

DRAFT

INITIAL COMPONENT OF THE SELECTION PLAN FOR THE CANDIDATES FOR THE POSITIONS OF MEMBERS OF THE BOARD OF ADMINISTRATION OF THE NATIONAL NATURAL GAS TRANSMISSION COMPANY TRANSGAZ S.A.

I. OVERVIEW

The National Natural Gas Transmission Company Transgaz S.A. (S.N.T.G.N. Transgaz S.A.) was established in 2000, on the basis of the Government Decision no. 334/28 April 2000, on the reorganization of the National Natural Gas Company "Romgaz" S.A., published in the Official Gazette of Romania, Part I, no. 194/04.05.2000.

S.N.T.G.N. Transgaz S.A. is the technical operator of the National Natural Gas Transmission System and ensures the fulfillment in conditions of efficiency, transparency, safety, non-discriminatory access and competitiveness of the national strategy established for the domestic and international transmission of natural gas, natural gas dispatching, research and design in the field of natural gas transmission, in compliance with the legislation and national and European standards of quality, performance, environment and sustainable development.

By ANRE Order no. 3/22 January 2014 on the approval of the certification of Transgaz S.A. as the transmission and system operator of the National Transmission System for natural gas, it was established that Transgaz S.A. shall be organized and operate according to the "independent system operator" model.

The mission of S.N.T.G.N. Transgaz S.A. covers, but is not limited to:

- safe and economically efficient operation of NTS;
- rehabilitation, upgrading and development of the NTS on the main consumption routes;
- interconnecting the NTS with the natural gas transmission systems of neighboring countries;
- development of new natural gas transmission infrastructure for the transmission of gas from alternative sources in compliance with national and European regulations;
- ensuring non-discriminatory access to NTS;
- improving organizational culture, developing work climate, opportunities and performance;
- implementation of natural gas sector regulations;

- optimization of the computerization of the natural gas transmission activity, elaboration of draft normative acts and actions to support them;
- business excellence by continuing to apply good corporate governance principles and practices.

S.N.T.G.N. Transgaz S.A. was among the pioneers of a new stage of development in the national economy, being a pioneer in the process of implementing private professional management.

S.N.T.T.G.N. Transgaz S.A. is a company listed on the Bucharest Stock Exchange and is managed in a unitary system.

According to the filing with the Central Depository, on 30.06.2024, the shareholder structure of S.N.T.G.N. Transgaz S.A. was as follows:

Shareholder name	Number of shares	Percentage %
Romanian State through the General Secretariat of the Government (GSG)	110.221.440	58,5097 %
Free float - Other shareholders (natural and legal persons), of which	78.160.064	41,4903%
✓ legal entities	60.216.054	31,9650 %
✓ individuals	17.944.010	9,5254 %
Total	188.381.504	100 %

Starting with 14 November 2019, the exercise of the rights and fulfillment of the obligations arising from the status of shareholder of the Romanian State in the National Natural Gas Transmission Company Transgaz S.A. is carried out by the Romanian State through the General Secretariat of the Government, following the transfer of shares from the account of the Romanian State through the Ministry of Economy, pursuant to the Government Ordinance no. 68/06.11.2019 on establishing certain measures at the level of central public administration and amending and supplementing certain normative acts.

The General Secretariat of the Government (S.G.G.) exercises the powers of public supervisory authority, based on the provisions of G.E.O. no. 109/2011, on the corporate governance of public enterprises, as amended and supplemented.

By **OGMS Decision no. 9/23.10.2024**, the company's shareholders approved the launch of the selection procedure for the members of the Board of Administration of S.N.T.G.N. Transgaz SA, a procedure that is carried out in accordance with the provisions of the **Government Ordinance no.109/2011** on the corporate governance of public enterprises, as amended and supplemented and those of the Government Decision no. 639/2023 for the approval of the Methodological Norms for the application of the **Government Ordinance no.109/2011** on the corporate governance of public enterprises.

II. PURPOSE AND SCOPE OF THE SELECTION PLAN - INITIAL COMPONENT

According to the **G.D. no. 639/2023**, the **selection plan** comprises working documents to be used in the selection procedure for the positions of administrator, which establishes the timetable of the selection procedure from the date of initiation to the date of appointment of the members of the boards, structured in two components: **the initial component**, which is drafted and published on the website of the GSG and the public enterprise within 15 days from the date of the start of the selection procedure and the **full component**, which is prepared by the selection and nomination committee and finalized before the publication of the announcement.

The initial component of the selection plan, as defined in **art. 1, point 4 of Annex no. 1 of G.D. no. 639/2023**, is a working document to be drawn up by the Public Supervisory Authority (PSA) and includes, but is not limited to, the letter of expectations, the key aspects of the procedure, the timetable, the responsible parties and their roles, the risks identified, the documents to be submitted, until the appointment of the administrators.

This initial component of the selection plan is prepared for the purpose **of recruiting and selecting a number of 5 (five) members in the Board of Administration of S.N.T.G.N. Transgaz S.A., for a term of 4 (four) years, in compliance with the provisions of G.E.O. no. 109/2011 with subsequent amendments and supplements and those of G.D. no. 639/2023.**

The draft of the initial component of the selection plan will be published on the S.G.G.'s own website, in its capacity as PSA, in accordance with the provisions of **art. 5 para. (1) of Annex no. 1 to G.D. no. 639/2023**, for consultation with the shareholders who have the right to formulate proposals for amendments and additions to the draft of the initial component of the selection plan, within 5 days from the date of publication. In the event that the aforementioned parties involved in the selection process fail to send proposals for amendments and/or additions within the legal deadline, the selection plan - initial component shall be deemed to have been implicitly accepted by them.

III. PRINCIPLES

The drafting of the initial component of the selection plan was carried out transparently, in order to cover all the key aspects of the selection procedure, in accordance with the provisions of **G.E.O. no. 109/2011 and G.D. no. 639/2023**.

The selection plan shall be drawn up in such a way that the recruitment and selection procedure is carried out in compliance with the right to free competition, fairness and equal opportunities, non-discrimination, transparency, equal treatment and accountability.

IV. DOCUMENTS REQUIRED IN THE SELECTION PROCEDURE

1. LETTER OF EXPECTATIONS

The Letter of Expectations is a part of the mandatory set of documents with which the selection process of the board members for public enterprises starts and is part of the initial component of the selection plan and sets the shareholders' expectations regarding the performance of the company and its administrative and management bodies, as well as the policy of the public supervisory authority for a period of 4 years, namely 2025 - 2029.

The organization of the consultations shall be communicated by publishing a notice on the websites of the public enterprise and of the public authority at least 5 days before the date set for the submission of comments.

The letter of expectations is approved by administrative act of the head of the supervising public authority as part of the initial component of the selection plan and is published on the websites of the supervising public authority, the public enterprise and AMEPPE.

2. THE PROFILE OF THE BOARD OF ADMINISTRATION

The Board Profile is an identification of the competencies, traits and requirements that the board should collectively possess, taking into account the organizational context, the mission and shareholder expectations expressed in the Letter of Expectations and the elements of organizational strategy that exist or need to be developed.

The Profile also contains the Board Matrix, which gives an expression of these capabilities that the Board must possess, through a set of skills, knowledge, experience and other attributes of the incumbent members as well as potential candidates, to be met both individually and collectively by Board members.

The draft board profile is prepared by the supervising public authority through the corporate governance department. Shareholders holding, individually or jointly, at least 5% of the share capital of the public enterprise shall have the right to make proposals for the board profile as an integral component of the selection plan. For this purpose, the GSG will publish the draft board profile on its own website, on the website of the public enterprise and submit it to AMEPPE, within 5 days from the date of approval of the initial component of the selection plan, setting the deadline for proposals.

3. THE CANDIDATE PROFILE

The candidate profile for the position of member of the Board of Administration of S.N.T.G.N. Transgaz S.A. is the description of the role that the candidate must fulfill, based on the specific contextual requirements of the role, as well as the technical competencies and behavioral attributes, experience and specificity that he/she must demonstrate, in line with the mission, objectives and targets of the public enterprise, as well as its stage of development. When drawing up the profile, on the one hand, mandatory criteria and qualification levels and, on the other hand, optional criteria and qualification levels, both at individual and collective level of the whole board, are mentioned in the form of minimum competence thresholds.

The candidate profile consists of two components:

- a) the description of his/her role, derived from the contextual requirements of the public enterprise and the Letter of Expectations;
- b) defining a candidate-specific combination of a set of criteria derived from the board profile matrix.

The final Board Profile and Candidate Profile form an integral part of the Selection Plan and will be approved together with the Selection Plan by the General Meeting of Shareholders.

4. THE SELECTION PLAN

In accordance with the provisions of G.D. no. 639/2023, the Selection Plan is the working document to be used in the selection procedure for the positions of administrator, which establishes the timetable of the selection procedure from the date of initiation to the date of appointment of board members, structured in two components: the initial component and the integral component.

The selection plan must be designed to ensure a transparent, open, non-discriminatory, competitive and comprehensive selection procedure.

The selection plan contains, but is not limited to, the following:

- a) the stages of the selection process, the timetable, documents and materials to be checked and elaborated, contact persons for further information and details;
- b) selection notices for the print and online media;
- c) the detailed list of the documents required for application by natural and legal persons, according to the stages of the selection procedure;
- d) the confidentiality and access to documents provisions, list of confidential items;
- e) the list of possible risks and the measures to be taken to mitigate those risks, ensuring that the rights of shareholders are respected and that the interests of the public enterprise are safeguarded;
- f) the letter of expectations;
- g) the contextual requirements;
- h) the profile of the Council;
- i) the candidate profile;
- j) the selection criteria;
- k) how the score is awarded;
- l) documents relating to the declaration of intent;
- m) interview plan;
- n) the draft mandate contract;
- o) statements to be completed by the candidates.

The full composition of the selection plan shall be drawn up by the selection and nomination committee within 10 days of its establishment, in accordance with the provisions of **Article 10 para. (1) of Annex no. 1 to G.D. no. 639/2023**.

V. SELECTION PROCEDURE DEADLINES

The starting date of the selection procedure, according to the provisions of **art. 3 paragraph (1) letter b) of Annex 1 to G.D. no. 639/2023**, is the date of the Decision of the General Meeting of Shareholders approving the start of the selection procedure of the members of the Board of Administration, which shall be immediately communicated to the public supervisory authority.

Thus, the **OGMS Decision no. 9/23.10.2024** approved the initiation of the selection procedure for the members of the Board of Administration of S.N.T.G.N. Transgaz S.A., applying the provisions of the **G.E.O. no. 109/2011** on the corporate governance of public enterprises, as amended and supplemented, as well as those of the **G.D. no. 639/2023** for the approval of the Methodological Norms for the application of the Government Ordinance no. 109/2011 on the corporate governance of public enterprises, as amended and supplemented.

According to the provisions of Art. (1) of the Government Ordinance no. 109/2011 with subsequent amendments and completions, the selection procedure for the members of the Board of Administration of S.N.T.G.N. Transgaz S.A. shall be finalized within 150 days from the date of the Decision of the General Meeting of Shareholders initiating the procedure

According to the provisions of **Art. 29 (1) of G.E.O. no. 109/2011** with subsequent amendments and completions, the selection procedure for the members of the Board of Administration of S.N.T.G.N. Transgaz S.A. shall be finalized within 150 days from the date of the Decision of the General Meeting of Shareholders initiating the procedure.

VI. CONTRACTING THE INDEPENDENT EXPERT

In accordance with the provisions of **art. 6 of Annex no. 1 of G.D. no. 639/2023**, the contracting of the services of the independent expert shall be carried out by AMEPPE through a public procurement procedure, in accordance with the provisions of **Law no. 98/2016** on public procurement, as amended and supplemented, as well as with the provisions of **art. 2, point 28 of G.E.O. no. 109/2011** on corporate governance of public enterprises, as amended and supplemented.

VII. SELECTION AND NOMINATION COMMITTEE

The selection and nomination committee will be established by Order of the Secretary General of the Government and will have the composition and main duties established in accordance with the provisions of **Article 4⁹ of G.E.O. no. 109/2011**, as amended and supplemented and detailed by the Framework Regulation on the organization and functioning of the selection and nomination committees approved by AMEPPE and provided in **Article 4⁴ para. (5) lit. c) point v) of G.E.O. no 109/2011**, namely:

- a) carries out the procedure for the selection of administrators, ensuring its compliance and transparency;
- b) assesses the candidates, prepares and communicates to the general meeting of shareholders and the public supervisory authorities the shortlist of candidates and their ranking;
- c) notifies AMEPPE in the event of any deviations from the legal provisions relating to the conduct of the selection procedure, with a view to the application of sanctions and remedial measures.

VIII. ROLES AND RESPONSIBILITIES

This section defines the main activities that the parties involved in the recruitment and selection process for the positions of members of the Board of Administration of S.N.T.G.N. Transgaz S.A. must fulfill in order to ensure a good management of the recruitment and selection process.

☞ The supervising public authority shall have the following powers:

- notifies AMEPPE within 2 working days from the date of the Decision of the General Meeting of Shareholders, on the initiation of the selection procedure, in accordance with the provisions of **Art. 3 para. (3) of Annex no. 1 of G.D. no. 639/2023**;
- appoints 2 members to the selection and nomination panel;

- shall constitute by Order of the Secretary General of the Government the selection and nomination committee in accordance with the provisions of **Art. 4⁹ para. (1) and (2) of the G.E.O. no. 109/2011**, as amended and supplemented, and provides the secretariat of the selection and nomination committee;
- drafts and approves the Rules of organization and functioning of the Selection and Nomination Committee on the basis of the Framework Regulation referred to in **4⁴ para. (5) lit. c) point v) of G.E.O. No 109/2011**;
- drafts the Letter of Expectations in collaboration with the specialized departments of the supervising public authority, the management and governing bodies of the public enterprise, as well as in consultation with the shareholders, representing individually or jointly at least 5% of the share capital of the public enterprise, approves the final form by Order of the Secretary General of the Government and publishes it on its own website, together with the initial component of the selection plan;
- draws up and publishes the initial component of the selection plan on its own and the public enterprise's website for consultation of the shareholders representing individually or jointly at least 5% of the share capital of the public enterprise, within 15 days of the date of the launch of the selection procedure;
- draws up and publishes the draft Council profile;
- convenes the General Meeting of Shareholders no later than 10 days after the notification by the selection and nomination committee of the final appointment report.

➤ **The General Meeting of Shareholders has the following powers:**

- approves the launch of the selection procedure for the members of the Board of Administration, in accordance with the provisions of **Art. 3 para. (1) letter b) of Annex no. 1 to G.D. no. 639/2023**
- approves the profile of the Board and the profile of the candidate in accordance with **Art. 12 para. (3) of Annex no. 1 to G.D. no. 639/2023**;
- approves the integral component of the selection plan in accordance with **Art. 10 para. (4) of Annex no. 1 to G.D. no. 639/2023**;
- appoints the members of the Board of Administration on the basis of the Report on the final appointments drawn up by the Selection and Nomination Committee in accordance with the provisions of **Art. 22 para. (6) of Annex no. 1 to G.D. no. 639/2023**.

➤ **The Selection and Nomination Committee has the following powers:**

- draws up the selection plan, or the full component of the selection plan, in consultation with the shareholders, within 10 days of establishment;
- determines which of the criteria exemplified in **Annex no. 1a of Annex no. 1 to G.D. no. 639/2023** are mandatory criteria and which are optional, depending on the specificity and complexity of the public enterprise's activity and their weight in the short list;
- determines the content of the application file for the respective position;

- prepares and drafts the advertisement for the selection of the candidate and ensures its publication in at least two widely circulated economic and/or financial publications and on at least one nationally visible human resources recruitment platform or website. The advertisement must include the conditions to be fulfilled by the candidates, the selection criteria and the way in which the selection will be assessed;
- requests further clarification, in writing, from candidates, with a deadline for reply if necessary;
- carries out and coordinates the activities on which the long list is based. The long-list of candidates is the list of all candidates who have submitted a complete application file within the deadline set out in these Rules and is confidential;
- analyzes the information in the application files remaining on the long-list and allocates the candidates the score according to the evaluation grid for each criterion from the Council profile;
- requests information in addition to that submitted in the application file, where it considers it necessary;
- determines the score according to the evaluation grid for each criterion in the profile matrix for each candidate obtained on the basis of the requirements of the candidate profile;
- informs rejected candidates by electronic means;
- draws up the shortlist and informs candidates on the shortlist by electronic means that they are required to submit their declaration of intent to the supervising public authority within 15 days of being informed;
- analyzes the declaration of intent and integrates the results of the analysis into the assessment of the candidate;
- organizes the interview on the basis of the interview plan and ranks short-listed candidates;
- after finalizing the interviews, draws up the ranking of candidates and the Final Report;
- submits the Final Report to AMEPPE for the issuance of the opinion under the conditions provided for in **Article 4⁴ para. (5) lit. c) point vii) of G.E.O. no 109/2011**;
- submits the final report to the head of the supervising public authority with a view to convening the general meeting of shareholders to propose members to the Board of Administration;
- submits the Final Report for publication on the website of the supervising public authority, the public enterprise and AMEPPE, in compliance with the provisions of the General Data Protection Regulation;
- notifies AMEPPE in the event of any deviations from the legal provisions relating to the conduct of the selection and nomination procedure, with a view to applying sanctions and taking remedial action.

➤ **The Agency for Monitoring and Evaluation of Public Enterprise Performance (AMEPPE) has the following competences:**

- appoints, by order of the President, 2 members to the selection and nomination committee, within 3 days of receipt of the notification of the General Meeting's decision to initiate the selection procedure;
- initiates the selection procedure of the independent expert or appoints the previously selected independent expert, in accordance with the provisions of Law no. 98/2016 on public procurement, as amended and supplemented;
- communicates to the supervising public authority, respectively to the public enterprise, the order of the President provided for in **art. 4 para. (1) lit. a) of Annex no. 1 to G.D. no. 639/2023** as well as information on the independent expert selected according to **art. 4 para. (1) lit. b) of Annex no. 1 to G.D. no. 639/2023** within 3 days from the date of completion of the public procurement procedure, respectively from the date of receipt of the notification, if the independent expert is selected earlier;
- approves, by order, the framework regulation on the organization and functioning of the selection and nomination committees, in compliance with the methodology set out in **4⁶ para. (2) of G.E.O. No 109/2011**;
- receives the final reports of the Selection and Nomination Committees from the supervising public authorities within 3 working days of the completion of the selection and nomination procedures of the members of the Board of Administration;
- within 10 days from the date of receipt of the report, AMEPPE shall issue a positive opinion approving or canceling the procedure;
- publishes the Final Report on its website.

IX. ELEMENTS OF CONFIDENTIALITY

All candidates' files will be treated in the strictest confidence and access to the information contained in these files will be restricted to those persons involved in the decision-making process and in the selection procedure.

List of confidential items:

- - applicants' identity, personal data and application files;
- - information concerning the privacy of applicants.

List of items that can be made public:

- the initial component of the selection plan;
- letter of expectations;
- Board profile;
- selection and evaluation criteria;
- the integral component of the selection plan;
- the interview plan;

- the selection notice;
- model statements and forms;
- Final report, in compliance with the provisions of the General Data Protection Regulation.

X. SELECTION PROCEDURE. ACTION PLAN

This section defines the stages of the selection process, deadlines, required documents and parties involved. Dates and deadlines are indicative. The table below summarises these elements:

No.	Action/stage	Deadline	In charge	Notes
1.	Initiating the procedure for the selection of the members of the Board of Administration	OGMS resolution no. 9 23.10.2024	PSA GMS	According to Art.3 para. (1) letter. c) of Annex no.1 of G.D. no. 639/2023
2.	Drafting the Letter of expectations		PSA through the corporate governance structure in consultation with the specialized structures within the PSA and with the company's management and governing bodies	According to Art. 4 para. (1) of Annex 1b of G.D. no. 639/2023
3.	Publication of a notice of shareholder consultations	At least 5 days before the date set for consultation	PSA/PE	According to Art. 4 para. (3) of Annex 1b of G.D. no. 639/2023
4.	Approval and publication Letter of expectations as part of the initial component of the selection plan	GSG Order	PSA/GSG/PE/ AMEPPE	According to Art. 4 para. (4) and Art. 5 para. (1) of Annex 1b of G.D. no. 639/2023 with the initial component of the selection plan
5.	Preparation and publication of the draft of the initial component of the selection plan	Within 15 days from the start of the selection procedure	PSA/PE	According to the provisions of Art. 5 para. (3) of Annex no.1 of G.D. no. 639/2023

6.	Proposal forms to modify and complete the initial component of the selection plan	Within 5 days from the date of publication	Shareholders, individually or jointly representing at least 5% of the share capital of the public enterprise	According to the provisions of Art. 5 para. (4) of Annex no.1 of G.D. no. 639/2023
7.	Approval of the initial component of the selection plan	Within 10 days from the date of completion of the consultation procedure	PSA	According to the provisions of Art. 5 para. (6) of Annex no.1 of G.D. no. 639/2023
8.	Launching the selection procedure for the independent expert and contracting the services		AMEPPE	According to the provisions of Art. 4 para. (1) letter b) and art. 6 of Annex no.1 of G.D. no. 639/2023
9.	Appointing the selection and nomination committee		PSA	According to the provisions of Art. 4 ⁹ para. (1) and (2) of G.E.O. no. 109/2011 and Art. 3-6 of Annex no.1 of G.D. no. 639/2023
10.	Preparation and publication of draft Board profile and submission to AMEPPE	Within 5 days of approval of the initial component of the selection plan	PSA through the corporate governance structure	According to the provisions of Art. 12 of Annex no.1 of G.D. no. 639/2023
11.	Preparation and publication of the draft integral component of the selection plan	Within 10 days of the establishment of the selection and nomination committee	Selection and nomination committee	According to the provisions of Art. (1) and (2) of Annex no.1 of G.D. no. 639/2023

12.	Proposal forms to modify and complete the integral component of the selection plan	Within 5 days from the date of publication	Shareholders, individually or jointly representing at least 5% of the share capital of the public enterprise	According to the provisions of Art. 10 para. (3) of Annex no.1 to G.D. no. 639/2023
13.	Approval of the integral component of the selection plan		GMS	According to the provisions of Art. 10 para. (4) of Annex no.1 of G.D. no. 639/2023
14.	Publication of the selection of the members of the Board	At least 30 days before the deadline for applications specificată în anunț	PSA/Board Chairman	According to the provisions of Art. 19 para. (2) and (3) of Annex no.1 of G.D. no. 639/2023
15.	Applications submission	Within 30 days of the date of publication of the notice	Applicants	According to the provisions of Art. 20 of Annex no.1 of G.D. no. 639/2023
16.	Assessment of applications against minimum criteria	Within a maximum of 5 working days from the deadline for applications	Selection and nomination committee	The Long List will be drafted
17.	Request for written clarification of the application	Within 2 days of assessment	Selection and nomination committee	According to the provisions of Art. 20 para. (2) of Annex no.1 of G.D. no. 639/2023
18.	Written notification of candidates rejected from the Long List	Within a maximum of 5 working days from the date of adoption of the rejection	Selection and nomination committee	According to the provisions of Art. 20 para. (3) of Annex no.1 of G.D. no. 639/2023

		decision		
19.	Drafting the Long List		Selection and nomination committee	According to the provisions of Art. 20 para. (4) of Annex no.1 of G.D. no. 639/2023
20.	Analyzing the information from the remaining Long List application files and allocating the score according to the evaluation grid for each criterion in the Council profile and requesting additional information if necessary	Within 3 days from the date of completion of the Long List	Selection and nomination committee	According to the provisions of art. 21 of Annex no.1 of G.D. no. 639/2023
21.	Drafting the Short List	Within 15 days after the closing date for applications	Selection and nomination committee	According to the provisions of art. 22 of Annex no.1 to G.D. no. 639/2023
22.	Informing of the Short List candidates about the inclusion of their applications on the Short List		Selection and nomination committee	According to the provisions of Art. 22 para. (2) of Annex no.1 of G.D. no. 639/2023
23.	Submission of declaration of intent by Short List candidates to the supervising public authority	Within 15 days from the date of notification	Short List candidates	According to the provisions of Art. 22 para. (2) of Annex no.1 of G.D. no. 639/2023
24.	Analyzing the declaration of intent and integrating the results into the candidate's assessment	Within 5 days of submitting the declaration of intent	Selection and nomination committee	According to the provisions of Art. 22 para. (3) of Annex no.1 of G.D. no. 639/2023

25.	Final selection of candidates by interview (based on the Interview Plan)	Within 10 days of the interview date being advertised	Selection and nomination committee	According to the provisions of Art. 22 para. (4) of Annex no.1 of G.D. no. 639/2023
26.	Ranking of candidates and final report	Within 10 days of the end of the interviews	Selection and nomination committee	According to the provisions of Art. 22 para. (6) of Annex no.1 of G.D. no. 639/2023
27.	Submission of the final report to AMEPPE in order to issue the conforming opinion and subsequently to the head of the PSA		Selection and nomination committee	According to the provisions of Art. 22 para. (7) of Annex no.1 of G.D. no. 639/2023
28.	Publication of the final report on the PSA, public enterprise and AMEPPE websites	After AMEPPE has given its assent	PSA/PE/ AMEPPE	According to the provisions of Art. 22 para. (8) of Annex no.1 of G.D. no. 639/2023
29.	Appointment of members of the Board	Convocation of the GMS in maximum 10 days from the date of communication of the final report GMS meeting for the appointment of the members of the Council	PSA GMS	According to the provisions of Art. 22 para. (11) of Annex no.1 of G.D. no. 639/2023

XI. RULES FOR THE COMPOSITION OF THE BOARD OF ADMINISTRATION

- the members of the Board of Administration must have a university degree and at least 7 years experience in engineering, economics, social sciences, law or in the field of activity of the company;

- not more than one member of the Board of Administration is a civil servant or a staff member of the supervising public authority or of other public institutions or public authorities;
- may not be administrators persons who, according to the law, are incapacitated or have been convicted of offenses against property by breach of trust, crimes of corruption, embezzlement, crimes of forgery of documents, tax evasion, offenses provided by **Law no. 129/2019** for the prevention and sanctioning of money laundering, as well as for the establishment of measures to prevent and combat the financing of terrorism, republished, as amended;
- the majority of the members of the Board of Administration shall be non-executive and independent administrators within the meaning of art. **138² of Law no. 31/1990** on Companies, republished, as amended. Civil servants, senior civil servants, as well as other categories of personnel within the supervising public authority or within other public authorities or institutions cannot be considered independent;
- the number of members of the Board of Administration shall be determined in compliance with the principles laid down by **Law no. 202/2002** on equal opportunities and equal treatment between women and men, republished, with subsequent amendments and additions, so that at least one third (1/3) of the total number of administrators shall be women and at least one third (1/3) of the total number of administrators shall be men; the Board of Administration may not be composed exclusively of persons of the same gender;
- an individual may hold at the same time a maximum of 2 mandates as member of the Board of Administration in public enterprises having their registered office in Romania;
- revoked administrators may no longer stand as candidates for 5 years from the date of the final judgment, for other boards of administration provided for by G.E.O. no. 109/2011.

XII. FUTURE ACTIONS TO FINALIZE THE SELECTION PLAN

In order to finalize the Selection Plan, the selection and nomination committee will undertake the necessary activities to comply with the provisions of the **G.E.O. no. 109/2011** on the corporate governance of public enterprises, as amended and supplemented, as well as those of **G.D. no. 639/2023** for the approval of the Methodological Norms for the application of the G.E.O. no. 109/2011 on the corporate governance of public enterprises.