

LETTER OF EXPECTATIONS

in the recruitment process for the members of the Board of Directors of
Societatea Nationala de Gaze Naturale ROMGAZ SA

The Ministry of Energy has prepared this Letter of Expectations setting out the financial and non-financial expectations of the Public Competent Authority regarding the performances of Societatea Nationala de Gaze Naturale Romgaz SA (hereinafter referred to as S.N.G.N. Romgaz SA) and of its management bodies for a 4 year period, namely 2023 – 2027, aiming at the development of a cooperation relation based on mutual trust, complying with the principles of transparency, accountability, economic efficiency and profitability of the Company.

In accordance with the provisions of Article 6, Section 2, Chapter I of Annex 1C of Government Decision No. 722/2016 for the approval of the Enforcement Guidelines for the implementation of certain provisions of Government Emergency Ordinance No. 109/2021 on the corporate governance of public enterprises, as amended, *"The letter of expectations is a summary of financial and non-financial expectations of the public competent authority, drawn up in consultation with the shareholders, as the case may be, representing, individually or jointly, at least 5% of the share capital of the public enterprise, and the government strategy in the sectors in which the public enterprise operates, as well as the fiscal-budgetary policies, highlighting the link between them and the general expectations of the public competent authority and the shareholders, as the case may be, from the management and governing bodies of the public enterprise."*

The Letter of Expectations is the working document including the performances expected of the management and governing bodies and the shareholder policy regarding the management and the governance of the public enterprise.

This document was prepared under the provisions of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, approved with amendments and additions by Law No. 111/2016 (GEO No. 109/2011) as subsequently amended, as well as the Enforcement Guidelines for the implementation of certain provisions of GEO No. 109/2022, as approved by Government Decision No. 722/2016 and represents the goals of the Ministry of Energy, as the public competent authority, regarding the evolution of S.N.G.N. Romgaz for the next 4 years.

The document is for information purposes only and it will represent the basis for preparing the declarations of intent of the candidates in the Short List.

The Letter of Expectations will be brought to the attention of the candidates in the Short List provided by the independent expert specialized in recruitment and selection of human resources contracted to carry out the selection of candidates for seven positions as a member in the Board of Directors of SNGN Romgaz.

I. General Information about the Company

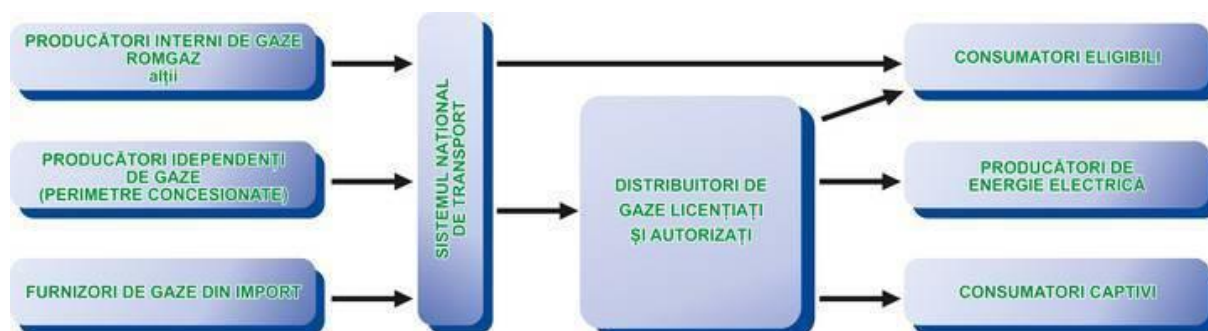
S.N.G.N Romgaz is the largest natural gas producer and the main supplier in Romania.

The company has been listed on Bucharest Stock Exchange and London Stock Exchange (LSE) since 2013. It is a joint stock company whose majority shareholder is the Romanian State holding a 70% stake.

The company has a vast experience in the field of gas exploration and production and a history that began more than 100 years ago, in 1909, with the discovery of the first commercial gas reservoir in the Transylvanian Basin by drilling well Sarmasel.

S.N.G.N Romgaz SA undertakes geological exploration in order to discover new gas reserves, produces methane by exploiting the reservoirs included in the company portfolio, stores natural gas in the underground deposits, interventions, workover and special operations at wells and technological transport.

Starting with 2013, S.N.G.N Romgaz SA extended its scope of work by taking over Iernut thermoelectric power plant, and thus it became also electricity supplier.



S.N.G.N. Romgaz position on the Romanian Gas Market.

The company develops by implementing latest technology in geologic exploration, gas production and underground storage, financed from our own or external sources. The company economic and financial position is characterized by the profit constancy and solvency. Thus, S.N.G.N. Romgaz is one of the state-owned companies that have fulfilled all the conditions for economic rise, turning into one of the most important companies Romania.

The revenue for 2021 (preliminary results) is RON 5,852.9 million with an estimate net profit of RON 1,897.1 million.

II. Aspects regarding the activities carried out by S.N.G.N. Romgaz SA:

A. Exploration

S.N.G.N. Romgaz develops petroleum operations on the Romanian territory as a Sole Titleholder of the Concession Agreement for Exploration – Development – Production approved by Government Decision No. 23/2000, for 8 Exploration – Development – Production Blocks with a total surface of 16.282 km², organized by three major projects:

- TRANSILVANIA PROJECT: with exploration blocks RG.01 Transilvania Nord, RG.02 Transilvania Centru, RG.03 Transilvania Sud
- MOLDOVA PROJECT: with exploration blocks RG.04 Moldova Nord, RG.05 Moldova Sud
- MUNTENIA – OLTENIA PROJECT: with exploration blocks RG.06 Muntenia Nord-Est, RG.07 Muntenia Centru, RG.08 Oltenia

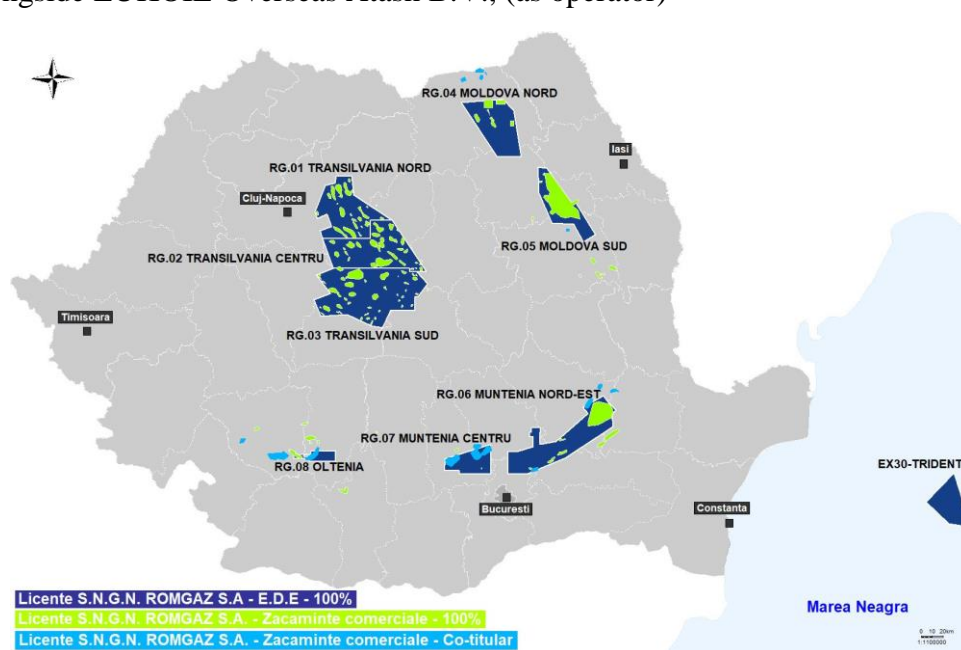
S.N.G.N. Romgaz S.A. performs operations in blocks as co-titleholder, together with foreign partners:

ONSHORE

- Romania: commercial fields together with Raffles Energy S.R.L.: Bilca, Vicsani, Fratauți, Voitinel, Lilieci
- Romania: commercial fields together with Amromco Energy S.R.L. (as operator): Bibesti, Stramba, Finta-Gheboiaia, Fierbinți-Targ, Frasin-Brazi, Zatreani, Boldu, Rosioru, Gura-Sutii, Balta Alba and Vladeni

OFFSHORE

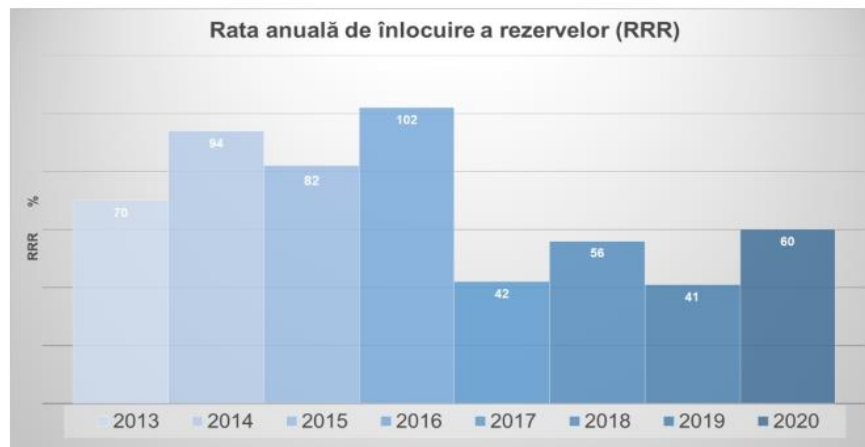
- Block EX 30 – Trident, deep water area of the Black Sea, participating interest 12.2%, alongside LUKOIL Overseas Atash B.V., (as operator)



2020 – Major gas discoveries

- 10 exploration wells that completed drilling works, 5 wells of which performed positive results in the production tests (they will enter the experimental/final exploration phase after the execution of the necessary infrastructure) and a well is in production tests;
- 3 wells performed final production tests, with a positive result;
- Exploration of the Transylvanian Basin at the pre-saliferous depth objectives – within the major project “Transylvania” - continues by preparing deep-sea drilling wells;
- Evaluation of Caragele – Deep discovery and confirmation of prospective potential at the level of deep-sea objectives of Mesozoic age;
- Acquisition of 3D seismic data in Blocks RG.08Oltenia and RG.06 Muntenia Nord-Est.

Increasing our gas reserves and resources is a strategic priority. Diversification/expansion of gas resources and reserves is achieved through „Discoveries + Enhancement in the recovery rate of proved reserves”.



Based on the new discoveries made in 2020, the annual reserves replacement rate was estimated at 60%.

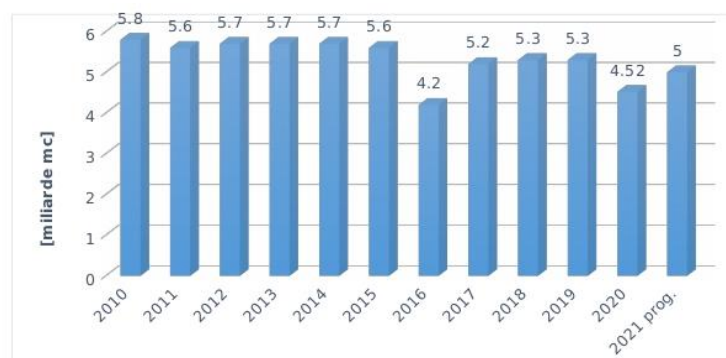
For Q1 2018, DeGolyer&MacNaughton, an American company, carried out the external audit of contingent reserves and resources held by Romgaz, thus:

- total Contingent Resources of 78.4 billion m³ (+55% as compared to December 2015)
- average reserves replacement rate for the last 5 years of 78% - highly above the company's target of 70%.

B. Natural Gas Production

S.N.G.N. Romgaz SA natural gas production activities are currently performed by the two production branches, with the headquarters in Mediaș and Targu Mureș operating together over 140 commercial fields located in Transylvania, Moldova, Oltenia and Muntenia.

The graphic below shows the evolution of S.N.G.N. Romgaz gas production recorded between 2010 and 2020:



The relatively constant level of production in recent years has been supported by:

- Transition to production phase and exploitation of the geological exploration results by bringing the new gas commercial discoveries into economic circuit.
- implementing the projects on production rehabilitation of the main mature fields thus minimising the production decline on these fields;
- performing workover and recompletion operations at the wells to reactivate them;
- installing new compressor capacities to optimize the gas field exploitation process;

The production facilities utilization depends on gas sales volumes, which is normally near the value of 100%. In 2020, due to overlapping of commercial, economic, health and regulation factors leading to decrease of gas sales for Q2 and Q3, the production gas utilization was lower (approximately 85%).

Medias Branch is an organisational entity with no legal personality and with limited autonomy, established by the approval of General Meeting of Shareholders and in accordance with the SNGN ROMGAZ SA Articles of Incorporation in order to conduct the specific activities in the territory.

In order to perform its operational activities, the Branch is composed of organizational units (gas production stations, gas compressor stations, workshops, work teams) in the localities where its commercial reservoirs are located.

Târgu Mureş Branch is an organisational entity with no legal personality and with limited autonomy, established by the approval of General Meeting of Shareholders and in accordance with the SNGN ROMGAZ SA Articles of Incorporation in order to conduct the specific activities in the territory.

In order to perform its operational activities, the Branch is composed of organisational units (gas production stations, gas compressor stations, workshops, work teams) in the localities where its commercial reservoirs are located.

Târgu Mureş Branch is composed of 8 (eight) sections.

C. Electricity Production

After the takeover of CTE Iernut, in 2013, Romgaz became an important electricity producer of the National Power Grid (NPG).

SPEE Iernut Branch operates and maintains CTE Iernut (Electric Power Plant CTE Iernut) built in the conventional cycle (in condensation, with intermediate overheating), as well as the 2x1500 kW low power energy groups of Cojocna (with gas heat engines).

S.N.G.N. Romgaz S.A. Strategy Elements

Strategic planning is a particularly important instrument in terms of the company's management. Maximum attention is paid to objectives envisaged, clear establishment of the path to operational efficiency of the activity and sustainable development so that through its construction and implementation, the future governing plan must be governed by a responsible, prudent, professional and ethical attitude towards all stakeholders (shareholders, employees, partners, community, state authorities and institutions, media, etc.).

Being aware of the mission's importance for the country and the company, the private, professional management of SNGN Romgaz SA undertakes to ensure an efficient, transparent and effective corporate governance, which, by capitalizing with maximum efficiency on existing and future opportunities, will allow the company to achieve excellence in business, transforming it into an operator with recognition on the national and international gas market, a leader on the energy market in region, thus contributing to defining Romania as an important natural gas player in Europe.

The strategic vision of S.N.G.N. Romgaz members of the Board of Directors will mainly refer to:

- operational efficiency and stability;
- safety and energy security;

- performance optimization;
- sustainable development of the company.

Starting from the global diagnosis of the activity carried out and of the premises of the environment in which it operates, taking maximum advantage of all existing and future opportunities, the following strategic directions of action have been rigorously structured:

1. Operational excellence for efficiency and quality;
2. Ensuring a dedicated and skilled workforce;
3. Implementation of the corporate governance framework: public governance, internal control, risk management, audit committee, internal public audit and external audit.

III. The vision of the Public Competent Authority regarding S.N.G.N. Romgaz SA mission and objectives

As *Public Competent Authority*, the Ministry of Energy aims for the company to become a leader both in the regional and European energy market.

The Ministry of Energy intends that, for the next 4 years, the members of the Board of Directors act for the sustainable financial performance of the company by pursuing, but not limited to, the following objectives:

- Increasing the portfolio of gas resources and reserves by discovering new resources and developing and improving the recovery rate of resources already discovered;
- Consolidating the position on energy and gas supply markets by reconsidering the regional commercial policy, including residential sector;
- Optimizing, developing and diversifying the underground storage activity by reconsidering its importance in order to ensure security, continuity and flexibility of gas supply;
- Increasing the daily flow rate by investments to reduce the dependence of daily flow rate from the reservoir pressure;
- Exploring/Identifying possibilities of installing some underground gas storages in salty caverns;
- Identifying some new opportunities of growth and diversification of the company's activities, both internally and regionally;
- Increasing the company's performance.

The performance objectives that S.N.G.N. Romgaz SA shareholders must achieve and which are monitored by the public competent authority shall be negotiated and approved in accordance with the legal provisions in force.

The expectations of Romgaz shareholders are referring to the following elements:

1. Identification and implementing solutions for:

- the company's modernization and efficiency enhancement;
- optimization of the production capacities performance;
- enhancement of the current recovery rate by rehabilitation, development and modernization of the existing facilities;
- consolidating the position on the internal energy and ancillary services wholesale market;

2. *Resources and reserves portfolio enhancement (discovery of new resources and improvement of recovery rates), namely:*
 - improvement of the recovery rate and development of the already discovered resources;
 - extension of life and recovery rate of the already existent reservoirs;
 - maintenance and development of new partnerships/associations;
 - discovery of new resources in the existent blocks;
 - carry on the exploration program (current licenses or new licenses);
 - acquiring rights in new onshore blocks to explore and develop unconventional gas resources;
3. *Identification of new development and diversification opportunities*
 - constant development of the onshore reservoirs in the pre-saliferous areas;
 - exploration of unconventional resources potential in Romania;
 - particular attention to be paid on deep water reservoirs (Black Sea);
4. *Company performance enhancement*
 - optimization of the company's procedures and policies (monitoring and reporting);
 - risk and control management;
 - IT systems;
5. *Optimization, development and diversification of the underground storage activity by reconsidering its importance, to ensure security, continuity and flexibility in gas supply*
6. *Efficiency enhancement of the underground gas storages in order to improve the capability of gas trading;*
7. *Increasing the daily flow rate by investments in order to reduce the dependence of the daily flow rate from the reservoir pressure.*
8. *Arresting natural decline of gas production to maximum 1.5% year;*
9. *Consolidation of its position on the electricity supply market;*
10. *Optimization and improvement of the company organizational structure;*
11. *Elaboration of a foreseeable/predictable dividend policy of the Company for potential investors to have a clear picture of the financial structure of the Company;*
12. *Extension of the Company's scope of activity on a regional level by identifying some new business opportunities;*
13. *Implementation of corporate governance principles and the Ethics and Integrity Code;*
14. *Development of the reporting, control and risk management capabilities;*
15. *Responsible and active involvement in corporate social responsibility actions.*

Expectations related to investments initiated by S.N.G.N. Romgaz S.A.

By applying an investment policy appropriate for the current energy environment, SNGN Romgaz SA shall allocate all financial and human resources to implement state of the art technologies in the field of geological exploration, production and gas storage.

In terms of energy transition, Romania views gas as an energy resource with a fast and efficient contribution to valorise the energy efficiency program by using available and innovative

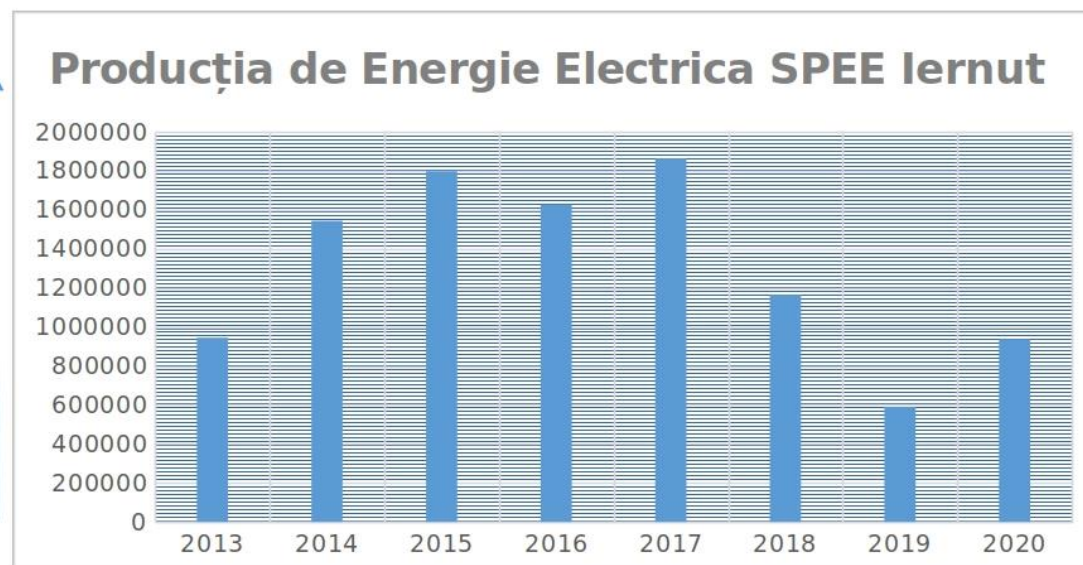
technologies. Having in mind the complex and extended investment program, S.N.G.N. Romgaz S.A. considers the following:

Iernut Thermal Power Plant

Located in an important junction point of the National Power Grid, in the centre of Transylvania, CTE Iernut lies in Mures County, on the left bank of Mures River, between towns Iernut and Cuci, having all facilities necessary to operate: gas supply station (Gas Regulating and Metering Station SRM Cuci belonging to Transgaz), gross water for preparing the working and cooling fluid (Mures River) and the possibility to connect to the National Power Grid (High Voltage Electricity Station 110/220/400kV Transelectrica) for disposal of produced electricity.

CTE Iernut was put into operation between 1963-1967, with an installed power of 800 MW, four groups of 100 MW each, made in Czechoslovakia and two groups of 200 MW, made in the former Soviet Union. The current total efficiency old power plant is ~32 %.

Taking into consideration the construction works of the Combined Cycle Gas Turbine Power Plant of 430 MW, the need to use the methane gas supply circuits, the cooling water circuits and electrical connections to existing high voltage cells, in 2019 groups no. 1, 2, 3, and 6 were permanently decommissioned, only group 4 (100 MW) and group 5 (200 MW) are currently in commercial operation. The conventional plant will remain in operation until the new plant starts commercial operation.



Combined Cycle Power Plant 430 MW

Romgaz is currently developing a project for CTE Iernut by building a new combined cycle thermal power plant, with an installed power of 430 MW and a gross electrical efficiency with a nominal value of 56.42%.

Modernizing/developing CTE Iernut was necessary and opportune to improve the technical-economic parameters of the plant, to increase operational safety and to ensure compliance with the provisions of the European Parliament Directive 2010/75/EU on industrial emissions.

Energy groups will be dispatched and will ensure ancillary services: active power regulation (primary, secondary, fast tertiary), ensuring reactive power and voltage control range, in accordance with the qualification requirements of Transelectrica – DEN.

Cojocna 1.5 MW Group

Low energy power groups from Cojocna, Cluj County, produce electricity through heat engines, the fuel used is gas produced from the surrounding areas.

Performed within an experimental project, the groups initially used as fuel gas from Well 2 and 4 Cojocna. Due to positive results, as of Q4 2017, the electricity equipment are supplied with gas from Well 1 Palatca and Wells 1 and 2 Vaida, also.

The electricity production through low energy power heat engines represents another alternative to dispose of gas from isolated wells for which the construction of kilometre long gathering pipes, is not justified.

Romgaz concern for addressing the energy mix as producer

Romgaz aims to be an active, profitable and competitive player on the energy market. Romgaz mission is to produce and supply high quality electricity, under safety conditions and operational continuity and flexibility.

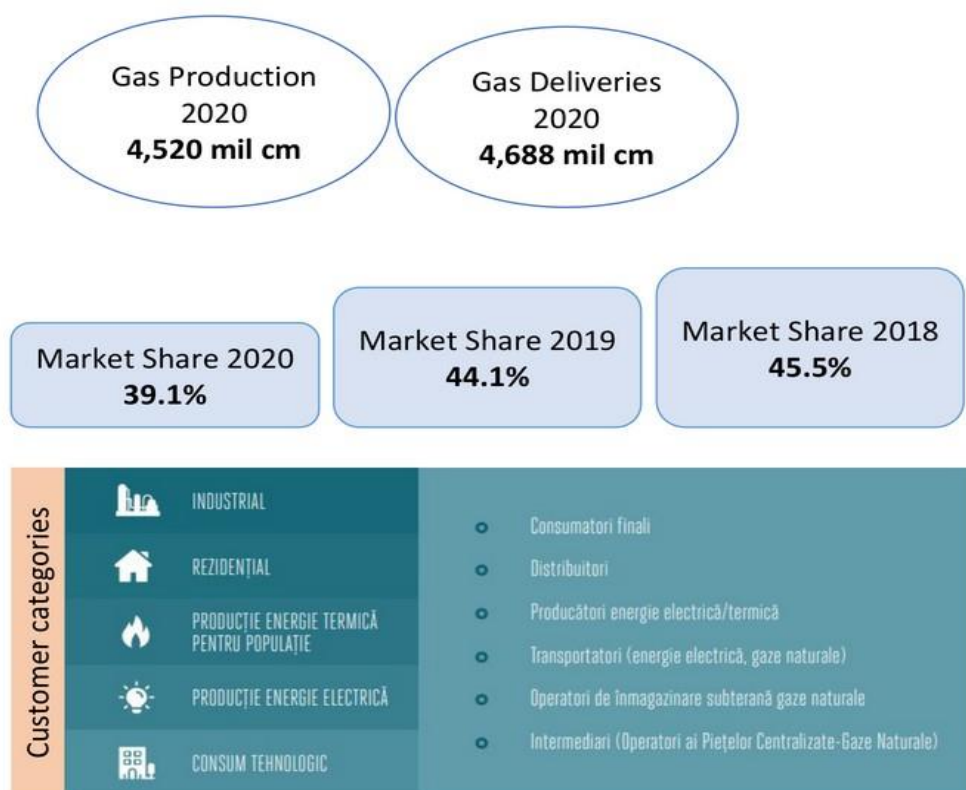
The alignment of investment policies with European and national targets for clean renewable electricity (wind, photovoltaic, geothermal, biogas) is also a priority for the company.

Romgaz supports and promotes the concept of a diversified energy mix as producer, with low-emissions and high energy efficiency to balance the resource portfolio of the company.

Trading

S.N.G.N. Romgaz S.A. trades natural under its own policy aimed at ensuring access to gas quantities for all potential customers under transparent, non-discriminatory and competitive conditions

Romgaz offers products both on the centralized market and through direct bilateral contracts based on the principles of the trading policy so that every customer category benefits from equal treatment under equivalent conditions.



Technological Transport and Maintenance

Romgaz performs, through one of its branches Sucursala de Transport Tehnologic și Mentenanță (STTM) Târgu - Mureș transportation of goods and people, technological transportation particularly, and maintenance activity for the benefit of the company and third parties. The activities are:

- diagnosis, maintenance and repairs of vehicles (including tractors and bulldozers);
- metallic plate works and pipeline repairs;
- repair and winding of electric motors; verification and charging of extinguishers;
- maintenance, inspection, and repairs of drying stations, water pumps, pressure regulators, and construction of water and gas installations;
- general attendance (carpentry, central heating etc.);
- automation, electrical and electronic revisions and maintenance for gas compressors, construction and maintenance of well access roads;
- pavement of platforms and of access roads;
- construction of well perimeter and restoration of land to the agricultural circuit.

Well workover and Special Well Operations

SIRCOSS is the branch for well services of SNGN ROMGAZ S.A. established in 2003 as a result of a reorganization process. This branch reunited all work teams and equipment used for the well workover and special well operations activities.

SIRCOSS specialises in well recompletions operations and workover, special well operations and production tests in natural gas wells.

Such works are performed at wells belonging to Medias and Targu-Mures production branches, SIRCOSS is available to provide services for third companies.

In the previous years, most services were carried out for Medias Gas Production Branch, Targu Mures Gas Production Branch and UGS Branch in Ploiesti.

SIRCOSS has the following Environmental Management System certifications DIN EN ISO 14001:2005, ISO 45001 and ISO 9001.

Underground Gas Storage

S.N.G.N. ROMGAZ S.A. unbundled the storage activity starting with April 1, 2018 by transfer of License no. 1942/2014; the activity is performed by a storage operator, a subsidiary, having S.N.G.N. ROMGAZ S.A. as sole associate.

S.N.G.N. Romgaz S.A. – Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL.

Cooperation

Cooperation in Romania

In Romania, Romgaz is co-titleholder of rights and obligations in 15 petroleum blocks.

In these 15 blocks, Romgaz carries out its activity in compliance with Joint Operation Agreements concluded with its partners for the respective blocks, namely:

- 11 petroleum development and production blocks in the Moesian platform and Getic depression, where Romgaz performs production rehabilitation activities together with Amromco Energy SRL;
- 2 petroleum exploration-development-production blocks located in the north-eastern part of the country, namely Brodina block (exploration and production areas) and Bacau block, where Romgaz carries out petroleum operations together with:

1. Raffles Energy – exploration area;
 2. Raffles Energy in Brodina – production area;
 3. Raffles Energy in Bacau block.
- 1 offshore exploration-development-production block located on the continental shelf of the Black Sea (EX 30 TRIDENT) together with Lukoil Overseas Atash B.V.

Until November 30, 2018 Romgaz had a 15 years cooperation with Schlumberger Logelco Inc in the Transylvanian Basin, Laslau Mare field, under an Association Agreement, without legal personality, for production rehabilitation by enhancement of reserves.

Cooperation Outside Romania

Romgaz notified in April 2020 that it relinquishes its participating interest in Svidnik Block located in the Republic of Slovakia, this action caused the end of exploration activities performed by Romgaz in this block.

Romgaz focuses to develop its business outside Romania by purchasing or acquiring petroleum right and obligations to perform exploration-development-production operations with the stated purpose to record the first petroleum and gas reserves outside the country's borders.

Romgaz holds participating interests in a number of companies, as follows:

- S.N.G.N. ROMGAZ S.A. – FILIALA DE ÎNMAGAZINARE GAZE NATURALE DEPOGAZ PLOIEȘTI SRL 100%;
- DEPOMURES SA-ROMGAZ 40%; services related to crude oil and gas production, including prospecting services;
- AGRI LNG Project Company SRL- ROMGAZ (50%); consultancy services for business and management;
- Societatea ELECTROCENTRALE Bucuresti SA, in insolvency – ROMGAZ: 2.49%; electricity and heat production.

In the current economic context, to apply Romgaz development and investment strategy, for a good performance of current activities, the Company provides for strategic investments both for the company and for the Romanian gas sector, as follows:

Concession of new blocks and offshore gas production in the Black Sea:

- (i) **Neptun Deep Project:** acquisition of ExxonMobil Exploration and Production Romania Limited (hereinafter „EMEPRL”) which holds 50% of the acquired rights and obligations related to XIX Neptun Deep Block in the Black Sea – an investment of approx. RON 4.6 billion (USD 1.06 billion) for the acquisition of the interest shares;
- (ii) **Trident Project:** Romgaz holds 12.2% of the concession of EX-30 Trident Block in the Black Sea, alongside Lukoil Overseas Atash B.V;

Development of licensed blocks

Exploration projects of mature fields from Transylvania, Moldova and Muntenia-Oltenia, which support the Company's current production still offers significant potential with better controlled geological risks. Therefore, Romgaz planned investments of approx. RON 1.2 billion for the following years to develop these fields, as follows:

- (i) **Caragele Project – Mesozoic:** a high depth project, which simultaneously mobilizes substantial investments (approx. RON 675 million) in the following 5-6 years both in the development phase of already discovered accumulations and for assessing other accumulations identified by 3D seismic to be subject of future drilling programs;

- (ii) **Snagov Project:** construction of surface infrastructure required to stream into production wells that tested positive for hydrocarbons with commercial potential (more than 800 thousand m³/day);
- (iii) **Moldova-Nord Project:** assessing and streaming into production hydrocarbon discoveries identified in the southern part of RG04 Moldova Nord block.

Producing Sustainable Energy:

- (i) Development of 180 MW capacities to generate electricity from renewables – a 60 MW solar park to be operational;
- (ii) Assessing the feasibility to construct new gas-fired power plants, including use of green energy and hydrogen;
- (iii) Significant investments to increase efficiency of Iernut Power Plant to minimum 55%, compliance with environmental requirements (NOX, CO₂ emissions) and increasing operational safety.

Minimum 10% reduction of carbon, methane and other gas emissions:

- i. Modernize equipment and facilities;
- ii. High-technology equipment in order to reduce pollutant emissions;
- iii. Solutions for methane capture.

IV. Information on the main risks S.N.G.N. Romgaz SA is exposed to

Starting from the complexity of the business, the Company may face risks in various areas and different fields.

- a) *Operational risk* is closely related to the market position, to the identification and assessment of investments, to profits/losses generated by the Company's activity, to possible fines, penalties, sanctions, to a deficient establishment or management of contractual obligations.
- b) *Economic environmental risks* – requires special attention in identifying and carrying out investments in modernization, upgrading or development, in compliance with customer contracts, flexibility and adaptation to customer needs.
- c) *Credit risk* – company policies provide that sales are made to customers with low credit risk, and are guaranteed either by advance payment or bank guarantee letters. The company has a concentration of credit risk in relation to its four largest customers who together account for 70% of the outstanding receivables.
- d) *Environmental risk* – new regulations related to the revision of environmental agreements and the preparation of new appropriate assessment studies and reports on the environmental impact of the project; in protected areas there are risks related to the possibility of transferring water volumes from one river basin to another.
- e) *Management risk* - is closely related to the qualification of the staff, the capacity to carry out the activities that contribute to the achievement of the scope of activity. In order to manage this risk, modern management and efficient risk management must be implemented at the company's activities/processes, in close correlation with the specific objectives.

Risk management has to become an essential and integral component of each project, part of the decision-making process and part of prioritising actions/investments.

V. Elements related to S.N.G.N. Romgaz S.A. dividend policy

The Company's dividend policy has to comply with *Government Ordinance 64/2001 on profit distribution at fully or majority state-owned national companies and trade companies, as well as at autonomous regies*, as subsequently amended and supplemented, currently providing for a profit distribution rate of 50% as contribution/dividends to the state budget or to the local budget.

Dividend distribution policy shall be influenced by SNGN Romgaz SA business model, in line with the effective legal provisions, namely the company might make different investments from own sources which would impact the profit to be distributed. **The Ministry of Energy, as the public competent authority, will seek to maximise the long-term profit of the company and thus the value of the dividend. The dividend policy will be responsible, prudent and predictable, appropriate to the company's specific situation and respecting its development investment needs.**

VI. Expectations related to communication with governing and management bodies of the public company

SNGN Romgaz SA Board of Directors has the following main reporting responsibilities to the public competent authority:

- Board of Directors Report;
- Annual Audit Report;
- Annual Financial Statements;
- Half Year Board of Directors Report;
- Half Year Accounting Reports;
- Quarterly Reports on the financial-economic activity of the company.

If the members of the Board of Directors have indications that certain events will lead to significant deviations from the performance indicators set out in the Governing Plan, they have the obligation to notify the public competent authority in writing as soon as possible after becoming aware of these indications. Insignificant deviations will be presented and explained in the quarterly reports. The definition of materiality will be made at a later stage.

For transparent communication and information to all stakeholders, good corporate governance practices require that the company's directors conduct transparent business and ensure that all public information required by applicable law is published on the company's website.

VII. Elements related to S.N.G.N. Romgaz SA ethics, integrity and corporate governance

The directors shall exercise their mandates with prudence and diligence, performing all acts necessary for the achievement of the company's business. In carrying out their activities, the directors shall comply with the principles of ethics and integrity referred to in the legislation applicable to companies in general and public companies in particular.

The Board of Directors has to set clear strategic development directions and to make sure that resources are efficiently allocated.

The Board of Directors shall prepare corporate regulations as well as other internal regulations mentioned in the laws on public companies.

The majority of the members of the Board of Directors shall be non-executive directors and independent. Independency criteria are compliant with legal provisions applicable to trade companies.

At least two board members shall have economic studies or studies in the field of law and at least 5 years' experience in the economic, legal, accounting, audit or financial field.

The Board of Directors shall delegate the competencies of managing the Company in accordance with the conditions and limitations provided by law and these Articles of Incorporation.

The Board of Directors shall meet whenever necessary, but at least once every three months. Board meetings shall result in resolutions that shall include all decisions made in the meeting. Organising performance and, as the case may be, carrying out Board resolutions shall be ensured by the company's Chief Executive Officer, the Board of Directors consists of advisory committees. These advisory committees shall meet periodically, at least quarterly and shall prepare quarterly activity reports.

The Board of Directors shall develop corporate and other regulations specifically referred to in the legislation applicable to public companies. From this perspective the future Board of Directors and the Directors are expected to contribute to improving performance, competitiveness and value enhancement of SNGN Romgaz SA by making the best possible use of material, financial and human resources.