary General Meeting of Shareholders meets at least once a year, not more than 5 months from the end of the financial year.

- 1.1. The General Meeting of Shareholders will be convened whenever necessary, in accordance with the legal provisions in force and the provisions of the Articles of Incorporation.
- 1.2. The Board of administration will immediately convene the general Meeting, at the request of the shareholders representing, individually or together, at least 5% of the equity capital, if the request includes provisions falling within the powers of the general Meeting.

2. Convening- term, content, reference data

- 2.1. The notice to attend will be published in the Official Gazette of Romania, Part IV, and in a widely distributed central newspaper, as well as on the website of TRANSGAZ S.A., at least 30 days before the date of the meeting and must include the following information:
 - a) the name of the company;
 - b) the date of the general Meeting
 - c) the start time of the general Meeting;
 - d) the venue of the general Meeting;
 - e) the reference date, as well as the mention of the fact that only persons who are shareholders on that date have the right to participate and vote in the general Meeting;
 - f) agenda;
 - g) a clear and precise description of the procedures to be followed by shareholders in order to participate and vote in the general Meeting;
 - h) the deadline by which proposals can be submitted regarding the candidates for the positions of administrators, if the election of administrators is included on the agenda;
 - i) the method of distribution of documents and information related to the issues included on the agenda of the general meeting, the date from which they will be available, as well as the website address where they are to be available;
 - j) the method of obtaining the special power of attorney form for representation in the General Meeting of Shareholders;
 - k) the method of obtaining the voting form by mail;
 - l) the deadline and the place where the powers of attorney will be submitted/received, as well as the voting forms by mail;
 - m) the proposal regarding the date of registration;
 - n) the day and time for the second general Meeting, when the first could not be held.
- 2.2. The General Meeting of Shareholders meets at the headquarters of TRANSGAZ S.A. or in another place indicated in the convocation.

- 2.3. When the agenda includes proposals for amending the Articles of Incorporation, the convocation must include the full text of the proposals.
- 2.4. The reference date must not be more than 30 days prior to the date of the general Meeting to which it applies, between the deadline allowed for convening the general Meeting and the reference date there must be a period of at least 8 days, at the same time the reference date must be prior to the deadline by which powers of attorney can be submitted/sent to the company. There must be a period of at least 6 days between the admissible deadline for the second or next convening of the general Meeting and the reference date.

3. Information and Participation Materials

- 3.1. Based on the responsibility of the Board of Administration, the documents to be debated and approved by the General Meeting of Shareholders, the special powers of attorney, the voting forms by mail, as well as materials with the information corresponding to each item on the agenda, will be made available to the interested shareholders.
- 3.2. The date starting from which the documents, informative materials, special powers of attorney, as well as the forms to be used for voting by mail regarding the issues on the agenda, will be made available to the shareholders, is at least 30 days prior to the date of the general Meeting, unless the law provides otherwise.
- 3.3. Documents, informative materials, special powers of attorney, as well as voting forms by mail will be made available to shareholders on the TRANSGAZ S.A. website, or at its headquarters, as well as in other places that may be established by the Board of administration and specified in the notice to attend.
- 3.4. At the request of the shareholders, they will be provided, for a fee, with the relevant documentation and materials. The fees charged to the shareholders who request the release of copies of the documents mentioned in the previous paragraph will not exceed the costs of multiplication.
- 3.5. The special power of attorney and the voting form by mail are valid only for the General Meeting of Shareholders for which it was requested, and the special power of attorney form will have the content provided by law and will be made available to the interested shareholders in 3 copies, which will have the following destinations: one for the shareholder, one for the representative and one for the issuer.

ARTICLE 31. Organization of the General Meeting of Shareholders

1. Quorum and voting majority

- 1.1 The Ordinary General Meeting of Shareholders is validly established and can take decisions, if at the first convocation there are present the shareholders who hold at least half of the equity capital, and at the second convocation whatever the share of equity capital represented by the present shareholders.
- 1.2. If the Ordinary General Meeting is validly established, the decisions are approved with the majority of expressed votes (half plus 1).

- 1.3. The Extraordinary General Meeting of Shareholders is validly established and can take decisions, if at the first call there are present shareholders holding at least 3/4 (three fourths) of the equity capital, and at the second call, they hold at least half of the equity capital.
- 1.4. If the Extraordinary General Meeting is validly established, the decisions are approved with the majority of votes held by the shareholders present or represented, but not less than the votes of the shareholders representing half of the equity capital, at the first call or one third of the equity capital, at the second call.
- 1.5. Exempted from the provisions of the previous paragraph is the decision regarding the modification of the main object of activity of TRANSGAZ S.A., reduction or increase of the equity capital, change of the legal form, merger, division or dissolution for which the decisions are taken with a majority of at least 2/3 of the voting rights held by the shareholders present or represented.
- 1.6. In the situation in which, for the validity of a decision of the General Meeting of Shareholders, there are legal provisions that regulate, imperatively, a different quorum or a different majority of votes than those provided for in the Articles of Incorporation, those legal provisions will be applied accordingly.

2. Debates

- 2.1. On the day and at the time indicated in the notice to attend, the meeting of the General Meeting of Shareholders will be opened by the Chairman of the Board of administration or, in his absence, by the person taking his place.
- 2.2. The general Meeting will choose, from the present shareholders, 1 to 3 secretaries, who will check the list of shareholders, indicating the equity capital that each one represents, the minutes drawn up by the technical secretary to ascertain the number of shares submitted and the fulfillment of all formalities required by law and by the Articles of Incorporation for holding the General Meeting.

3. The minutes

- 3.1. The minutes of the General Meeting of Shareholders will be signed by the Chairman of the Board of administration and by the meeting secretary who drew it up.
- 3.2. The minutes of the General Meeting of Shareholders will be entered in a sealed and stamped register.
- 3.3. The documents related to the convening, the lists of shareholders' presence, and, as the case may be, the special mandate of the representative of the General Secretariat of the Government will be attached to each minute.
- 3.4. At the ordinary and extraordinary meetings of the General Meetings of Shareholders, in which they debate issues related to labor relations with TRANSGAZ S.A. personnel, the representatives of the employees who will not have the right to vote will also be invited.

ARTICLE 32. Exercising the right to vote in the General Meeting of Shareholders

1. The decisions of the General Meeting of Shareholders are taken by open vote, if the law does not provide otherwise.

- (1¹) Shareholders can vote in the General Meeting of Shareholders in person, by representation, by mail or by electronic means.
- (1²) In the case of voting by proxy, the power of attorney can be submitted to the company headquarters at least one hour before the meeting, or it can be communicated electronically, with the electronic signature incorporated, attached or logically associated.
- (1³) The interdiction applies to the shareholder/shareholders until the end of the state of incompatibility resulting from the non-fulfillment of the requirements provided for in art. 128 of the Electricity and Natural Gas Law no. 123/2012.

CHAPTER VIII

Board of Administration

1. General Information

- 1.1 TRANSGAZ S.A. will be administered by a Board of administration that will have general competence, except for matters that are the competence of the General Meeting of Shareholders, according to the provisions of the Articles of Incorporation or the applicable laws.
- 1.2. The Board of administration of TRANSGAZ S.A. consists of 5 members.

2. Election of administrators

- 2.1. The members of the Board of administration are elected by the General Meeting of Shareholders for a 4-year mandate.
- 2.2. At the request of a significant shareholder, the election of the members of the Board of administration of TRANSGAZ S.A. will be done, compulsorily by the method of cumulative voting. For the purposes of this paragraph, significant shareholder means the natural person, legal person or group of persons who act in concert and who directly or indirectly hold a participation of at least 10% of the equity capital of TRANSGAZ S.A. or from the voting rights, or a participation that allows the exercise of a significant influence on the decision-making in the General Meeting or in the Board of administration of TRANSGAZ S.A., as the case may be.
- 2.3. The Board of administration is headed by a chairman, chosen by it from among its members. The Chairman of the Board of administration cannot also be the Director General of TRANSGAZ S.A.
- 2.4. The members of the Board of administration can have the capacity of shareholder.
- 2.5. In the situation where a vacancy is created in the Board of Administration, the election of a new member is done under the conditions provided by law. The term for which the new administrator is elected to fill the vacancy shall be equal to the period remaining until the expiration of the mandate of his predecessor.

3. Convening of the Board of Administration

- 3.1. The Board of administration meets at the headquarters of TRANSGAZ S.A. or in another place that it establishes, whenever necessary, but at least once every 3 months.
- 3.2. The meetings of the Board of administration will be convened as follows:

- (i) by the Chairman of the Board of administration whenever necessary, but at least once every 3 months;
 - (ii) by two members of the Board of administration or by the Director General.
- 3.3. The convening for the meeting of the Board of administration will be sent to the administrators in sufficient time before the date of the meeting, the term can be established by decision of the Board of Administration.
- 3.4. The convening will be sent to all administrators, according to the provisions of the Articles of Incorporation.
- 3.5. The convening of the meeting of the Board of administration will be sent to each administrator in writing, by fax or e-mail or by means of other legally permitted means of communication, to the address and fax number of the respective administrator. Each administrator is obliged to notify the company in writing, by fax, by e-mail or through other legally permitted means of communication regarding the change of address and/or fax number, as the case may be, and will not be able to oppose the company to the change of address and/or or fax number, if they have not been communicated in writing by the administrator.
- 3.6. The notice regarding the meeting of the Board of administration will mention the date and time of the meeting, as well as the fact that it will take place at the company's headquarters (unless the administrators decide to hold the meeting elsewhere, in which case the address will also be mentioned).
- 3.7. The meetings of the Board of administration can also take place through electronic means of communication (including telephone or video conferences). The notice convening the meeting of the Board of administration will also mention the agenda.
- 3.8. Decisions can only be made on items that are not on the agenda in cases of emergency.
- 3.9. The Chairman will decide on the urgency of the issues.

4. Meetings of the Board of Administration

- 4.1. The Board of administration carries out its activity based on its own regulation and the legal regulations in force.
- 4.2. The Board of administration is chaired by the Chairman. If the Chairman is temporarily unable to exercise his duties during the respective state of impossibility, the Board of administration may appoint another director to fulfil the capacity of Chairman.
- 4.3. The Chairman appoints a secretary, either from the members of the Board of administration or from outside it.
- 4.4. The meetings of the Board of administration may take place by telephone or by video conference or by other means of communication, through which all persons participating in the meeting can hear each other, and participation in such a meeting is considered participation in person in the purpose of fulfilling the requirements regarding quorum and voting conditions.

5. Adoption of decisions

For the validity of the decisions of the Board of Administration, the presence of three members out of the number of members is necessary, and they are adopted with the majority of the members present, or represented by mandate.

6. The minutes

- 6.1. The debates of the Board of Administration take place according to the agenda established and communicated by the Chairman, at least 7 days before the date of the meeting.
- 6.2. The debates are recorded in the minutes of the meeting, which are entered in a register sealed and stamped by the Chairman of the Board of Administration.
- 6.3. Minutes will be drawn up for each meeting and will include the names of the participants, the order of deliberations, the decisions adopted, the number of votes cast and the separate opinions. The minutes are signed by the chairman of the meeting and by at least another administrator. Based on the minutes, the secretary of the Board of administration drafts its decision, which is signed by the Chairman.

7. Delegation

The Board of administration will delegate the management of the company to the Director General of SNTGN "TRANSGAZ" S.A. who is not the chairman of the Board of Administration. The Director General of TRANSGAZ S.A. represents the company in relations with third parties.

8. Information obligations

The Board of administration is obliged to make TRANSGAZ S.A. documents available to the financial auditors, and activity reports according to legal provisions.

(8¹) The Board of administration informs during the first General Meeting of Shareholders following the conclusion of the legal document, on:

- any transaction with administrators or directors, with employees, with shareholders who control the company or with a company controlled by them;
- transactions concluded with a spouse, relatives or next of kin up to the 4th degree, including the persons mentioned above;
- any transaction concluded between TRANSGAZ S.A. and another public enterprise or with the public supervisory authority, if the transaction has a value, individually or in a series of transactions, of at least the equivalent in RON of EUR 100,000.

(8²) The Board of administration is obliged to make TRANSGAZ S.A. documents and activity reports available to the General Meeting of Shareholders and to the financial auditors according to the legal provisions.

9. Liability of Administrators

The liability of the administrators is regulated by the legal provisions regarding the mandate as well as by the special provisions under the Companies Law no. 31/1990, republished, as amended.

10. Incompatibilities

10.1. Persons provided for in Companies Law no. 31/1990, republished as amended, are incompatible with the capacity of member in the Board of Administration.

10.2. The person who is incompatible with the capacity of administrator, according to the Companies Law no. 31/1990, republished, as amended, cannot be a Director General of TRANSGAZ S.A.

11. Advisory Committees

11.1. At the level of the Board of Administration, in accordance with the legal provisions, the Nomination and Remuneration Committee and the Audit Committee and the Risk Management Committee are established. The Board of administration may decide to set up other advisory committees to examine issues imposed by the legislation in force or chosen by the Board of Administration, with the aim of advising it on the chosen topics.

11.2. The Nomination and Remuneration Committee and the Risk Management Committee may be made up of non-executive administrators, the Chairman of each committee is independent. For other advisory committees that will be set up at the level of the Board of Administration, the composition will be established by the Board of Administration.

11.2¹ The Audit Committee is composed of non-executive administrators, the majority of whom are independent, and at least one of whom is qualified as a financial auditor in accordance with the law or has the experience required by law.

11.3. The Board of administration assesses the independence of its non-executive members, the assessment criteria being based on the analysis of the following situations:

- a) a non-executive administrator is not a director of the company or a company controlled by it and has not held such a position in the last five years;
- b) is not an employee of the company or a company controlled by it and has not had such an employment relationship in the last five years;
- c) does not receive and has not received from the company or a company controlled by it additional remuneration or other advantages, other than those corresponding to his capacity as a non-executive administrator;
- d) is not and does not represent in any way a significant shareholder of the company;
- e) does not have and did not have in the last financial year business relations with the company or with a company controlled by it, either personally or as an associate, shareholder, administrator, director or employee of a company who has such relations with the company, if by their substantial character, they are likely to affect his objectivity. Business relationships include, but are not limited to the position of: significant supplier of goods or services (including financial, legal, consulting services, etc.) and/or important customer of the company or organizations that receive significant contributions from the company or its group, as the case may be;

- f) is not and has not been in the last three years an associate or employee of the present or past financial auditor of the company or of a company controlled by it;
- g) is not an administrator/director in another company where a administrator /director of the company is a non-executive administrator and does not have significant links with the administrators/directors of the company due to the position held in other companies or entities;
- h) was not a non-executive member of the company's Board of administration for a period of more than three mandates;
- i) is not a member of the immediate family - spouse or relative up to the fourth degree inclusive - of one of the members of the Board of administration or directors of the company or of the persons referred to in letter a)-h) above.

11.4. Operation and decision making

- a) the advisory committees carry out their activity based on the Internal Regulations on the organization and operation of the advisory committees established at the level of the Board of Administration;
- b) the committees will submit to the Board of Administration, on a regular basis, reports on their activity regarding the process of supervision, analysis and assessment of the activity of the directors, as well as the manner in which the provisions of the Board of administration are carried out by them.

CHAPTER IX

The Director General, Chief Financial Officer, Executive Directors and Subsidiaries Directors

ARTICLE 35. The Director General and the Chief Financial Officer

1. The Director General

The Director General of TRANSGAZ S.A. is appointed by the Board of Administration, from the members of the Board or from outside the Board of Administration.

The Director General applies the strategy and development policies of TRANSGAZ S.A., established by the Board of administration and coordinates the entire activity within the divisions/units and independent departments.

2. The Chief Financial Officer

The Chief Financial Officer of TRANSGAZ S.A. is appointed by the Board of Administration.

The Chief Financial Officer is responsible for the organization and exercise of preventive financial control, is responsible for the elaboration and execution of the company's budget, the substantiation of the expenditure elements.

ARTICLE 36. A. Executive directors

The executive directors and directors of the subsidiaries are appointed by the Director General and are subordinated to the latter, they are employees of TRANSGAZ S.A., they execute its operations and are responsible to it for the fulfilment of their duties, under the same conditions as the members of the Board of Administration.

Persons who are incompatible according to Companies Law no. 31/1990, republished, as subsequently amended and supplemented cannot exercise the capacity of executive directors or subsidiary directors. Decisions regarding the activity and current operation of TRANSGAZ S.A. will be taken only by the persons who are part of the management structure of the company, the intervention of any other person or public or private units being prohibited in making these decisions.

B. The Deputy Directors General are responsible to the Director General for the activity entrusted to them; they coordinate, guide and follow the specific activities within the subordinate organizational structures and sign the current correspondence documents specific to the fields of activity.

CHAPTER X**Management of regional operating centres and sectors****A. Management of regional operating canterers****ARTICLE 37. Director of regional operating canterers**

The director of the regional operating centre - is appointed and revoked by the Director General of the National Gas Transmission Company.

The directors of the regional operating canterers are employees of TRANSGAZ S.A., they execute its operations and are responsible to it for fulfilling the duties and responsibilities entrusted to them.

ARTICLE 38. The chief engineer of regional operating canterers

The chief engineer of the regional operating centre is appointed and revoked by the Director General of Societatea Națională de Transport Gaze Naturale "TRANSGAZ" S.A. (National Gas Transmission Company "Transgaz" S.A.)

The chief engineer of the regional operating centre is subordinate to the director of the regional operating centre, is his deputy by law and is responsible for the fulfilment of assigned duties and responsibilities.

ARTICLE 39. The chief accountant of the regional operating centre

The chief accountant of the regional operating centre is appointed and revoked by the Director General of SNTGN "TRANSGAZ" S.A.

The chief accountant of the regional operating centre is subordinate to the director of the regional operating centre and is responsible for the fulfilment of the assigned duties and responsibilities.

His activity is coordinated from a methodological point of view by the director of the Economic Division, through the specialized units.

B. Management of sectors**ARTICLE 40: Head of sector**

The head of the sector is appointed and revoked by the Director General of the company at the proposal of the director of regional operating centre.

The heads of the sectors are subordinate to the director of regional operating centre and are responsible for the fulfilment of the assigned duties and responsibilities.

PART III**ORGANIZATION OF THE NATIONAL GAS TRANSMISSION COMPANY - SOCIETATEA NAȚIONALĂ
DE TRANSPORT GAZE NATURALE - "TRANSGAZ" S.A.****CHAPTER XI*****Structure rules for the establishment of organizational entities (functional and production)
within SNTGN "TRANSGAZ" S.A. MEDIAȘ***

The regulations for establishing the functional and production departments within SNTGN "TRANSGAZ" S.A.

I. Functional structure:**1. The compartment**

It is the simplest functional entity, which is established /organized for the performance of homogeneous works or activities and which requires a number of 1-2 positions.

2. The collective

It is established/organized if the workload requires at least 3 (three) positions. In this case, the coordination of the activity is done by a team leader.

3. The laboratory

It is established/organized if the volume of its activity requires at least 3 (three) positions. The Laboratory is coordinated by a laboratory head.

4. The office

It is the functional organizational entity that is established for the performance of homogeneous works or activities that require a distinct organization. It can be established /organized, if the workload requires a minimum number of 3 (three) positions, one of which is the head of the office.

5. The department

It is an organizational entity established for the performance of homogeneous works or activities that require a distinct organization. The department can be established /organized, if the workload requires a minimum number of 4 (four) positions, one of which is the head of the department.

Within the departments with heterogeneous activities with a number of at least 6 (six) positions, offices can be set up/organized under the conditions set out in point 4.

6. Workshop (studies, projects)

It is established/organized if the workload requires at least 7 (seven) positions, to which are added the research and design support staff. The workshop is coordinated by a workshop leader.

Collectives or laboratories can be established /organized within the design research workshop, under the conditions set out in points 2 and 3, if their specifics require a distinct organizational delimitation.

7. Project implementation and management unit

It is established in order to implement some special projects of the company that must be unitarily coordinated and require at least one organizational entity at department level, under the conditions set out in point 5.

The project implementation and management unit is coordinated by a project manager.

8. The research unit

It is established/organized for the realization of projects with homogeneous or heterogeneous activities, which must be unitarily coordinated and require at least one organizational entity at the department level, under the conditions stipulated in point 5.

The research unit is coordinated by a director, a position assimilated to that of a director within SNTGN "TRANSGAZ" S.A.

9. Unit

It is established/organized for the performance of important, homogeneous or heterogeneous activities, with a large volume of work, which must be conducted unitarily and require a minimum number of 2 (two) organizational entities, at the level of offices, departments or other organizational entities.

The management of the unit is ensured, depending on the specifics of the activity, by a director.

In case of units with at least 4 (four) organizational entities established under the conditions set out in points 1, 4 and 5 and led by a director, the position of deputy director can also be used, provided that he coordinates at least 2 (two) organizational entities.

Depending on the importance and complexity of the activities carried out, some units may have the status of a division¹.

10. TRANSGAZ S.A. Representative Office

It is established/organized for the performance of permanent representation activities of SNTGN "TRANSGAZ" S.A. in European forums, organizations and bodies, as well as for ensuring and managing the company's cooperation relations with external partners and natural gas transmission operators in Europe and requires at least one position.

¹ In this regulation, the units with the statute of a Division are marked *)

11. The National Natural Gas Dispatching Centre

It is established/organized for the performance of homogeneous activities that require a high degree of complexity that must be conducted unitarily and require a minimum number of 2 (two) organizational entities at the level of offices, departments, under the conditions provided for in points 4 and 5, and also other organizational entities (territorial dispatches).

The management of the National Natural Gas Dispatching Centre is ensured by a director.

12. The Division

It is established /organized for the performance of homogeneous or heterogeneous activities, which involve a high degree of complexity, unitary coordination and a large volume of work that requires at least the establishment of a Unit /regional operating centre, workshop, as well as other organizational entities according to these norms. Depending on the importance and complexity of the activities carried out within the division, the position of deputy division director may also be used, provided that the deputy director coordinates at least three operational production structures (e.g. regional operating centres) or a unit and an organizational entity organized at department level, under the conditions provided for in point 5.

13. The structure norms above do not include **positions for secretarial activities**, which are established in correlation with the number of management positions and the volume of work.

II. Production structure:

1. The work team within the subsidiary

It is established/organized if the workload requires at least 6 (six) positions.

The team is coordinated by a team leader trained as an engineer, college engineer, sub-engineer or foreman.

2. The work formation within the subsidiary

It can be established within the subsidiary if the workload requires at least 10 (ten) positions.

The formation is coordinated by a formation leader trained as an engineer, college engineer, sub-engineer or foreman.

3. Workshop (construction, repairs and interventions, repairs and special operations, etc.) within the subsidiary

It is established/organized for the performance of important activities, with a large volume of work, which must be managed unitarily and requires a minimum number of 2 (two) organizational entities, at formation/work team level, under the conditions provided for in point 1 and 2. The workshop is managed by a workshop leader.

4. Regional dispatching offices

It is established/organized at the level of Regional operating canterers, according to the technological needs established by TRANSGAZ S.A.

The activity is carried out in a continuous shift. The workplace of the personnel within the regional dispatches will be at the headquarters of the regional operating canterers, as well as in other technological points within the NTS, where it is considered necessary.

They consist of a number of 5 (five) dispatcher positions, which can be trained as engineers, college engineers, sub-engineers or technicians.

5. Commercial Dispatching Office

It is established/organized, at department level, within the VTP Operation Unit, with continuous activity in 3 shifts according to the technological needs established by TRANSGAZ S.A.

It consists of at least 5 (five) dispatcher positions and is coordinated by a head of department.

6. Natural gas compressor station

It is established/organized within the company as a basic operative subunit that ensures the operation, and, as the case may be, the exploitation and maintenance of the equipment and technological installations within the station.

Gas compressor stations are established/organized if the activity requires at least 3 (three) positions and can be coordinated by a station head. Several Compressor stations can be organized, as appropriate, as a group of stations and can be coordinated by a head of central gas compressor station.

7. Regional operating centre

It is established/organized regionally as a subunit, without legal personality, with limited management autonomy, with a bank account, which activity requires at least 2 (two) sectors. In the exercise of its duties, each regional operating centre collaborates with the functional and production entities within TRANSGAZ S.A.

The management of the Regional operating centre is ensured by a director, a chief engineer and a chief accountant.

8. The exploitation sector

It is established/organized within the regional operating canterers as a basic operational subunit that ensures the operation of pipelines for gas transmission and related technological installations within the scope of activity.

The sector is established/organized if the activity requires at least 20 (twenty) positions, depending on the complexity of the sector and the dispersion of the activity over several counties.

The management of the sector is ensured by a sector head (engineer, college engineer, sub-engineer, foreman).

Depending on the administrative extent and complexity of the sector, several work points can be organized at its level.

9. Natural gas metering station (organized at sector level)

It is established/organized within the company/regional operating centre as a basic operational subunit that ensures the operation, exploitation and maintenance of the equipment and technological installations within the station.

The metering station is established/organized if the activity requires at least 15 (fifteen) positions.

The management of the metering station is ensured by a station head (engineer, college engineer, sub-engineer) assisted by one or two foremen, sub-engineers or technicians depending on the type and complexity of the activity.

Within natural gas metering stations or regional operating sectors, natural gas metering stations may be established/organized as objective work sites belonging to the NTS which ensure the operation, metering of natural gas flows, operation and maintenance of equipment and technological installations within these stations. They are established/organized if the activity requires at least 3 (three) positions.

10. The maintenance team within the exploitation sectors

It is established/organized to ensure the maintenance activities within the exploitation sectors if the workload requires at least 8 (eight) positions and will be coordinated by a worker, who, in addition to the activity carried out, is also responsible for the tasks of the team.

11. The warehouse

It is established /organized as an organizational entity within which functional and operational activities are carried out for the supply, management and sale of materials that are part of the same group or related groups of materials.

The warehouse is established/organized if the volume of activity requires at least 2 (two) managements. The warehouse is managed by a warehouse director.

The warehouse activity is ensured by workers, operative personnel and specialist execution personnel.

12. Management

It includes all operations of receipt and release of material goods that are part of a sub-group of materials.

The size of the management is determined according to the volume of activity, the sorting-type-dimensional structure of the materials in the respective sub-group, the intensity of the receiving-delivery operations and the specific conditions of storage and preservation of the materials.

Management is entrusted to one or more directors, appointed by decision.

CHAPTER XII**The organizational structure of Societatea Națională de Transport Gaze Naturale "TRANSGAZ"
S.A. (National Gas Transmission Company "Transgaz" S.A.)**

The general organizational structure of SNTGN "TRANSGAZ" S.A. approved by the Board of administration and the component organizational structures (of the divisions, units, regional operating canthers and the subsidiary), are presented in appendix no. 2 to the regulation.

PART IV**TASKS AND RESPONSIBILITIES OF THE ORGANIZATIONAL STRUCTURES WITHIN SNTGN
"TRANSGAZ" S.A.****CHAPTER XIII**

The duties and responsibilities of divisions, units, regional operating canters, departments, offices and compartments in the structure of of Societatea Națională de Transport Gaze Naturale "TRANSGAZ" S.A. (National Gas Transmission Company "Transgaz" S.A.)

SECTION 1**INTERNAL AUDIT UNIT**

The Internal Audit Unit carries out a functionally independent activity and aims to assess and improve risk management, control and governance processes by providing:

- assurance and advisory activities, intended to improve the systems, activities and processes within TRANSGAZ S.A.;
- support in order to achieve the company's objectives, through a systematic and methodical approach, which assesses and improves the effectiveness of the management system;
- activities for monitoring and verifying the implementation of the ethical principles established at the company level, identifying and assessing potential ethical incidents, as well as verifying the compliance of the company's activity, including the work procedures at the company level, with the legislation in force.

The internal audit is carried out on all activities performed in the company, including the activity of subordinate entities, regarding the creation and use of the company's funds and the management of the company's patrimony, checking whether the activities comply with the rules of legality, regularity, economy, efficiency and effectiveness.

Through its attributions, the Internal Audit Unit must not be involved in the development of the procedures for carrying out the activities subject to internal audit or those of internal control, other than those of internal audit.

The Internal Audit Unit is doubly subordinated both to the Director General, from a functional point of view, and to the Board of Administration, having the obligation to report to him.

Within the Internal Audit Unit, there are the following structures:

- Internal Audit Department
- Office of Information and Follow-up of Recommendations
- Office of Ethics and Compliance

SECTION 2**OFFICE OF THE DIRECTOR GENERAL**

The advisors ensure the fulfilment of the objectives of SNTGN "TRANSGAZ" S.A. from the Administration Plan and the Management Plan by preparing or coordinating the drafting of summary materials for informing the management of the company or relevant ministries and bodies, preparing analyses regarding the evolution of the main technical-economic indicators, etc.

SECTION 3**BOARD OF ADMINISTRATION AND GENERAL MEETING
OF SHAREHOLDERS SECRETARIAT DEPARTMENT**

Board of administration and General Meeting of Shareholders secretarial department is organized and operates based on the provisions of the updated Articles of Incorporation of SNTGN "TRANSGAZ" S.A., the legal provisions in force, including those governing the capital market and the process procedures approved at the company level.

Within the Board of administration and General Meeting of Shareholders secretariat department there are the following structures:

- Corporate Governance Support Office
- Board of administration and General Meeting of Shareholders Advisors Department

SECTION 4**EMPLOYEE REPRESENTATION DEPARTMENT**

The Employee Representation Office of SNTGN "TRANSGAZ" S.A. represents the interests of the employees in the relationship with the employer, pursuing compliance with the legal provisions in the field of labour relations and social protection.

The Territorial Office for Employee Representation operates in subordination to the Employee Representation Department.

SECTION 5**GENERAL INSPECTION DIVISION**

The General Inspection Division verifies compliance with the relevant legal provisions and internal regulations regarding the way the company's resources are used and capitalized. It ensures the creation of internal mechanisms for the application of the anti-fraud and anti-corruption policy, as well as the competition policy.

The General Inspection Division has duties and responsibilities in the following areas:

- verification, prevention and control in order to identify non-conformities, operations that do not comply with the conditions of legality or regularity;
- financial management control;
- training/information in the field of preventing the commission of acts of corruption;
- promoting institutional integrity and transparency;
- establishing intervention priorities in the field of corruption prevention;
- the drafting and implementation of competition policy.

Within the General Inspection Division, there are the following structures:

- Anti-Fraud and Anti-Corruption Department
- Competition Policy Implementation Department
- Control Unit
 - Control Department
 - Office of Verification and Prevention
 - Management Financial Control Department

SECTION 5.1

CONTROL UNIT

The Control Unit verifies, through control actions, compliance with the relevant legal provisions and internal regulations by the entities and employees of SNTGN "TRANSGAZ" S.A.

As a result of the verifications carried out, it proposes measures to hold accountable the persons who violated the legal provisions and/or internal regulations, as well as other measures aimed at the rational use of the company's resources, as well as the efficiency of activities.

SECTION 6

LEGAL DIVISION

The Legal Division contributes to the fulfilment of the objectives of SNTGN "TRANSGAZ" S.A. from the Administration Plan and the Management Plan in terms of compliance with the legislative requirements of the national and European regulatory framework regarding the company's activity, the implementation of the legal provisions incidental to the activity, respectively compliance with them and participates in the development of draft normative acts and other administrative documents issued in the company's field of activity.

The Legal Division has duties and is responsible in the following areas:

- Endorsement and countersignature of legal documents:

- contracts, addenda, memoranda, agreements, any type of convention that legally binds TRANSGAZ S.A. in relations with third parties;
- reports to be submitted for debate and approval to the Board of administration and the General Meeting of Shareholders, regarding the lawfulness of the grounds underlying their submission and presentation to the Board of administration and the General Meeting of Shareholders by referring exclusively to the powers established by the Articles of Incorporation of SNTGN 'TRANSGAZ' S.A., without analysing the legal validity and appropriateness of the act(s) subject to approval.
- Assistance and legal advice:
 - legal assistance and advice in the negotiation of internal and international documents (agreements, understandings, memoranda, protocols, etc.) to which TRANSGAZ S.A. is a party and/or which have an impact on the company's activity;
 - issuing legal opinions/views on the lawfulness of legal acts, operations, transactions and/or documents;
- Legal assistance and representation:
 - legal assistance, advice and representation of SNTGN TRANSGAZ S.A. in dispute resolution, including through mediation or other legal proceedings;
 - legal assistance and representation of SNTGN TRANSGAZ S.A. before courts and other bodies with jurisdictional activity, public authorities, state administration bodies, criminal prosecution bodies, bailiffs, notary offices;
 - assistance provided to requesting internal entities for the legal classification of criminal acts, prior to the filing of criminal complaints by internal entities;
 - obtaining enforceable titles, performing preliminary acts prior to enforcement/initiating enforcement proceedings and informing internal structures about the initiation of enforcement proceedings;
- Drafting of documents and monitoring of the legislative framework:
 - drafting summonses, appeals, notifications, responses, hearing notes, clarifications and other documents that are sent to courts and/or state control bodies, based on information provided by the requesting internal entities;
 - drafting reports for the payment of court costs in unfavourable litigation and informing the internal structures at whose request the proceedings were initiated before the courts or the internal structures whose activity is related to the litigation in which SNTGN TRANSGAZ S.A. is a party, regarding the need for the latter to prepare reports for the payment of the amounts that the court has ordered the unsuccessful party to pay;
 - participating, in collaboration with the company's specialist departments and institutions with legislative initiative, in consultations on draft legislation of interest to SNTGN TRANSGAZ S.A.;
 - monitoring the legislative framework with an impact on the company's activity.
- Organization and coordination of legal activity including through the computerized recording of files and legal opinions issued.

Within the Legal Division, there are the following structures:

- Approval and Insolvency Unit
 - Insolvency Department
 - Approval and Legal Consultancy Department
- Special Projects Legal Unit
 - Special Projects Consultancy Department
 - External Projects Office
 - Regional Legal Department
 - Litigation Department.

SECTION 6.1

ADVISORY AND INSOLVENCY DIVISION

The Approval and Insolvency Unit provides legal advice, approves and countersigns legal documents, provides assistance and legal representation of the interests of SNTGN TRANSGAZ S.A. before the courts and other bodies with jurisdictional activity, public authorities, as the case may be, and protects the rights and legitimate interests of the national company in relations with the public authorities and institutions of any kind.

SECTION 6.2

SPECIAL PROJECTS LEGAL UNIT

The Special Project Legal Unit provides assistance and legal advice in projects with a high degree of difficulty/complexity and assistance/representation before the courts and legal advice to the regional operating canterers of SNTGN "TRANSGAZ" S.A.

SECTION 7

ORGANIZATION, HUMAN RESOURCES DIVISION

The Organization, Human Resources Division develops and applies the human resources policy in accordance with the Administration Plan and the Management Plan of SNTGN "TRANSGAZ" S.A., is responsible for ensuring, developing, motivating and maintaining human resources, as well as the application of legislation in the field of labour and social protection within the company.

The Organization, Human Resources Division has duties and responsibilities in the following areas:

- Personnel administration
- Administration of salary rights
- Organization of activity and work
- Standardization of work and employed personnel
- Planning and tracking personnel expenses

- Managing relations with social partners
- Professional development of the employed personnel
- Employee career management
- Administration of work capacity recovery and professional training spaces
- Managing the mandate contracts of the Director General and administrators
- Establishing and monitoring directorial performance indicators.

Within the Organization, Human Resources Division there are the following structures:

- Human Resources Administration Department
- Payroll Department
- Human Resources Organization and Planning Unit
 - Organization Department
 - Organizational Management Office
 - Labour Standards Office
 - Human Resources Planning Department
 - Office of Relations with Social Partners
- Human Resources Development Unit
 - External Training and Career Management Department
 - Office of Performance Evaluation and Improvement
 - Office of Authorizations and Compliance
 - Internal Training and Professional Development Department
 - Vocational School Qualification and Improvement Office
 - Induction and Specialization Office
 - Centre for the Administration of Spaces for the Restoration of Work Capacity and Professional Training

SECTION 7.1

HUMAN RESOURCES ORGANIZATION AND PLANNING UNIT

The Human Resources Organisation and Planning Unit ensures that the company's objectives are met in terms of organising activities, standardising work, planning and monitoring personnel expenses, and managing relations with social partners.

SECTION 7.2

UNIT OF HUMAN RESOURCES DEVELOPMENT

The Human Resources Development Unit ensures the fulfilment of the company's objectives regarding the orientation, coaching, training and professional development of employees, the assessment of

professional performances, career management and organizational development, as well as the management of work capacity recovery and professional training spaces within the company.

SECTION 8

SECTORAL PROCUREMENT AND CONTRACTING DIVISION

The Sectoral Procurement and Contracting Division has as object of activity the carrying out of sectorial procurement and direct procurement procedures, based on the annual program of sectorial procurement, fulfilling the duties of an internal division specialized in the awarding of sectorial procurement and direct procurement contracts, according to the legislation in force.

The Sectoral Procurement and Contracting Division has duties and is responsible in the following areas:

- Drafting of the Annual Program of Sectoral Procurement (PAAS), based on the programs that ensure the funding sources.
- Coordination and supervision of the sectoral procurement process and special project procurement, aiming to ensure the professionalism, impartiality and independence of the decisions adopted during this process.
- Drafting of orders/contracts for direct purchases which estimated value falls below the threshold established according to the provisions of the law on the awarding of sectoral procurement contracts.
- Keeping records of the contracts/framework agreements concluded on the basis of the PAAS and the drafting of the ascertaining documents regarding the fulfilment of the contractual obligations of the bidders which concluded contracts with SNTGN "TRANSGAZ" S.A.

Within the Sectoral Procurement and Contracting Division, there are the following structures:

- Contract Records Department
- Procurement Planning and Verification Office
- Sectoral Procurement and Special Projects Unit
 - Preparation of Award Documentation Department
 - Award Procedure Implementation Department
 - Open Tender Office
 - Simplified Procedures Office
 - Negotiations and External Financing Procurement Office
 - Direct Procurement Office
 - Contract Change Analysis Office.

SECTION 8.1**SPECIAL PROJECTS AND SECTORIAL PROCUREMENT UNIT**

The Sectorial Procurement and Special Projects Unit is responsible for conducting sectorial procurement procedures and direct procurement, in accordance with the applicable legal provisions, for the award of contracts/framework agreements for the procurement of products, services and works, by applying the procedures established by Law No. 99/2016 on sectoral procurement, as amended.

SECTION 9**STRATEGY AND CORPORATE MANAGEMENT DIVISION**

The Strategy and Corporate Management Division contributes to the fulfilment of the objectives of SNTGN "TRANSGAZ" S.A. from the Administration Plan, regarding strategic budget planning, strategic development of the company, corporate management (relation with investors, communication and public relations), management of protocol activity, monitoring the company's annual programs, as well as coordinating the implementation and development of the Internal Control/Managerial/Risk Management System within the company.

The Strategy and Corporate Management Division has the following duties and responsibilities:

- establishing the general objectives of the company and the specific objectives of the departments/units (in collaboration with their representatives) arising from the objectives set out in the Management Plan, their distribution (drafting of the Program of measures and Action Plans) and their monitoring from the point of view budget and fulfilment.
- monthly monitoring of the performance indicators established in the Administration Plan and informing the management regarding the level of achievement.
- managing the "Data warehouse" type database (developing a "Business Intelligence" application and "Dashboard" reporting).
- performing diagnostic analyses and statistical processing of data and information needed in various structural surveys and statistical reports.
- drafting of the Strategy for communication and corporate social responsibility, image, public relations and media in order to promote and support the image of TRANSGAZ S.A. in the domestic and international business environment, in the stock market and capital market environment and in media relations.
- ensuring the management of the activity regarding the calculation and payment of dividends.
- preparing and submitting the company's annual, semi-annual, quarterly reports to the capital market institutions.
- ensuring the Secretariat of the Coordination and Implementation Committee of the Internal/Managerial Control System and monitoring its implementation.
- development of corporate relations, both internally and externally.

- implementing the principles of good practices regarding corporate governance and corporate social responsibility.
- managing sponsorship and advertising and publicity activities.
- management of the protocol activity, registration and courier services at the company level.
- coordination of the company's collaborative relations with the relevant national authorities and institutions in order to fulfill the objectives of national cooperation and to implement projects with national impact.
- collaboration with other national companies in the gas sector - producers and suppliers of natural gas, manufacturers and suppliers of equipment, consultants.
- ensuring collaboration with national bodies and organizations to which SNTGN "TRANSGAZ" S.A. became an affiliate and the promotion of the company interests in collaborative relations with them.
- participation in meetings with relevance for commercial cooperation and the development of TRANSGAZ S.A. activity.
- managing correspondence and related documents with national organizations to which SNTGN "TRANSGAZ" S.A. was also affiliated to ensure the dissemination to the interested parties of the tasks arising from these documents.

Within the Strategy and Corporate Management Division there are the following structures:

- Communication Department
- Support Activities Department
- Counsellors Division
- Unit of Budgetary Strategy
 - SCIM Implementation and Monitoring Department
 - Risk Management Office
 - Budget Strategy and Performance Indicators Tracking Department
 - Investment Program Execution Monitoring Department
- Corporate Activities and Representation Department
 - Corporate Activities Management Department
 - Corporate Activities Support Office
 - Registration and courier services compartment
 - Representation Activities Department (Bucharest Representative Office)
- Investors Relations and Sustainability Unit
 - Investor Relations Department
 - Statistical Reporting Office
 - Sustainability Department

SECTION 9.1**BUDGET STRATEGY UNIT**

The Budget Strategy Unit ensures the fulfilment of its tasks within TRANSGAZ S.A. regarding the strategic budget planning, monitoring the execution of the company's annual activity programs and analysing the inclusion in the REB of the expenses generated by them, managing the internal/managerial control activity, monitoring the achievement of performance indicators, establishing the specific objectives of the departments/units (in collaboration with their representatives) arising from the general objectives of the company.

SECTION 9.2**CORPORATE ACTIVITIES AND REPRESENTATION UNIT**

The Corporate Activities and Representation Unit ensures the fulfilment of its duties within SNTGN "TRANSGAZ" S.A. regarding the activity of granting sponsorships and social assistance, managing media contracts, ensuring the related attendance at TRANSGAZ S.A. offices in Mediaș and the Bucharest Representative Office, managing the protocol registration and courier services activity, organizing of events within the scope of the company's activity, the provision of promotional materials necessary for the activity and the administration and maintenance of the Bucharest Representative Office, the National Dispatching Centre at Calea Dorobanților nr. 30 Bucharest, the Transgaz headquarters at Blvd. Calea Victoriei nr. 155 and the service apartment at Blvd. Calea Victoriei nr. 153 Bucharest.

SECTION 9.3**INVESTORS RELATIONS AND SUSTAINABILITY UNIT**

The Investors Relations and Sustainability Unit ensures the fulfilment of its tasks within TRANSGAZ S.A. regarding the relationship with investors, shareholders and all other stakeholders, reporting to the capital market and statistical institutions, coordination and monitoring of the activity of preparing the Annual Sustainability Report and all related activities, as well as other tasks ordered by the management of the company / the hierarchical superior in terms of ensuring the management of corporate activities at the level of the company.

SECTION 10**EUROPEAN FUND ACCESSING AND INTERNATIONAL RELATIONS DIVISION**

The Accessing European Funds and International Relations Division ensures the fulfilment of the tasks assigned to the company according to the by-laws and the Management Plan of the company, by:

- monitoring financing opportunities from European funds and coordinating the access to non-reimbursable financing for TRANSGAZ S.A. projects, in order to upgrade/re-engineer/develop the National Natural Gas Transmission System;
- carrying out the actions necessary to obtain financing for projects of interest of the company and monitoring their implementation in compliance with the applicable financing conditions;
- managing the company's cooperative relations with external partners and natural gas transmission system operators in the EU;
- managing activities related to international cooperation relations;
- managing relations with the European Commission in the implementation of the company's development projects.

Within the Accessing European Funds and International Relations Division there are the following structures:

- European Funds Unit
 - European Funds Department
 - Financing Opportunities Synthesis and Analysis Department
- International Relations Unit
 - International Relations Department
 - National and International Organizations Cooperation Department

SECTION 10.1**EUROPEAN FUNDS UNIT**

The European Funds Unit ensures the fulfilment of the company's tasks regarding access to non-reimbursable European funds, by:

- monitoring financing opportunities through non-reimbursable European funds, of TRANSGAZ S.A. projects, in order to upgrade/renovate/develop the National Natural Gas Transmission System, by going through and analysing the specialized documents issued by the competent authorities in the field;
- the correlation of the eligibility criteria of the European non-reimbursable financing programs with TRANSGAZ S.A. projects with eligible potential;
- managing the drafting of the file of financing applications for the eligible projects of TRANSGAZ S.A.;

- management of financing contracts, compliance with contractual discipline and the correlation of their provisions with the provisions of the TRANSGAZ S.A. project implementation contracts that obtained non-reimbursable funding;
- monitoring the implementation of contracts for projects benefiting from non-reimbursable European funds;
- ensuring collaboration with the managers/responsible persons for the implementation of the projects that obtained non-reimbursable European funding;
- ensuring the interface with project partners and all specialist consultants, with the competent national and international authorities, throughout the implementation period of projects with non-reimbursable financing;
- collaboration with Management Authorities and Intermediate Bodies, the Division for Energy, the specialized General Units within the European Commission, as well as with internal and external project partners.

SECTION 10.2

INTERNATIONAL RELATIONS UNIT

The International Relations Unit ensures the fulfilment of the tasks assigned to the company and the Division in terms of:

- coordination of the company's collaborative relations with the relevant national and European authorities and institutions (the competent ministry, the Division of Energy, the National Agency for Mineral Resources, the European Commission, etc.) in order to fulfil the objectives of international cooperation and the implementation of projects with international impact;
- coordination and monitoring of collaborative relationships with transmission operators from neighbouring countries for the purpose of developing and jointly operating cross-border transmission capacities, as well as with other global entities involved in the activities of the natural gas sector, authorities, institutions, national, European and international public bodies, natural gas companies, etc.;
- leading the cooperation activity with the other operators of natural gas transmission systems in the European Union, in order to coordinate the development plans at European level;
- coordination of activities related to international cooperation relations.

SECTION 11

FINANCING, REPRESENTATIVE OFFICE SUPPORT AND SPECIAL PROJECTS UNIT

The Financing, Representative Office Support and Special Projects Unit has the following objectives: preparation and implementation of a financing strategy, preparation and implementation of a financial risk coverage strategy, debt recovery, assistance for the company's representative offices and for its participations in other companies, assistance for the development of special projects.

Within the Financing, Representative Office Support and Special Projects Unit there are the following structures:

- Financing Contracts Department
- Representation Offices and Special Projects Support Department
- Debt Recovery Office

SECTION 12

ECONOMIC DIVISION

The Economic Division ensures the fulfilment of the company's tasks, according to the by-laws and the Management Plan of SNTGN "TRANSGAZ" S.A. and aims to ensure sustainable financial, economic and social performance by maintaining a financial balance and operational stability and achieving the following objectives:

- Predictability of cash flows;
- Optimizing consumption and operational costs by intensifying budget control, employment and the use of patrimonial resources, budgetary controlling;
- Optimization of the budgetary cost controlling process;
- Maintaining financial balance and operational stability;
- Ensuring a strict control of expenses, with inclusion in the indicators approved by the REB and the regulated income;
- Alignment with the requirements of the European and national regulatory framework regarding natural gas transmission;
- Increase of the market value, stock market capitalization and investor confidence in the company's shares;
- Optimizing the company's rating.

The Economic Division has the following duties and responsibilities:

- drafting, in collaboration with specialized departments and units, of the financial forecasts;
- organizing and exercising own preventive financial control;
- ensuring operational support in the use of the MAIS computer system;
- development of accounting methodologies specific to the activity carried out;
- organizing and managing the accounting records of material and monetary values, as well as settlement operations in RON and foreign currency;
- ensuring the chronological and systematic recording, processing, publication and preservation of information regarding the financial position, financial performance and cash flows, both for their internal requirements and in relations with present and potential investors, financial and commercial creditors, customers, public institutions and other users;
- preparation of financial statements, according to the accounting regulations in force;
- calculation of the salary rights of the employed personnel, according to the provisions of the CLC;
- drafting and follow-up in execution of the revenue and expense budget;

- substantiating tariffs for natural gas transmission activity, for related activities and other activities;
- carrying out periodic analyses regarding the situation of the company's economic and financial indicators;
- preparing and submitting on time the statements provided by the legislation in force regarding the taxes and fees owed to the budget or special funds as well as other accounting and fiscal statements provided by the national and European legislation
- coordinating the financial-accounting activity within the regional operating canterers and the Mediaș Subsidiary.

Within the Economic Division there are the following structures:

- Preventive Financial Control Department
- MAIS Support Department
- Accounting Department
 - General and Management Accounting Department
 - Fixed Assets and Maintenance Work Records Department
 - Accounting Methodology, Consolidations and Financial Reporting Department
 - Taxation, Statements and State Budget Reporting Department
 - Patrimony and Concessions Department
- Budget, Finance Unit
 - Treasury Department
 - Local Taxes, Fees and Settlements Department
 - Budget, Financial Planning Department
 - Settlement and Salary Calculation Department

SECTION 12.1

ACCOUNTING UNIT

The objectives of the Accounting Unit are: measurement, assessment, knowledge, management and control of assets, liabilities and equity capital, as well as the results obtained. It ensures the recording of operations chronologically and systematically, as well as the processing, publication and preservation of information regarding the financial position, financial performance and cash flows, both for their internal requirements and in relations with present and potential investors, financial and commercial creditors, customers, public institutions and other users.

SECTION 12.2**BUDGET FINANCE UNIT**

The Budget-Finance Unit mainly ensures: the development of the company's revenue and expense budget, the substantiation of the income and regulated tariffs related to the transmission activity, medium and long-term strategic programs, monitoring the way of achieving the main budgeted economic indicators, negotiation, conclusion and follow-up the way credit contracts are carried out, the calculation of the salary rights of the employed personnel, according to the provisions of the Collective Labour Agreement, as well as the payment of all financial obligations due to the company.

SECTION 13**NATURAL GAS REGULATIONS UNIT**

The Natural Gas Regulations Unit ensures the fulfilment of the tasks assigned to the company according to the by-laws and its own programs regarding:

- contact and collaboration with internal/national and international institutions (for example: the competent ministry, the Ministry of Energy, ANRE, the European Commission, the specialized General Units within the European Commission, ENTSOG, stakeholders (including network users), etc.), on issues of development and implementation of international and European regulations specific to natural gas transmission.
- collaboration with the other departments and units within the company in order to develop and implement the national and European regulations specific to the natural gas transmission activity.
- participation in the implementation in the company's activity of the necessary measures for its compliance with the requirements regarding competition, non-discriminatory treatment and transparency, provided by the national and European legislation in force.
- the development and monitoring of collaborative relationships with Natural Gas Transmission Operators (TSOs) from the member states of the European Union and neighbouring states, authorities, institutions, bodies and national, European and international organizations on regulatory issues of activities specific to the company's field of activity and harmonization of the regulatory framework at European level.
- managing collaborative relationships with transmission operators from member states in order to comply with European regulations.
- coordination of the authorization and licensing activity of the company in the field of natural gas.
- coordination of documentation and information activities regarding national and European regulations in the field of natural gas transmission.

Within the Natural Gas Regulations Unit there are the following structures:

- European Regulations Department
- ENTSOG Cooperation Department
- Network Code Coordination Department

- Regulation Implementation Monitoring Department

SECTION 14

DEPUTY DIRECTOR GENERAL ADVISORS

The advisors ensure the fulfilment of the tasks assigned to the national company from their own programs regarding the preparation or coordination of the preparation of synthesis materials for the information of the management or the ministry, as well as the preparation of analyses regarding the evolution of the main technical-economic indicators. In order to carry out their tasks, the advisors collaborate with the specialized bodies of the competent ministry, of other ministries and central bodies, as well as with the departments/units, the compartments within the national company.

Advisors of the Deputy Directors General advise the Deputy Director General on his area of responsibility in accordance with the policies and strategy of the company.

SECTION 15

QUALITY MANAGEMENT DEPARTMENT

1. Manages the Certification Contract of SMI CMSSME and provides the interface with the certification body.
2. Disseminates the areas of improvement granted following recertification/surveillance audits proposed by the certification body for the implementation of corrective actions in the area where they were found.
3. Develops and updates the scope of the Quality Management System.
4. Develops and updates the Policy of the Integrated Management System in collaboration with the responsible persons for the Environmental Management System, respectively the Occupational Health and Safety Management System and the Energy Management System (SME).
5. Develops/updates the Register of risks and opportunities of the Quality Management System
6. Develops and updates the Quality Management Plan at the company level.
7. Prepares the Report of the analysis carried out by the management regarding the Quality Management System and proposes the Plan of measures.
8. Plans the conduct of internal audits of the SMI CMSSME by drafting the annual audit program of the Quality, Environment, Occupational Health System and SME.
9. Monitors the audit program of the Quality, Environment, Occupational Health and Safety and SME.
10. Performs the internal audits of SMI CMSSME, according to the annual planning.
11. Prepares the Customer Satisfaction Assessment Report.
12. Establishes department objectives and performance indicators and assesses risks and opportunities.
13. Drafts Analysis Reports of the coordinated processes.
14. Trains the company's employees on the Quality Management System.

15. Checks the documented information of the Integrated Management System for Quality, Environment, Health and Safety at Work and Energy (SMI CMSSME) according to the System Procedure PS 01 SMI - Control of documented information.
16. Develops flowcharts following verification of compliance with the criteria in System Procedure PS 01 SMI - Control of documented information.
17. Coordinates the documented information management activity of SMI CMSSME.
18. Collaborates with all company structures for the continuous improvement of SMI CMSSME.
19. Updates the documented information on the public area related to SMI CMSSME.
20. Monitors the status of updating the documented information of SMI CMSSME.
21. Develops/updates documented information applicable within the Quality Management Department;
22. Electronically archives the documented information specific to SMI CMSSME.

SECTION 16

LAND REGULATIONS AND FORMALITIES DIVISION

The Land Regulations and Formalities Division ensures all the activities necessary to regulate the legal situation of the lands affected by objectives belonging to TRANSGAZ S.A., all the activities necessary to obtain access to the land for development, upgrading and rehabilitation works specific to TRANSGAZ S.A., ensures the obtaining of agreements under private signature or in authentic form of the owners, for the temporary occupation of the forest area, for the temporary/definitive removal from the agricultural circuit, as well as the resolution of notifications and petitions regarding the lands affected by objectives related to the National Natural Gas Transmission System.

The Land Regulations and Formalities Division has the following duties and responsibilities:

- the regulation of legal relations regarding the lands occupied during the execution of the works, or during the existence of the objectives or surface installations related to the National Gas Transmission System, through the modalities provided by law;
- strict records of documentation regarding the legal situation of the lands;
- identification of the areas affected by ongoing projects, based on data provided by local authorities or other institutions (Town Halls, OCPI, etc.);
- planning and organizing activities to identify the owners/possessors/holders/users of land, for the surfaces affected by works related to projects of national importance;
- planning and organizing activities to identify the owners/possessors/holders/users of the land, for the areas affected by rehabilitation and modernization works of the NTS;
- drafting of documentation necessary for expropriation for reasons of public utility, according to the law, for the objectives of SNTGN TRANSGAZ" S.A.;
- fulfilment of the land formalities, in accordance with the procedural rules regarding the conditions and terms regarding the duration, content and limits of the exercise of the rights of use and servitude over the property of third parties or according to the provisions of Law 185/2016;

- ensuring the role of interface between the designer and the personnel of SNTGN "TRANSGAZ" S.A. from the territory, designated for the follow-up of the works executed by third parties, in the sense of verifying the regulation of the legal situation of the lands, prior to the start of the execution of the works;
- settlement of the petitions received, with consultation, obtaining data, documents, points of view, field checks, etc. of the relevant structures within the company;
- the centralization and adequate archiving of petitions that have as object the legal situation of the lands affected by the investment, modernization and rehabilitation works within SNTGN "TRANSGAZ" S.A.

Within the Land Regulations and Formalities Division there are the following structures:

- Petition Settlement Office
- Office for Land Monitoring and Third-Party Works
- Land Regulations Unit
 - Land Regulations Department for Projects of National Importance
 - Land Regulations Department, Development and Maintenance Works
 - Office of Above Ground Objectives Land Regulations
 - Land Records and Documents Office
- Land Formalities Unit
 - Land Formalities Department Projects of National Importance
 - Land Formalities Division Projects of National Importance - Regional operating centres
 - Land Formalities Department, Development and Maintenance Works
 - Compartment of Land Formalities, Development and Maintenance Works - Regional operating centres

SECTION 16.1

LAND REGULATIONS UNIT

The Land Regulations Unit ensures all the activities necessary to regulate the legal situation of the lands affected by NTS objectives, as well as those on which development and modernization objectives specific to the activity of SNTGN "TRANSGAZ" S.A. are to be located.

SECTION 16.2

LAND FORMALITIES UNIT

The Land Formalities Unit ensures all the activities necessary to obtain temporary access to the land both for the works related to the modernization and rehabilitation projects specific to SNTGN "TRANSGAZ" S.A., as well as for the works related to the Projects of National Importance (PIN/PIC) to be executed within SNTGN "TRANSGAZ" S.A.

SECTION 17**OPERATION DIVISION**

The Operation Division ensures the fulfilment of the tasks assigned to SNTGN "TRANSGAZ" S.A. from the company's Management Plan regarding the correlation of transmission capacity with programmed/nominal consumption levels, compliance with contractual obligations towards NTS users in conjunction with the provisions of national regulations, the preparation of natural gas balance sheets on transmission systems and subsystems, as well as the monitoring of gas quality.

The Operation Division has the following duties and responsibilities:

- carrying out the commercial activity of SNTGN "TRANSGAZ" S.A. by contracting transmission departments, managing contracts, monthly invoicing related to the contracted products and recording the cashing of these invoices;
- coordinating the transmission of natural gas quantities for commercial purposes (compliance with contractual obligations) with the permanent maintenance of the physical balance of the National Transmission System (NTS) through continuous dispatching;
- coordination of the development of the company's points of view regarding the technical and commercial regulations initiated by various authorities/institutions;
- the methodological coordination of the entire measurement activity within the company for the determination of gas quantities expressed in volume and energy units in all measurement points, both commercial and technological, of SNTGN "TRANSGAZ" S.A. and verification of the security of the measurement systems;
- correlating the availability of natural gas sources with consumption requirements, the monthly drafting of the national natural gas balance, statistical situations and consumption forecasts for the natural gas market in Romania;
- monitoring the natural gas market in order to contribute to the integrity, transparency and proper operation of the wholesale energy market in Romania;
- monitoring and drawing up interconnection agreements between the transmission system operator and the operators of adjacent systems.

Within the Operation Division there are the following structures:

- Natural Gas Market Monitoring Office
- The National Natural Gas Dispatching Centre
 - Dispatching Department
 - System Analysis Department
 - NTS Modelling and Simulation Office
- Natural Gas Quality Measurement Unit
 - Measurement Audit Department
 - Instrumentation and Equipment Department
 - Metrology Laboratory

- Deputy Manager
 - Gas Quality and Analysis Department
 - Gas Analysis Laboratory
 - Odorization Office
- VTP Operation Department
 - Forecast Department
 - Market Operation Department
 - Office of Data Processing and Support Activities
 - Deputy Manager
 - Trading Department
 - Commercial dispatching centre
 - Nominations, Re-nominations Notifications Department
 - Interconnection Agreement Monitoring Department
- Commercial Unit
 - Network User Relations Management Department
 - UST Referrals / Complaints Office
 - Gas Allocations and Balances Department
 - Balancing Contracts and Unbalance Calculations Department
 - Contracts and Invoicing Tracking Office
 - Deputy Manager
 - Natural Gas Transmission Contract Department
 - Transmission Capacity Management Department

SECTION 17.1

VTP OPERATION UNIT

The VTP Operation Unit ensures the fulfilment of the tasks assigned to SNTGN "TRANSGAZ" S.A., respectively the Operation Division, regarding the coordination of activities related to the management of (re)nominations and notifications in the VTP, maintaining the national natural gas transmission system within its operational limits through balancing actions, monthly developing of the national natural gas balance, statistical situations and consumption forecasts for the natural gas market in Romania.

According to art. 1301 (1) of the Gas Law, the natural gas transmission system operator, as operator of the virtual trading point, hereinafter referred to as VTP operator, ensures, based on the license and the regulations issued by ANRE, the organization and administration of VTP.

SECTION 17.2**NATIONAL NATURAL GAS DISPATCHING CENTER**

The National Natural Gas Dispatching centre ensures the fulfilment of the tasks assigned to SNTGN "TRANSGAZ" S.A. from the own program on ensuring the operative and permanent dispatching of the National Gas Transmission System by correlating the availability of natural gas sources with the consumption needs and determining the transmission technological regimes necessary to establish a safe operation and economic efficiency of the transmission units , of the subsystems of transmission or of the entire NTS, monitors the remediation of defects in technological installations, checks the Work Programs and Manoeuvre Sheets, calculates the value of the NTS Linepack, establishes and updates the quality areas of the NTS.

SECTION 17.3**COMMERCIAL UNIT**

The Commercial Unit ensures the fulfilment of the tasks assigned to TRANSGAZ S.A. regarding the commercial balancing of the National Transmission System and the fulfilment of the transparency requirements according to the provisions of the Network Code and the European Regulations, by maintaining and monitoring all commercial operations carried out on the GMOIS commercial balancing information platform, preparing the data necessary for its operation, drawing up and implementing agreements for monitoring cross-border operations.

SECTION 17.4**NATURAL GAS QUALITY METERING UNIT**

The Natural Gas Quality Metering Unit ensures the fulfilment of the tasks assigned to TRANSGAZ S.A. regarding the measurement and quality of natural gases in accordance with the provisions of the legislation and regulations in force, applicable in the field.

The Natural Gas Quality Metering Unit has duties and is responsible in the following areas:

- determining the quantities of natural gas expressed in volume and energy units at all measurement points;
- ensuring the legality of the means of measurement;
- ensuring the security of measurement systems;
- validation of natural gas quantities;
- monitoring the quality parameters and the level of odorization in order to fit them within the limits specified by the specific legislation in force;
- settlement of the NTS users' complaints regarding the measurement and quality of natural gas.

SECTION 18**INFORMATION AND COMMUNICATION TECHNOLOGY DIVISION**

The Information Technology and Communications Division ensures the provision of all information technology services for SNTGN "TRANSGAZ" S.A., as well as for third party partners of the company.

The Information Technology and Communications Division has the following duties and responsibilities:

- drafting and maintenance of the company's IT Strategy;
- development of policies and rules for the development and use of IT systems of TRANSGAZ S.A.;
- development of the information system at central and territorial level starting from the framework provided by the IT Strategy;
- managing the information technology and communication projects of the company;
- development and maintenance of TRANSGAZ S.A.'s business, data, application and IT infrastructure architectures;
- the development of the computing and communications technical infrastructure to support the information system of TRANSGAZ S.A., based on the technical architecture in line with the strategy, and its implementation within the company;
- establishing and implementing the IT security policy;
- substantiation of investments for the IT field and maintenance and consolidation of own systems;
- participation in the ICT assistance activity assigned to TRANSGAZ S.A. through international programs and ensuring the role of integrator with the existing information system in accordance with the IT Strategy;
- maintenance of the equipment, as well as of the applications distributed in the system through new versions and through technical support services;
- management of lease contracts for technical spaces on telecommunications towers;
- coordinating and controlling the services provided by contractors for the IT field.

Within the Information Technology and Communications Division there are the following structures:

- IT Strategy Department
- Project Management Office
- IT Risk and Security Department
 - Industrial Environment IT Security Office
 - IT Security Office of the Business Environment
 - IT Security Verification Office
- IT Infrastructure Unit
 - Data Centre Department
 - Server Operations Office
 - Support Infrastructure Management Department
 - Radio Infrastructure Office
 - Database Department and Middleware
 - Communication Networks Department

- IT Services Department
 - IT Implementation Department
 - Services Definition Office
 - Services Implementation Office
 - Analytical Reporting Department
 - IT Operations Department
 - Department - Desk Office
 - Department Quality Management Office
 - Applications Administration Office

SECTION 18.1

IT INFRASTRUCTURE UNIT

The IT Infrastructure Unit ensures the development and operation of the infrastructure for information and communication technology services, the operation of IT services and the interconnection of communication systems, implements the changes at the infrastructure level and fulfils the technical requirements and specifications for the operation and development of the IT infrastructure.

SECTION 18.2

IT SERVICES UNIT

The IT Services Unit ensures the interaction with IT users, the technical definition of changes in IT services, the implementation, testing and operation of IT services, the monitoring and reporting of the quality of IT services, as well as the interoperability of IT systems.

SECTION 19

PROJECT ANALYSIS, VERIFICATION AND APPROVAL UNIT*

The Project Analysis, Verification and Approval Unit ensures the analysis, verification and approval of the technical and economic documentation in order to approve them by the Technical-Economic Council, as well as the holding of the council meetings.

Within the Project Analysis, Verification and Approval Unit there are the following structures:

- Project Analysis and Verification Department
- TEC Secretariat Office
- Estimates Verification and Economic Assessment Office
- Price Estimation Office

SECTION 20**ENERGY MANAGEMENT, AUTOMATIONS AND SCADA DIVISION**

The Energy Management, Automation and SCADA Division, in its field of activity, is responsible for the organization and coordination at the company level of the maintenance, modernization and new investment activities for the related facilities/components of the National Gas Transmission System with the aim of maintaining and improving the operation of the system and safe operation.

It also technically coordinates the activity carried out within the regional operating centres through the Energy, Automation, SCADA, Telecommunications Department.

The Energy Management, Automation and SCADA Division has the following duties and responsibilities:

- ensuring the technical-organizational conditions necessary to fulfil the specific objectives;
- coordination of the maintenance activity to ensure the proper operation of the industrial system for monitoring, control and acquisition of technological parameters (SCADA), implemented at the level of SNTGN "TRANSGAZ" S.A.;
- coordination of the maintenance activity to ensure the proper operation of the industrial systems of power supply, distribution, electrical actuation, automation, monitoring (supervision) and control from the objectives of SNTGN "TRANSGAZ" S.A.;
- coordinating the activity of specialized technical assistance, modernization or new investments for industrial systems of supervision, control and acquisition of technological parameters (SCADA), related to SNTGN "TRANSGAZ" S.A.;
- coordinating the activity of exploitation, maintenance and development of the technological installations from the objectives of SNTGN "TRANSGAZ" S.A.;
- implementation, maintenance and improvement of the Energy Management System (Ems);
- maintaining the operating and safety parameters of energy equipment/installations and natural gas use installations, in accordance with the provisions of the legislation in force;
- the application of the legal requirements in force and other applicable requirements in terms of energy use, as well as energy efficiency;
- the continuous improvement of the energy performance within the new investment and modernization projects that they promote in terms of equipment, installations, systems and processes;
- continuous improvement/optimization of the management of natural gas transmission technological processes in all objectives of SNTGN "TRANSGAZ" S.A.;
- ensuring the maintenance and development programs for the active protection systems of metal pipes;
- implementation of monitoring, control and data acquisition for the cathodic protection system and all support systems for ensuring gas transmission through the pipeline;
- promotion of design themes for maintenance works, modernization and new investments;
- providing specialized technical assistance for the units/departments of SNTGN "TRANSGAZ" S.A.
- promotion of service assurance programs for equipment and installations in the field of activity;

- requesting and analysing synthetic and analytical reports, monthly or whenever needed, regarding the activity carried out within the Division and submitting them, as appropriate, to the entities that process this information.

Within the Energy Management, Automation and SCADA Division there are the following structures:

- Energy Department
 - Termo (HVAC) Office
 - Electrical Installations Office
- Cathodic Protection Department
- DEAS Technical Support Office
- SCADA Unit
 - SCADA department
 - SCADA Analysis Office
 - Equipment and Technological Metering Tools Department
- Automation Unit
 - Automation Department
 - Office of Electric Actuators
 - Office of Industrial Communications

SECTION 20.1

SCADA UNIT

The SCADA Unit contributes to the fulfilment of the objectives of SNTGN "TRANSGAZ" S.A. from the Administration Plan and the Management Plan, by ensuring the support and technical tools necessary for a good management and technological monitoring of all existing transmission, metering and dispatching capacities at the level of the National Natural Gas Transmission System, as well as by immediately carrying out all the contractual obligations that the company has assumed in relation to the users of the National Transmission System.

SECTION 20.2

AUTOMATION UNIT

The Automation Unit ensures the maintenance, modernisation and development of industrial automation and communication systems.

The Automation Unit has the following tasks and responsibilities:

- defines policies in the field of industrial automation and communications;

- updates policies and rules for the development and use of industrial automation and communication systems;
- manages industrial automation and communication projects;
- finances investments in the field of industrial automation and communications and expenditure for the maintenance and enhancement of own systems;
- maintains equipment and distributed applications in industrial automation and communication systems, through new releases and maintenance services;
- coordinates and monitors the services provided by contractors in the field of industrial automation and communications;
- participates in the development and implementation of IT security regulations and rules in the industrial environment.

SECTION 21

DESIGN AND RESEARCH DIVISION

The Design and Research Division aims to fulfil TRANSGAZ S.A. strategy regarding design and research in the field of natural gas transmission, consultancy and specialized technical assistance, etc.

The Design and Research Division has the following duties and responsibilities:

- developing design and research programmes, conducting studies and analyses for the performance of the basic activities of TRANSGAZ S.A. respectively: the transmission of natural gas, the operation of the national transmission system under safe conditions and the maintenance, verification, revision and repair of the national transmission system;
- participation in the development of annual programmes and medium- and long-term strategies for the development and upgrading of the natural gas transmission system, in correlation with actual needs and requests;
- organizing and carrying out in optimal conditions the activity of design and research;
- development of technical and economic documents, feasibility studies and projects for the objectives within the priority programmes of TRANSGAZ S.A. regarding the development, upgrading and rehabilitation of the national gas transmission system, the diversification of external gas supply sources, as well as the improvement of gas quality, gas supply to consumers, etc.;
- drafting of rules, norms, standards and specific technical specifications;
- participation and/or execution of the activity of testing and verification of equipment intended for the activity in the field of natural gas industry;
- the development of studies on the possibilities of applying new technologies in the activity of natural gas transmission, respectively the assimilation of new machines and equipment intended to improve the operation of the installations within SNTGN "TRANSGAZ" S.A.;
- identification of the legal and regulatory requirements applicable to the company in the field of environmental protection and the management of environmental activities related to the activities carried out;

- identification of the legal and regulatory requirements applicable to the company in the forestry field and the management of the forest fund activity related to the projects in the field of natural gas;
- execution of prospecting and geophysical and geotechnical research related to NTS objectives;
- the drafting of geotechnical and geophysical studies
- participation in the topographic measurements for all the projects carried out within the division and in the cadastral work for the NTS objectives in progress or for which cadastral regulation is required;
- ensuring the interface with the project partners, with special consultants, with the relevant national authorities during the development of the projects aimed at taking over gas from the Black Sea;
- ensuring participation in the working groups established with the project partners;
- the development and integration of the implementation schedules of the projects aimed at taking over gas from the Black Sea.
- providing the relevant information for the preparation of the necessary documentation in order to obtain grants aid for project development.
- providing the relevant information for the preparation of the reports requested by the funding agreements.
- carrying out research activities specific to the integration of hydrogen in the NTS.

The Design and Research Division there has the following structures:

- Programming, Studies and Projects Department
 - Third Party Project Monitoring Office
 - Project Monitoring and Reporting Office
- Office of Standardization and Quality Assurance
- Technical - Economic Analysis Department
- Pipeline Diagnostics Laboratory
- Design Chief Engineer
 - Research Design Working Unit 7 B
 - Research Design Working Unit 8 B
 - Research Design Working Unit 9 S
 - Research Design Working Unit 10 I
 - Research Design Working Unit 11 T
 - Research Design Working Unit 12 RB
 - Research Design Working Unit 13 AB
- Special Projects and Technical Support Unit
 - Research Design Working Unit 1
 - Research Design Working Unit 2
 - Research Design Working Unit 3
 - Research Design Working Unit 4

- Construction Design Working Unit
- Automation and Power installation Design Department
- Investment Cost Evaluation Department
 - Estimates Office
- Environmental Protection Department
 - Office for Regulation of Environmental Projects
- Cadastre, Geology and Forest Fund Unit
 - Topography and Cadastre Department
 - Topography Office
 - Cadastre Office
 - Cadastre Records and Databases Department
 - Forest Fund Department
 - Geotechnical and Geophysical Studies Working Unit
 - Geotechnical Analyses Laboratory
- Research Chief Engineer
 - Research Design Working Unit 5
 - Research Design Working Unit 6
 - Study Department for Hydrogen Integration in NTS

SECTION 21.1

SPECIAL PROJECTS AND TECHNICAL SUPPORT DEPARTMENT

The Special Projects and Technical Support Unit has duties and is responsible for the activities related to the drafting of special projects in the field of natural gas transmission, consultancy and specialized technical assistance for them, as well as technical support for all design and research activities related to the Design and Research Department, etc. Special projects are those projects with an estimated value exceeding the equivalent of EUR 50,000,000 or considered special projects by the company's management.

SECTION 21.2

CADASTRE, GEOLOGY AND FOREST FUND UNIT

The Cadastre, Geology and Forest Fund Unit is in charge and responsible for the activities related to topographic measurements, cadastre works, geological surveys and land use studies related to the NTS objectives in the forest fund for all the design and research works related to the Design and Research Division, etc.

SECTION 21.3**DESIGN AND RESEARCH**

Within the working units/departments subordinated to the chief design/research engineer, design and research activities are carried out to develop, in accordance with the legislation in force, the technical documents and specifications necessary for the implementation of technical projects/works for the development, modernisation and rehabilitation of the National Gas Transmission System and hydrogen integration in the NTS.

SECTION 22**DEVELOPMENT DIVISION**

The Development Division ensures the fulfilment of the tasks assigned to TRANSGAZ S.A. under its own program regarding the execution and implementation of the company's development – upgrading strategy in general and of the National Natural Gas Transmission System in particular, as well as of the regulations specific to the development activity within the company.

The Development Division has the following duties and responsibilities:

- Preparation and substantiation of the project of the Annual Modernization, Development, Investment Program (PMDI) of TRANSGAZ S.A.;
- preparation and substantiation of the draft Programme of Repair and Rehabilitation Works for NTS Maintenance (PLRRM);
- monitoring the efficient use of funds allocated from the company's budget for the investment programme and for the repair and rehabilitation programme for the maintenance of the NTS;
- planning and monitoring the execution of investment works, works for third parties regarding access to NTS, as well as the repair and rehabilitation works for the NTS maintenance;
- planning and execution of the NTS expansion works, as well as monitoring the development of works contracts for the achievement of these objectives, according to the technical documentation and the building permit;
- the transmission, according to the templates requested by the relevant ministries, of the status of the achievements for the objectives included in the Modernization Development Investment Programme and in the Programme of Repair and Rehabilitation Works for NTS Maintenance.

Within the Development Division there are the following structures:

- Work Scheduling Department
- Works for Third Parties Department
 - Office of Approvals and Execution of NTS Access Works
- Works Preparation and Execution Unit
 - Work Execution Monitoring Department
 - Investment Works Office
 - Site Managers Compartment - Regional operating centres
 - Maintenance Work Monitoring Department
 - Maintenance Works Office
- NTS Extension Technical Unit
 - NTS Extension Works Department
 - NTS Extension Works Monitoring Office
 - Major Projects Development Department

SECTION 22.1

WORKS EXECUTION PREPARATION UNIT

The Works Preparation and Execution Unit ensures the fulfilment of its tasks within TRANSGAZ S.A. regarding the planning and execution of the investment works and the repair and rehabilitation works for NTS maintenance, as well as the monitoring of the progress of the works contracts for the achievement of the investment objectives and of the repair and rehabilitation works for the maintenance of the NTS, according to the technical documentation and the building permit, based on the competence limits granted.

SECTION 22.2

NTS EXTENSION TECHNICAL UNIT

The NTS Extension Technical Unit ensures the fulfilment of its tasks within TRANSGAZ S.A. regarding the planning and execution of the NTS expansion works, as well as the monitoring of works contracts for the achievement of these objectives, according to the technical documentation and the building permit, based on the competence limits granted.

SECTION 23**OPERATION AND MAINTENANCE DIVISION**

The Operation and Maintenance Division, based on the competences it has, is responsible for the organization and coordination at the company level of the maintenance, rehabilitation and systematization activities of the National Natural Gas Transmission System, ensuring the maintenance of the operating state of the pipeline, pipeline components and technological installations that make up the National Transmission System.

The Operation and Maintenance Division has the following duties and responsibilities:

- implementation of a management system of integrity and safety in operation for pipelines belonging to NTS;
- drawing up and monitoring the system of:
 - planned preventive maintenance with controlled planning for the objectives/systems belonging to NTS
 - unplanned accidental (corrective) repairs for the objectives/systems belonging to the NTS
 - direct assessment of external corrosion (ECDA) for pipelines belonging to NTS;
- programming and monitoring of internal inspection programmes (ILI) and other types of diagnostics in order to evaluate the integrity of the pipelines;
- drawing up and monitoring maintenance programmes for active pipeline protection systems;
- drawing up and monitoring the planned and accidental preventive maintenance system for compressors in gas Compressor stations;
- implementation of a geospatial system for monitoring and recording the objectives and systems belonging to the NTS;
- implementation of a risk management system for the objectives/systems belonging to the NTS;
- establishment of protection and safety zones for transmission pipelines belonging to the NTS;
- the development of rules and/or technical standards necessary for the safe exploitation of the NTS;
- drawing up and monitoring the service assurance programmes for equipment and installations belonging to NTS;
- technical coordination of the safety maintenance activity of the objectives/systems belonging to the NTS;
- drawing up the design themes for maintenance, rehabilitation, modernization and investment works of the NTS objectives;
- drawing up the monitoring plan for the maintenance program, etc.

Within the Operation and Maintenance Division there are the following structures:

- Pipeline Engineering and NTS Analysis Department
- NTS Risk Assessment and Record Department
- Construction Approvals and Pipeline Protection Zones Department

- NTS Technological Works and Consumption Records Office
- Maintenance Planning Department
- Technological Installations Maintenance Department
 - Metering Systems Maintenance Office
- Pipeline Diagnostics Department
- Deputy Director West Zone
 - Mediaș Regional operating centre
 - Cluj Regional operating centre
 - Craiova Regional operating centre
 - Arad Regional operating centre
 - Mediaș Subsidiary
- Deputy Director East Zone
 - Bucharest Regional operating centre
 - Brăila Regional operating centre
 - Brașov Regional operating centre
 - Constanța Regional operating centre
 - Bacău Regional operating centre

SECTION 23.1

REGIONAL OPERATING CENTERS

Regional operating centres are operative units, territorially organized, which ensure the set of activities necessary for the operation of NTS and auxiliary objectives in the area it administers from the point of view of the technological process of operation, transmission and maintenance of main pipeline systems and related installations.

Territorial operations are organized in accordance with the structure rules approved by the Board of administration of TRANSGAZ S.A., as units without legal personality, limited management autonomy, with a current account at the bank, a technical-operational record system and conduct their own accountancy, concluding monthly balances for checking accounts.

In the exercise of their duties, the regional operating centres collaborate with the departments/units and functional departments within TRANSGAZ S.A. and the Mediaș Subsidiary.

The regional operating centres receive from the national company basic means, material means and the necessary funds for carrying out the activity in order to achieve all the responsibilities and tasks.

Regional operating centres have their own headquarters and organizational structure approved by the Board of administration of TRANSGAZ S.A., within which the manager of the regional operating centre ensures its current management and represents it in relations with legal and natural persons based on the powers granted.

Regional operating centres ensure and are responsible for the programming, preparation and implementation of the operation and maintenance activity of the NTS, related installations, equipment and objectives, their maintenance and repair, automatic data processing and other services.

Regional operating centres are accountable to the management of TRANSGAZ S.A. regarding the fulfilment of all assigned duties, tasks, responsibilities and powers in order to achieve the objectives contained in the company's Management Plan.

SECTION 23.2

CONSTANTA REGIONAL OPERATING CENTER

Constanța Regional operating centre is an operative unit, territorially organized, which ensures within its scope of activity the technological process of operation, transmission and cross-border transmission of natural gas, as well as the operation of main pipeline systems and related facilities.

Constanța Regional operating centre is organized in accordance with the structure rules approved by TRANSGAZ S.A. Board of Administration, as a unit without legal personality, limited management autonomy, with a current bank account, a technical-operative record system and conducts its own accountancy, closing monthly account trial balances. In the exercise of its duties, Constanța Regional operating centre collaborates with the departments/units and functional departments within TRANSGAZ S.A., the other regional operating centres and the Mediaș Subsidiary.

The regional operating centre receives from the national company basic means, material means and the necessary funds for carrying out the activity in order to achieve all the attributions and tasks.

Constanța Regional operating centre has its own secondary headquarters, as well as an organizational structure approved by the Board of Administration of TRANSGAZ S.A., within which the manager of the Regional operating centre ensures its business as usual management and represents it in relations with legal and natural persons based on the powers granted.

Constanța Regional operating centre ensures and is responsible for the programming, preparation and implementation of the operation and maintenance activity of the NTS and the international transmission system, related facilities, equipment and facilities, their maintenance and repair, automatic data processing and other services.

Constanța Regional operating centre is responsible to the management of TRANSGAZ S.A. for the fulfilment of all assigned duties, tasks, responsibilities and powers in order to achieve the objectives contained in the company's Management Plan.

SECTION 23.3

MEDIAȘ SUBSIDIARY

The Mediaș Subsidiary aims to achieve the tasks established by SNTGN "TRANSGAZ" S.A. strategy and through the NTS annual modernization-development programmes and repair and rehabilitation

programmes, as well as carrying out unforeseen or accidental interventions and carrying out special operations on the NTS.

To achieve the object of activity, the subsidiary has competences in the following fields:

- in the technical field
- in the commercial field
- in the IT field
- in the legal field
- in the financial-accounting field
- in the field of human resources activity

Within Mediaș Subsidiary there are the following structures:

- Human Resources Department
- Environment, Occupational Protection and Safety Office
- Non-Destructive Control Laboratory
- Administrative Office
- Division of Information Technology
- Chief Engineer - Repairs and Interventions
 - Working Unit 1 Constructions, Repairs and Interventions
 - Agnita Interventions and Repairs Team
 - Mediaș Interventions and Repairs Team
 - Vintu Interventions and Repairs Team
 - Dej Interventions and Repairs Team
 - Working Unit 2 Constructions, Repairs and Interventions
 - Pitesti Interventions and Repairs Team
 - Mănești Interventions and Repairs Team
 - Buzau Intervention and Repair Team
 - Onesti Intervention and Repair Team
- Chief Engineer - Special Operations
 - Technical Department
 - Planning, Work Execution Monitoring Department
 - Car Park and Equipment Administration and Maintenance Department
 - Car park office
 - Office of Analysis, Preparation of Works and Supply
 - Repairs and Special Operations Working Unit
 - Special Operations Team 1
 - Special Operations Team 2
- Economic Manager
 - Accounting Department
 - Financial Department

SECTION 24**PROJECT IMPLEMENTATION AND MANAGEMENT UNIT (PIMU)**

The Project Management Unit, hereinafter referred to as P.M.U, ensures the integrated management of the ongoing strategic projects within the company, within the approved time schedules, within the allocated budget and according to the quality requirements established in accordance with the company's strategy.

Within the Project Management Unit there are the following structures:

- Management Committee
 - Project Manager
 - OHS Department
 - Human Resources Department
 - Logistics and Execution Support Department
 - ✓ Execution Support Office
 - ✓ Logistics Office
 - Project Management Department
 - ✓ Services Manager
 - Administrative Department
 - Financial Management Department
 - Monitoring, Project Progress Department
 - Stakeholder and Project Communication Department
 - Document Control and Archiving Office
 - Project Execution Manager
 - ✓ PIMU 1 Developments of NTS in the North-Eastern area
 - Project manager
 - Lot 1 Onești - Gherăiești Supervision Department
 - ✓ PIMU 2 Black Sea - Podisor
 - Project manager
 - Lot 1 Works Supervision Department
 - Lot 2 Works Supervision Department
 - Lot 3 Works Supervision Department
 - ✓ PIMU 3 Sighetu Marmației - Vișeu de Sus - Borșa - Bălăceanca - Platărești
 - Project manager
 - Lot 2 Bălăceanca - Platărești Work Supervision Department
 - ✓ PIMU 4 Ghercești - Jitaru
 - Project manager
 - Lot 1 Works Supervision Department
 - Lot 2 Works Supervision Department

- ✓ PIMU 5 Prunișor - Jupa
 - Project manager
 - Lot 1 + Lot 2 Works Supervision Department
 - Lot 3 + Lot 4 Works Supervision Department
- ✓ PIMU 6 Timișoara - Deta - Denta - Moravița - Tetila - Horezu - Râmnicu Vâlcea
 - Project manager
 - Works Supervision Department
- ✓ PIMU 7 Hațeg - Mintia
 - Project manager
 - Works Supervision Department
- ✓ PIMU 8 Ișalnița - Turceni
 - Project manager
 - Works Supervision Department.

SECTION 25

ARCHAEOLOGICAL UNIT

The Archaeological Unit ensures the implementation of archaeological activities required for the projects initiated for the development of the National Natural Gas Transmission System by SNTGN TRANSGAZ S.A., in compliance with the specific applicable laws.

In the performance of its duties for the protection and preservation of the identified archaeological heritage, as well as of the lands with archaeological potential affected by the projects of SNTGN TRANSGAZ S.A., the Archaeological Unit collaborates with public authorities and institutions, as well as with legal entities, with a determining role in the archaeological field.

In order to comply with the legal framework imposed by the normative acts in force, the Archaeological Unit contracts services for the archaeological research of the affected areas.

The Archaeological Unit is constantly and actively involved, starting from the design phase, in identifying the best solutions for the positioning of natural gas transmission pipelines in the field.

The Archaeological Unit includes the following structures:

- Archaeological Works Contracts and Monitoring Department
- Archaeological Research Office

SECTION 26

SUPPLY, ADMINISTRATION AND TRANSPORT UNIT

The Supply and Transport Unit ensures the fulfilment of its tasks regarding the maintenance of NTS objectives, having tasks and responsibilities in the following areas:

- the development and management of the Supply Program based on which the products, auxiliary materials and spare parts necessary for carrying out the activities within the company are provided;
- providing the company with qualitatively appropriate material and technical resources, with minimal costs;
- ensuring the storage and registration of all materials purchased by the company;
- ensuring the transport needs of people in the company's functional structures;
- maintenance of the company's fleet of vehicles;
- maintenance and cleaning of the buildings and green areas of TRANSGAZ S.A. premises in Mediaș;
- management of the goods in the company's warehouse, management of the Gaz Metan Mediaș Stadium and the administrative pavilion within its premises;
- document management;
- organising and coordinating the protection of personal data of individuals.

The Supply, Administration and Transport Unit includes the following functional entities:

- Document Management and GDPR Department
 - Archives and Library Compartment
- Supply Management Department
 - Contract Implementation and Inventory Management Office
 - Materials Warehouse
 - Procurement Programme Management Office
- Administrative Management Department
 - Buildings and Green Spaces Maintenance Office
- Fleet Sizing and Operation Department
- Vehicle Administration, Maintenance and Repair Service
- Administration and Material Assets Management Office
- Bucharest Fleet Operation and Management Office.

SECTION 27

ENVIRONMENT, PROTECTION AND SECURITY UNIT

The Environment, Protection and Security Unit has duties and is responsible in the following areas: environmental protection, guarding and protection of objectives, identification, designation and protection of critical infrastructure, emergency situations, prevention and protection of employees. The Environment, Protection and Security Unit ensures the fulfilment of its objectives within TRANSGAZ S.A. with respect to:

- prevention of pollution, accidents and incidents for all persons participating in the work process;
- waste reduction, management and optimal utilization of waste resulting from own activities;

- ensuring the physical security and integrity of the objectives;
- prevention and assessment of emergency situations;
- protection of critical infrastructures;
- provision of human and material resources in crisis or war situations;
- compliance with legislation in the fields of security and protection, emergency situations;
- implementing and maintaining an Occupational Health and Safety Management System;
- ensuring the safety and health of workers;
- personnel training;
- monitoring of the Annual Environmental Management Program and the Prevention and Protection Plan.

The Environment, Protection and Security Unit has the following functional entities:

- Security Protection and Emergency Situations Department
- Critical Infrastructure Protection Department
- Occupational Safety and Health Department
- Environmental Management Department
 - Environmental Factors Monitoring Laboratory.

SECTION 28

CLASSIFIED DOCUMENTS OFFICE

The Classified Documents Office has the following duties and responsibilities:

1. Takes over the documents received at the company's address and checks the integrity of the seals/stamps and their packaging
2. Registers the classified documents received or drawn up by the company's personnel and hands them over to the persons to whom they were intended/distributed based on the resolution written on them by the company's management.
3. Responsible for keeping in good condition and using the stamps specific to the protection of classified information (Ex.: the stamp for applying the Classified information mark) and keeps track of the distribution of the seals.
4. Registers, packs, seals and hands over the documents intended for dispatch to the designated bodies.
5. Circulates the classified documents based on the resolution written on them, to the recipients, only if they are included in the table with the own personnel holding security certificates/access authorizations, by levels of secrecy, drawn up by the security structure.

6. Hands over/receives, based on ticket, the standard folders with documents on the personnel, checks the integrity of the seals and clarifies the situation of the folders that were not returned at the end of the program; folders are kept only within the classified documents department.
7. Classifies in files and deregisters resolved documents.
8. Ensures regular personnel training on classified documents.
9. Ensures authorization and keeps track of persons who require/have access to classified information.
10. Keeps classified State Secret documents in specially designed containers (class B), in the sectors/places approved by the Designated Security Authority (ADS) in the field of classified information protection, according to the Classified Information Leak Prevention Program (P.P.S.I.C).
11. Periodically participates in the specific training program and specialist conventions.

SECTION 29

GAS COMPRESSION DIVISION

The Gas Compression Division, based on the competences it has, is responsible at the company level for the organization and coordination of the operation, maintenance and rehabilitation activities of the Compressor Stations, in operation, within the National Natural Gas Transmission System, ensuring the maintenance of the operational status of technological installations and components of each Compressor Station.

Also, the Gas Compression Division coordinates the auxiliary activities carried out within the Gas Compressor Stations.

The Gas Compression Division has the following duties and responsibilities:

- implementation of a management system of integrity and safety in operation for Compressor Stations belonging to NTS;
- drawing up, implementing and monitoring the system of:
 - ✓ preventive maintenance with controlled planning for the objectives/systems/equipment belonging to the Compressor Stations in operation;
 - ✓ management of unplanned accidental (corrective) repairs for the objectives/systems/equipment belonging to the Compressor Stations in operation;
 - ✓ direct evaluation of the operating condition of the Compressor units installed in the Compressor Stations and of the critical equipment in operation;
- scheduling and monitoring visual inspection programmes and other types of diagnostics in order to assess the integrity of the Compressor units in operation;
- drawing up and following up the maintenance programmes for the protection systems installed in the Compressor Stations;
- implementation of a risk management system for the objectives/systems installed in the Compressor Stations;

- the development of rules and/or technical regulations necessary for the safe exploitation of Compressor Stations;
- drawing up and monitoring of the service assurance programmes for the equipment and installations in the Compressor Stations in operation;
- technical coordination of the activity of keeping safe the objectives/systems belonging to the Compressor Stations;
- drawing up the design themes for maintenance, rehabilitation, upgrading and investment of the objectives within the Compressor Stations;
- drawing up the monitoring plan for the maintenance program in the Compressor Stations;
- identifying the necessary actions to ensure the operational availability of Compressor Stations and dividing them into two categories:
 - in-house activities;
 - outsourced activities.
- ensuring the contractual conditions for the execution of activities with third parties: drawing up the necessary specifications, following up on contracts;
- drawing up, implementing and following up the procedures and instructions necessary for carrying out the department's activity.

The Gas Compression Division has the following structures:

- Contract Monitoring Department
- Maintenance and Diagnostic Department
 - Maintenance Programmes Monitoring Office
 - Stock Monitoring and Consumables and Spare Parts Assurance Office
- Occupational Health and Safety, Risk Analysis and Issuance of Instructions Department
- Compressor Station Operation Support Department
 - Office for Monitoring Technological Consumption
- Central - South - West CS Operation Unit
 - Bibești Compressor Station
 - Podișor Compressor Station
 - Jupa Compressor Station
 - Sinca Compressor Station
 - Vintu Compressor Station
 - CS 1 Operation Department
- East CS Operations Department
 - Onești Compressor Station
 - Onești M Compressor Station
 - Siliștea Compressor Station
 - Gherăiești Compressor Station
 - CS 2 Operation Department

SECTION 29.1**CS OPERATION UNIT**

The CS Operation Unit (East, Centre-South-West), based on the powers it has, is responsible at the company level for the organization and coordination of the activities for the operation of the Compressor Stations functioning within the National Natural Gas Transmission System, ensuring the operation of each Compressor Station in safety and maximum efficiency mode.

The CS Operation Unit has the following duties and responsibilities:

- coordination of manoeuvres in the process gas equipment in the Compressor Stations in order to optimize the operating regime of the Compressor stations;
- compliance with the schedule of planned and unplanned maintenance works that may affect the gas compression activity and the identification of alternative solutions;
- identification of back-up scenarios for meeting the received requirements for operation of Compressor stations;
- monitoring energy consumption and identifying possibilities for optimizing energy consumption, proposing measures and monitoring their implementation after approval;
- ensuring the organization of CS operation teams within the departments, depending on the gas compression requirements.

CHAPTER XIV**Final provisions****ARTICLE 41**

Decisions regarding the activity and current operation of TRANSGAZ S.A. shall be taken only by the persons who are part of the company's management structure, the intervention of any other person or public or private entity being prohibited in making these decisions.

ARTICLE 42

Each organizational entity:

- carries out the archiving activity, according to the company's internal regulations and the applicable legal provisions;
- ensures the implementation, maintenance and improvement of the Quality-Environment, Occupational Health and Safety Integrated System, according to the QEIMS documents and the duties and responsibilities provided for in the job descriptions;
- implements the Managerial/Internal Control System, according to the applicable legal provisions and the decision issued by the company's management.

ARTICLE 43

The personnel employed within SNTGN "TRANSGAZ" S.A. has the obligation, in the exercise of his duties - according to the job description, to observe and obey the provisions of the Internal Regulations and the Code of Ethics of the Employee, approved by the management of the company.

ARTICLE 44

The Rules of Organization and Procedure are periodically updated in accordance with the applicable legal regulations and the Decisions of the General Meeting of Shareholders / Board of Administration, as well as TRANSGAZ S.A. decisions.

Appendix 1 is part of these Rules of Organization and Procedure.

CHAPTER XV**Appendix no. 1****POWERS DELEGATED BY THE BOARD OF ADMINISTRATION TO THE DIRECTOR-GENERAL**

The rights and obligations of the Director-General derived from the delegations of competence of the Board of Administration from its range of competence to his competence:

- a. Establishes the level of guarantees and the manner of establishing them for the persons who have the capacity to manage.
- b. Concludes sectoral procurement contracts for works, products and services as defined by Law no. 99/2016 as amended. This category also includes NTS connection contracts concluded pursuant to the applicable legislation.
- c. Signs the legal assistance contracts concluded with GEMS' approval.
- d. Concludes natural gas transmission contracts (firm/uninterruptible services) and any other contracts related to the transmission activity by SNTGN "TRANSGAZ" S.A., as the operator of the NTS (TSO) with the network users (N.U.) and other participants on the natural gas market regardless of the value of the contract.
- e. Concludes sponsorship contracts within a maximum monthly threshold of RON 70,000, with the inclusion of the annual amount provided in the approved REB, with the regular notification of the Board of Administration.
- f. Approves the business trips abroad of the personnel and directors of SNTGN "TRANSGAZ" S.A. in order to participate in conferences, seminars, courses, in compliance with the internal procedure approved at TRANSGAZ S.A. level, and informing the members of the Board of Administration in this respect during the next meeting.
- g. Amends and/or completes the "Annual Programmes of SNTGN "TRANSGAZ" S.A., for exceptional situations and which, for objective reasons, could not be known at the time of preparation" of the Annual Programmes, with inclusion in the REB, and periodically informs the Board of Administration regarding these changes and/or additions.
- h. Negotiates and concludes protocols/memoranda with institutions and public authorities, firms/companies/autonomous administration units of the Romanian state.
- i. Negotiates and concludes protocols/memoranda with international companies/institutions, with the obligation to notify the Board of Administration in this respect.
- j. Approves and signs the update of the Organization and Operation Regulations of SNTGN "TRANSGAZ" S.A. whenever the Board of Administration approves changes in the organizational structure of the company.
- k. Signs the Articles of Incorporation updated following the changes approved within the General Meeting of Shareholders / Board of Administration.
- l. Negotiates and signs the Collective Labour Agreement, as well as any extension thereof, amendments to the Collective Labour Agreement under Addenda.

Director General
Ion Sterian

