

To,

S.N.G.N. Romgaz SA Ordinary Meeting of Shareholders

Registration No.10579 / 22.03.2022

NOTE

on the approval of S.N.G.N. Romgaz S.A. Remuneration Policy

Pursuant to the provisions of Art. 106 of Law No. 24/2017 on financial instruments and market operations issuers, and the conclusions and measures of the Nomination and Remuneration Committee presented in the Remuneration Report for 2021 financial year, we submit ROMGAZ Remuneration Policy amendment project for ROMGAZ GMS approval, having in view the reasons/aspects shown below:

The Remuneration Policy submitted to amendment was approved by the General Ordinary Meeting of Shareholders by Resolution No. 2 of April 27, 2021 in the context of the amendment of Law No. 24/2017 on financial instruments and market operations issuers. The Law introduced new requirements in addition to those regulated by GEO 109/2011¹, requirements related to both the Remuneration Policy and the Directors' and Managers' Remuneration Report annually elaborated at Company level.

At the time the Remuneration Policy was approved, ROMGAZ directors and managers were appointed for executing interim mandates of maximum 6 months, their remuneration being approved under the form of a fixed allowance, without approving the granting of a variable component. ROMGAZ directors and managers interim mandates situation maintained up until the end of 2021 financial year.

By Resolution No. 9 of October, 2021, the General Ordinary Meeting of Shareholders approved the selection procedure initiation for the Board of Directors members', procedure initiated by the Energy Ministry which shall be completed by the beginning of the 2nd quarter of 2022 financial year, the latest.

Whereas, by the end of the selection process and the appointment of some directors for a 4 years mandate, the interim situation, with all the consequences on the remuneration, shall maintained for both the directors and the managers, the policy amendment/adaptation in the proposed form is necessary for drafting the Remuneration Report for 2022 financial year, which has to comprise explanations related to the compliance or breach thereof.

¹ On corporate governance and public companies

Based on the Nomination and Remuneration Committee conclusions and measures, presented in the 2021 Remuneration Report, the amendments to the applicable Remuneration Policy are not the result of a significant revision thereof, and are mainly related to:

- The rights of Romgaz directors and managers appointed for interim mandate, both under the aspect of the granted remuneration and the categories of benefits/advantages that these can benefit from;
- The decision making process related to the Remuneration Policy;
- Romgaz reporting method/obligations regarding directors and managers remuneration.

Following the directors and managers appointment for four years and the administration plan drafting based on which the General Ordinary Meeting of Shareholders determines and approves the financial and nonfinancial indicators underlying the variable component, S.N.G.N. ROMGAZ S.A. Remuneration Policy shall be significantly revised and shall totally comply with the applicable legal requirements by:

- Including the performance indicators/criteria approved for granting the variable component;
- Including the algorithm for granting the variable component;
- Including an explanation on the way the remuneration and hiring employees conditions were taken into account within the Remuneration Policy;
- Regulating more clearly the chapter related to benefits and other advantages, by separating the financial and nonfinancial benefits.
- Including a chapter related to (measure for) avoiding conflict of interests regarding:
 - Directors and managers current business,
 - Establishing the fixed allowance (limits),
 - Establishing the variable remuneration and the performance indicators,
 - The Remuneration Policy approving/revision/implementation process;
- Analysing and possibly supplementing the new chapter related to derogations from the Policy.

The Remuneration Policy was endorsed by S.N.G.N. Romgaz S.A. Board of Directors in the meeting dated March 22, 2022.

Board of Directors Chairman
Drăgan Dan Dragoș

Chief Executive Officer,
Jude Aristotel Marius

Chief Financial Officer,
Popescu Răzvan